SUMMARY CONSOLIDATED INTERIM FINANCIAL REPORT

READYMIX (WEST INDIES) LIMITED

FOR THE SIX MONTHS ENDED JUNE 30, 2017

TCL GROUP
Building a Brighter Future

CONSOLIDATED STATEMENT OF INCOME

TT$'000	UNAUDITED Three Months Apr to June		UNAUDITED Six Months Jan to June		AUDITED Year Jan to Dec
	2017	2016	2017	2016	2016
Continuing Operations					
REVENUE	**36,514**	**38,238**	**72,037**	**71,156**	**139,936**
Earnings before interest, tax, depreciation, gain on disposal of property,plant and equipment and restructuring costs	**5,212**	**2,006**	**8,828**	**2,793**	**10,543**
Depreciation	(1,265)	(1,459)	(2,666)	(3,007)	(6,859)
Gain on disposal of property, plant and equipment	70	–	91	67	67
Stockholding and Inventory restructuring costs	–	(2,568)	–	(2,568)	(2,567)
Manpower restructuring costs	–	–	(187)	–	(10,753)
Operating profit/(loss) from continuing operations	**4,017**	**(2,021)**	**6,066**	**(2,715)**	**(9,569)**
Finance costs – net	(49)	(34)	(197)	(56)	(138)
Profit/(loss) before taxation from continuing operations	3,968	(2,055)	5,869	(2,771)	(9,707)
Taxation	(1,054)	(504)	(1,803)	(414)	785
Profit/(loss) for the period from continuing operations	**2,914**	**(2,559)**	**4,066**	**(3,185)**	**(8,922)**
Discontinued operations:					
Profit/(loss) before taxation from discontinued operations	–	16	–	16	(23)
Profit/(loss) for the period from discontinued operations	**–**	**16**	**–**	**16**	**(23)**
Profit/(loss) for the period	**2,914**	**(2,543)**	**4,066**	**(3,169)**	**(8,945)**
Attributable to:					
Equity holders of the Parent	2,914	(2,550)	4,066	(3,176)	(8,936)
Non-controlling interests	–	7	–	7	(9)
	2,914	**(2,543)**	**4,066**	**(3,169)**	**(8,945)**
Basic and diluted earnings/(loss) per share – Expressed in $ per share:					
From continuing operations	**$0.24**	**$(0.21)**	**$ 0.34**	**$ (0.27)**	**$(0.74)**
From discontinued operations	**$0.00**	**$ 0.00**	**$ 0.00**	**$ 0.01**	**$(0.00)**
	$0.24	**$(0.21)**	**$ 0.34**	**$ (0.26)**	**$(0.74)**

DIRECTORS' STATEMENT

RML's performance in the second quarter of 2017 was mixed. While aggregate sales volume increased by 4% over the 2016 second quarter, concrete sales volume declined by 7%. Combined with declining selling prices, this resulted in a 5% decrease in revenue for the quarter, compared to the corresponding 2016 period. On a more positive note, despite the fall in revenue, the company's adjusted EBITDA (earnings before interest, tax, depreciation, gain on disposals and restructuring costs) increased by $3.2 million or 160%, due in part to the restructuring and cost-saving initiatives implemented in 2016.

Net profit for the second quarter was $2.9 million, compared to a loss of $2.5 million in 2016, following from the improvement in EBITDA. Additionally, the 2016 period included $2.6 million of stockholding and inventory restructuring costs that are not reflected in 2017. Cash generated from operations declined by $1.2 million compared to 2016 due to adverse working capital movement.

Revenue for the six months ended June 30, 2017 was $72.0 million, 1% higher than the prior year period, while adjusted EBITDA of $8.8 million was 216% higher. Net profit was $4.0 million, compared to a loss of $3.2 million in 2016, while cash generated from operations was $10.5 million, a significant improvement over the cash generated from operations in 2016 of negative $2.0 million.

The Group is continuing to leverage the technical expertise and support of CEMEX to: (1) further develop its human talent; (2) strengthen business processes to achieve greater efficiencies; and (3) improve in areas such as mining, health and safety, concrete production and offerings to customers.

Subsequent to the offer made in March 2017 by its immediate parent company, Trinidad Cement Limited (TCL), to acquire all of the issued and outstanding ordinary shares not already held by TCL in Readymix, the Board was advised by TCL that as at May 29, 2017, its total shareholding had increased to 97.23%. On May 31, 2017, RML submitted an application to the Trinidad and Tobago Stock Exchange for delisting of its shares.

Nigel Edwards
Chairman
July 24, 2017

Jose Luis Seijo Gonzalez
Director
July 24, 2017

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

TT$'000	PARENT			NON-CONTROLLING INTERESTS		
	UNAUDITED Six Months Jan to June		AUDITED Year Jan to Dec	UNAUDITED Six Months Jan to June		AUDITED Year Jan to Dec
	2017	2016	2016	2017	2016	2016
Balance at beginning of period	**91,436**	**104,446**	**104,446**	**(4,899)**	**(4,874)**	**(4,874)**
Currency translation gain/(loss)	27	90	(24)	(30)	(124)	(16)
Other comprehensive loss	–	–	(4,050)	–	–	–
Profit/(loss) after taxation	4,066	(3,176)	(8,936)	–	7	(9)
Balance at end of period	**95,529**	**101,360**	**91,436**	**(4,929)**	**(4,991)**	**(4,899)**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

TT$'000	UNAUDITED Three Months Apr to June		UNAUDITED Six Months Jan to June		AUDITED Year Jan to Dec
	2017	2016	2017	2016	2016
Profit/(loss) for the period	**2,914**	**(2,543)**	**4,066**	**(3,169)**	**(8,945)**
Other comprehensive loss not to be reclassified to profit or loss in subsequent periods					
Remeasurement losses on defined benefit plans	–	–	–	–	(6,140)
Income Tax Effect	–	–	–	–	2,090
	–	–	–	–	(4,050)
Other comprehensive loss to be reclassified to profit or loss in subsequent periods					
Exchange differences on translation of foreign operations	(3)	(24)	(3)	(34)	(40)
Total comprehensive income/(loss) for the period net of tax	**2,911**	**(2,567)**	**4,063**	**(3,203)**	**(13,035)**
Attributable to:					
Equity holders of the Parent	2,941	(2,491)	4,093	(3,086)	(13,010)
Non-controlling interests	(30)	(76)	(30)	(117)	(25)
	2,911	**(2,567)**	**4,063**	**(3,203)**	**(13,035)**

CONSOLIDATED STATEMENT OF CASH FLOWS

TT$'000	UNAUDITED Three Months Apr to June		UNAUDITED Six Months Jan to June		AUDITED Year Jan to Dec
	2017	2016	2017	2016	2016
Operating activities					
Profit/(loss) before taxation from continuing operations	3,968	(2,055)	5,869	(2,771)	(9,707)
Profit/(loss) before taxation from discontinued operations	–	16	–	16	(23)
Profit/(loss) before taxation	**3,968**	**(2,039)**	**5,869**	**(2,755)**	**(9,730)**
Adjustment to reconcile profit/(loss) before taxation to net cash generated by operating activities:					
Depreciation	1,265	1,459	2,666	3,007	6,859
Increase in provision for doubtful debts	150	70	300	128	1,101
Stockholding and inventory restructuring costs	–	2,567	–	2,567	2,567
Decrease in provision for obsolete spares	–	–	–	–	(125)
Employee benefits expenses	351	130	702	345	4,111
Other non-cash items	394	–	1,056	–	–
Gain on disposal of long-term assets and other movements	(70)	–	(91)	(67)	(57)
Finance costs – net	51	34	99	56	327
	6,109	2,221	10,601	3,281	5,053
Changes in net current assets					
Decrease in net receivables and prepayments	6,965	3,985	6,319	370	491
Decrease/(increase) in inventories	298	1,298	2,439	(4,836)	(2,305)
(Decrease)/increase in payables and accruals	(10,824)	(3,759)	(8,828)	(813)	9,002
Cash generated by operations	**2,548**	**3,745**	**10,531**	**(1,998)**	**12,241**
Taxation paid	(350)	(911)	(664)	(1,186)	(2,175)
Pension contributions paid	(390)	(512)	(808)	(1,008)	(2,000)
Finance costs paid	(146)	(81)	(236)	(151)	(327)
Net cash generated by/(used in) operating activities	**1,662**	**2,241**	**8,823**	**(4,343)**	**7,739**
Investing activities					
Addtions to property, plant and equipment	(1,841)	(3,563)	(2,718)	(3,887)	(20,282)
Increase/(decrease) in short-term deposits	(4,044)	–	(4,044)	–	4,000
Proceeds from the disposal of property, plant and equipment	–	–	–	67	67
Net cash used in investing activities	**(5,885)**	**(3,563)**	**(6,762)**	**(3,820)**	**(16,215)**
(Derease)/increase in cash and cash equivalents	**(4,223)**	**(1,322)**	**2,061**	**(8,163)**	**(8,476)**
Cash and cash equivalents – beginning of period	**16,614**	**11,965**	**10,330**	**18,806**	**18,806**
Cash and cash equivalents – end of period	**12,391**	**10,643**	**12,391**	**10,643**	**10,330**

SUMMARY CONSOLIDATED INTERIM FINANCIAL REPORT

FOR THE SIX MONTHS ENDED JUNE 30, 2017

READYMIX (WEST INDIES) LIMITED

GROUP
Building a Brighter Future

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

TT$'000	UNAUDITED 30.06.2017	UNAUDITED 30.06.2016	AUDITED 31.12.2016
Non-current assets			
Property, plant and equipment	53,662	38,699	53,936
Receivable and prepayments	2,019	3,218	1,458
Deferred tax assets	5,404	2,405	7,127
	61,085	44,322	62,521
Current assets			
Inventories	12,375	17,155	14,814
Receivables and prepayments	24,286	32,260	31,165
Cash at bank and short-term deposits	53,435	51,643	47,330
	90,096	101,058	93,309
Assets directly associated with the discontinued operations	–	39	–
	90,096	101,097	93,309
Total assets	**151,181**	**145,419**	**155,830**
Equity and liabilities			
Share capital	12,000	12,000	12,000
Reserves	83,529	89,360	79,436
Equity attributable to the Parent	**95,529**	**101,360**	**91,436**
Non-controlling interests	(4,929)	(4,991)	(4,899)
Total equity	**90,600**	**96,369**	**86,537**
Non-current liabilities			
Employee benefits liabilities	15,704	7,163	15,004
Deferred tax liabilities	5,141	4,892	5,768
	20,845	**12,055**	**20,772**
Current liabilities			
Payables and accruals	39,313	36,584	48,100
Liabilities directly associated with the discontinued operations	423	411	421
	39,736	**36,995**	**48,521**
Total equity and liabilities	**151,181**	**145,419**	**155,830**

SEGMENT INFORMATION

TT$'000	Concrete	Aggregates	Total
UNAUDITED SIX MONTHS JAN TO JUNE 2017			
Revenue	47,142	24,895	72,037
Profit before taxation	1,749	4,120	5,869
UNAUDITED SIX MONTHS JAN TO JUNE 2016			
Revenue	51,439	19,717	71,156
(Loss)/profit before taxation	(9,327)	6,572	(2,755)
AUDITED YEAR JAN TO DEC 2016			
Revenue	94,570	45,366	139,936
(Loss)/profit before taxation	(14,521)	4,791	(9,730)

Notes

1. **Basis of Preparation**
The summary consolidated financial statements are prepared in accordance with criteria developed by management. Under management's established criteria, management discloses the summary consolidated statement of financial position, summary consolidated statement of income, summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows.

2. **Accounting Policies**
Accounting policies used in the preparation of these summary consolidated financial statements are consistent with those set out in Note 2 of the December 31, 2016 Audited Consolidated Financial Statements consistently applied from period to period. The Group has adopted all the new and revised accounting standards and interpretations that are mandatory for annual accounting periods beginning on or after January 01, 2017 and which are relevant to the Group's operations.

3. **Earnings Per Share**
Earnings per share (EPS) is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares outstanding during the period.

4. **Segment Information**
The Group derived 66% (2016 - 72%) of its revenue from the sale of pre-mixed concrete and 34% (2016 - 28%) from the sale of aggregates. The Group's Sales strategy is associated with these two product lines, accordingly the segment information is so presented.

5. **Manpower Restructuring Costs**
Manpower restructuring costs mainly comprise severance costs incurred during the implementation of restructuring programmes. The objective of the restructuring programmes is to improve cost efficiency.

6. **Stockholding and Inventory Restructuring Costs**
Stockholding and inventory restructuring costs comprises write down of overstocked items identified in a comprehensive review of inventory quantities on hand which was undertaken in 2016.

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