

SERENDIB LAND PLC

QUARTERLY FINANCIAL STATEMENTS

FOR THE THREE MONTHS PERIOD ENDED JUNE 30, 2017

Registered Office

NO.9/5,THAMBIAH AVENUE
COLOMBO 07.

SERENDIB LAND PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

THREE MONTHS ENDED 30 JUNE 2017

	Un-audited 3 months period ended 30.06.2017 Rs.	Un-audited 3 months period ended 30.06.2016 Rs.	Variance %
Revenue	4,388,850	4,032,000	8.85
Direct Operating Expenses	(262,929)	(262,929)	0.00
Gross profit	4,125,921	3,769,071	9.47
Other Income	464,315	305,718	51.88
Administrative expenses	(502,901)	(289,191)	73.90
Profit from operations	4,087,336	3,785,598	7.97
Profit Before taxation	4,087,336	3,785,598	7.97
Income Tax Expenses	(565,597)	(378,551)	49.41
Net profit for the period	3,521,739	3,407,047	3.37
Other Comprehensive income (OCI)			
(Losses) / gains arising on re-measuring available for sale financial assets	528,283	(650,720)	
Total comprehensive income net of tax	4,050,022	2,756,327	
Earnings per share (Rs.)	9.78	9.46	

*The above figures are provisional & subject to audit
Figures in brackets indicate deductions.*

SERENDIB LAND PLC
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Un-audited As at 30.06.2017 Rs	Un-audited As at 30.06.2016 Rs	Un-audited As at 31.03.2017 Rs
ASSETS			
NON-CURRENT ASSETS			
Investment Property	305,295,000	305,295,000	305,295,000
CURRENT ASSETS			
Trade & Other Receivable	630,665	644,108	875,226
Short Term Investment	16,602,908	12,812,446	11,141,869
Financial assets - Available for sale	5,153,830	3,918,280	4,625,546
Cash & Cash Equivalents	1,849,618	3,212,191	3,558,652
	<u>24,237,021</u>	<u>20,587,024</u>	<u>20,201,294</u>
TOTAL ASSETS	<u>329,532,020</u>	<u>325,882,024</u>	<u>325,496,292</u>
EQUITY AND LIABILITIES			
CAPITAL & RESERVES			
Stated Capital	36,000,000	36,000,000	36,000,000
Retained Earnings	172,226,851	168,798,812	168,698,691
Available for Sales Reserves/(Loss)	(553,874)	(802,620)	(1,082,157)
Other Reserves	95,647,700	95,647,700	95,647,700
Shareholders' fund	<u>303,320,677</u>	<u>299,643,892</u>	<u>299,264,234</u>
NON CURRENT LIABILITIES			
Deferred Tax Liability	23,184,000	23,184,000	23,184,000
	<u>23,184,000</u>	<u>23,184,000</u>	<u>23,184,000</u>
CURRENT LIABILITIES			
Trade & Other Payables	321,252	337,504	230,102
Dividend Payable	2,036,026	674,026	2,036,138
Income Tax Payable	670,066	342,664	535,202
Bank over draft	-	1,699,938	246,616
	<u>3,027,343</u>	<u>3,054,132</u>	<u>3,048,058</u>
TOTAL EQUITY AND LIABILITIES	<u>329,532,020</u>	<u>325,882,024</u>	<u>325,496,292</u>

The above figures are provisional & subject to audit.

These financial statements are in compliance with the requirements of the Companies Act No.07 of 2007.

(Sgd.)Dushyanthi Madampitiya
Chief Financial Officer

Approved and signed for and on behalf of the Board.

(Sgd.)T.Someswaran
Audit Committee Chairman

(Sgd.)S.Nagendra
Chairman

09th Aug 2017
Colombo,

SERENDIB LAND PLC
STATEMENT OF CHANGES IN EQUITY
THREE MONTHS ENDED 30 JUNE 2017

	Stated Capital	Other Reserve	Available for Sale Assets Reserve	Retained Earnings	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at April 1, 2016	36,000,000	95,647,700	(151,900.00)	165,391,766	296,887,566
Net Profit for the Period	-	-	-	3,407,047	3,407,047
Final Dividend	-	-	-	-	-
Other Comprehensive Income	-	-	(650,720)	-	(650,720)
Balance as at June 30, 2016	<u>36,000,000</u>	<u>95,647,700</u>	<u>(802,620)</u>	<u>168,798,813</u>	<u>299,643,893</u>
Balance as at April 1, 2017 (Un-audited)	36,000,000	95,647,700	(1,082,157)	168,705,112	299,270,655
Net Profit for the Period	-	-	-	3,521,739	3,521,739
Final Dividend	-	-	-	-	-
Other Comprehensive Income	-	-	528,283	-	528,283
Balance as at June 30, 2017 (Un-audited)	<u>36,000,000</u>	<u>95,647,700</u>	<u>(553,874)</u>	<u>172,226,851</u>	<u>303,320,677</u>

Figures in brackets indicate deductions.

SERENDIB LAND PLC
CASH FLOW STATEMENT
THREE MONTHS ENDED 30 JUNE 2017

	Cumulative Cash Flows			
	Unaudited 3 Months ended Rs. 30.06.2017	Unaudited 3 Months ended Rs. 30.06.2016	Unaudited 3 Months ended Rs. 30.06.2017	Unaudited 3 Months ended Rs. 30.06.2016
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Taxation	4,087,336	3,785,598	4,087,336	3,785,598
Adjustments for:				
Interest expenses	-	-	-	-
Dividend Income	(27,914)	-	(27,914)	-
Interest Income	(436,401)	(305,718)	(436,401)	(305,718)
Operating Cash flows before working capital changes	<u>3,623,020</u>	<u>3,479,880</u>	<u>3,623,020</u>	<u>3,479,880</u>
(Increase)/ Decrease in receivables	244,561	144,678	244,561	144,678
Increase / (Decrease) in payables	91,037	(1,691,769)	91,037	(1,691,769)
Cash generated from operating activities	<u>3,958,619</u>	<u>1,932,789</u>	<u>3,958,619</u>	<u>1,932,789</u>
Income tax paid	(430,733)	(374,944)	(430,733)	(374,944)
Net cash generated from operating activities	<u>3,527,886</u>	<u>1,557,845</u>	<u>3,527,886</u>	<u>1,557,845</u>
CASH FLOW FROM INVESTING ACTIVITIES				
Interest Received	528,892	310,893	528,892	310,893
Dividend Income	27,914	-	27,914	-
Withdrawal /(Investment)in Short Term Investment	(5,547,109)	(1,181,992)	(5,547,109)	(1,181,992)
(Investment)/Disposal of Shares	-	(936,000)	-	(936,000)
Net cash flow used in investing activities	<u>(4,990,304)</u>	<u>(1,807,099)</u>	<u>(5,018,218)</u>	<u>(1,807,099)</u>
CASH FLOW FROM FINANCING ACTIVITIES				
Dividend Paid	-	-	-	-
Net cash flow used in finance activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Increase / (Decrease) in cash and cash equivalents	(1,462,418)	(249,254)	(1,462,418)	(249,254)
Cash and cash equivalents at the beginning of the period	3,312,036	1,761,508	3,312,036	1,761,508
	<u>1,849,618</u>	<u>1,512,254</u>	<u>1,849,618</u>	<u>1,512,254</u>
<i>Figures in brackets indicate deductions.</i>				
Cash and cash equivalents at the end of the period				
Cash & Cash Equivalents	<u>1,849,618</u>	<u>3,212,192</u>	<u>1,849,618</u>	<u>3,212,192</u>
Bank Overdraft	<u>-</u>	<u>(1,699,938)</u>	<u>-</u>	<u>(1,699,938)</u>
	<u>1,849,618</u>	<u>1,512,254</u>	<u>1,849,618</u>	<u>1,512,254</u>

SERENDIB LAND PLC
NOTES TO THE FINANCIAL STATEMENTS

01. Corporate information

Serendib Land PLC is a limited liability company listed in the Colombo Stock Exchange and domiciled in Sri Lanka. The Registered Office of the Company is located at No.9/5, Thambiah Avenue, Colombo 07.

02. Basis of Preparation

The interim financial statements have been prepared in accordance with Sri Lanka Accounting Standard-LKAS 34 Interim Financial Reporting. These interim condensed financial statements should be read in conjunction with the annual financial statements for the year ended 31st March 2017. The financial statements provide information as required in terms of Rule 7.4 of the Colombo Stock Exchange.

The financial statements are provisional and subject to audit.

The interim financial statements have been prepared on a historical cost basis except for financial instruments.

The interim financial statements are presented in Sri Lankan rupees and all values are rounded to the nearest thousand except when otherwise indicated.

03 Significant Accounting Policies

The accounting policies adopted for the current interim period are consistent with those of the previous financial year (2015/2016) except as described below.

4.1 Financial Instruments

As required by Sri Lanka Accounting Standards LKAS 39 *Financial Instruments ; Recognition and Measurements*, trade receivables, cash and cash equivalents, investments in quoted public companies, trade payables, bank borrowings and intercompany loans are recognized as financial instruments.

4.1.1 Available for sale financial assets

Available for sale (AFS) financial assets are recognized at fair value ,subsequently measured at fair value ,with changes recognized in other comprehensive income (OCI) . If there is significant and prolong decline in fair value ,such decline is identified as impairment. impairment losses shall be recognized in the profit or loss. Any cumulative losses recognized in the OCI shall be recycled to the profit or loss.

According to LKAS 39, long term investments (Investments in quoted shares) are classified as Available for sale (AFS) financial assets.

4.1.2 Financial assets at fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is classified as held for trading. Financial assets at fair value through profit or loss are measured at fair value , and changes therein are recognized in profit or loss.

Short term investments are classified as FVTPL financial assets.

05. There were no material contingent liabilities as at 30 June 2017.

06. No circumstances have arisen since the Balance Sheet date, Which would require adjustments or disclosure in the financial statements.

SHAREHOLDERS' INFORMATION

	Un-audited 30.06.2017 Rs.	Un-audited 31.03.2017 Rs.
Earnings per Ordinary Share (Rs.)	9.78	34.52
Net Assets per Share (Rs.)	842.56	831.29
Debt/Equity Ratio (%)	-	-
Current Ratio (Times)	8.01	6.63

SERENDIB LAND PLC

ADDITIONAL INFORMATION FOR THE QUARTERLY STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 30 JUNE 2017

1. Share Information

Information pertaining to the shares traded during the Quarter ended 30 June 2017, extracted from the website of the Colombo Stock Exchange, is set out below:

Period	2017-2	2016-2
Date High	15-Jun-17	6-Apr-16
High Rs.	1,849.00	1,999.00
Date Low	16-May-17	21-Jun-16
Low Rs.	1,300.00	1,300.00
Close Rs.	1,481.70	1,661.20
Trade Vol.	95	69
Share Vol.	591	383
Turn Over Rs.	836,977.70	646,748.60
Last traded Date	20-Jun-17	29-Jun-16
Days Traded	16	15

Directors' Shareholding

	As at 30.06.2017	As at 30.06.2016
Mr. S. Nagendra	257	257
Dr. (Ms.) Y. Ponnambalam	-	-
Mr. Gajendrakumar G. Ponnambalam	-	-
Dr. (Ms.) M.Ponnambalam	-	-
Dr. B. Sivaprakasapillai	-	-
Dr. (Ms.) V. Sivaprakasapillai	30,267	30,267
Mr. Ramesh Schaffter - (Nominee Director)	-	-
Dr. J. M. Swaminathan	-	-
Mr. T Someswaran	-	-
Total Number of Shareholders	288	268
Total number of shares of the company	360,000	360,000
Number of Public Shareholders As at 30 June 2017	282	262

The Public Holding Percentage

As at 30 June, 2017, the public holding of the Company was 14.72% .

However, as per the new Listing Rules of the Colombo Stock Exchange the Company is required to maintain;

i. a minimum public holding of 20% of its total Ordinary voting Shares in the hands of a minimum of 750 public shareholders; or

ii. a market capitalization of Rs.5,000,000,000/- of its public holding in the hands of a minimum number of 500 public shareholders whilst maintaining a minimum public holding of 10%.

As stipulated in the said Listing Rules the Company is also required to have 15% of its total Ordinary voting Shares in the hands of a minimum number of 500 public shareholders on or before 30 June, 2017 and bring the public holding to 20% on or before 30 June, 2017.(The company has obtained an extension from the Colombo Stock Exchange.)

The Company is in the process of determining the best course of action to be adopted in order to comply with the aforesaid requirement and company has obtained an extension to carryout the best course of action.

By a letter dated 20th June, 2017, Serendib Land PLC (the Company), made a formal request from the Securities and Exchange Commission of Sri Lanka (the SEC) for an extension of time to comply with Rule 7.13.6 of the Listing Rules of the Colombo Stock Exchange (CSE). In response thereto the SEC by their letter dated 30th June, 2017 formally informed the Company of having enforced the Revised Rules on Minimum Public Holding applicable to all listed entities.

Accordingly, the Company acknowledges that under and in terms of the enforcement policy approved by the SEC listed entities that are non-compliant as at 30th June, 2017 shall be transferred to “Watch List” (Default Board) of the CSE upon the expiry of 12 months (i.e.30th June 2018), unless compliance is restored prior to such date. In the interim all listed entities that are so noncompliant are obliged to make a certain market announcements on an ongoing basis.

Accordingly, Serendib Land PLC being an entity that is currently listed on the Main Board of the CSE, is not in compliance with the Minimum Public Holding Requirement specified in Rule 7.13.1(a) of the Listing Rules of the CSE.

2. 20 Largest Shareholders

20 Major Shareholders	30.06.2017	
	Shares	%
Gee Gees Properties (Pvt) Ltd.	76,735	21.32
Gitanjali Gajaluckshmi (Pvt) Ltd.	76,697	21.30
Gitanjali Group (Pvt) Ltd.	67,992	18.89
Janashakthi General Insurance Ltd. - A/C No. 3	55,054	15.29
Dr (Mrs) V. Sivaprakasapillai	30,267	8.41
AIA Insurance Lanka PLC – A/C No.3	25,714	7.14
Mr. O. D. Liyanage	4,033	1.12
Mrs. S. Z. Ossman	2,200	0.61
Mr. A. Saverimuttu	2,000	0.56
Ossman Associates (Pvt) Ltd	1,779	0.49
Ms. N. Gunatilleke	1,499	0.42
Mr. G.C.W. De Silva (Deceased)	1,212	0.34
Mr. K. T. Wickremaratne	750	0.21
Colombo Investment Trust PLC	642	0.18
DR. M.S.P. Wijenayake	555	0.15
Mr. G C Goonetilleke	540	0.15
Mr. A. L. Weerasinghe	534	0.15
Mrs. A. N. De Mel	534	0.15
Mrs. E. Shinya	514	0.14
Dr. B. G. S. De Silva	514	0.14