

**VALLIBEL ONE PLC**  
**INTERIM FINANCIAL STATEMENTS**

**Vallibel | ONE**

**FOR THE SIX MONTHS PERIOD ENDED 30TH SEPTEMBER 2018**

**VALLIBEL ONE PLC**  
STATEMENT OF FINANCIAL POSITION

As at	Company		Group	
	30.09.2018	31.03.2018	30.09.2018	31.03.2018
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>ASSETS</b>				
Cash and Bank	10,863	9,838	7,097,306	7,384,584
Financial Assets - Fair Value Through Profit or Loss	53,772	65,046	98,104	118,234
Loans and Receivable	-	-	41,973,435	39,894,276
Lease Rentals receivables and Stock out on hire	-	-	64,988,823	62,489,686
Financial Assets - Available for Sales	9,590,871	11,618,686	9,652,693	11,694,856
Other Financial Assets	350,000	718,943	10,757,243	7,918,184
Trade and Other Receivables	34,177	67,051	6,536,533	6,843,603
Other Non Financial Assets	-	-	2,217,644	1,892,176
Investments in Subsidiaries	19,498,390	19,318,390	-	-
Investment in Associate	405,891	405,891	584,241	618,392
Amounts Due From Related Parties	722,125	215,625	-	-
Deferred Tax Assets	-	-	14,685	14,686
Income Tax Recoverable	476	4,219	196,484	136,771
Inventories	-	-	14,778,578	12,552,520
Intangible Assets	-	-	12,944,451	12,983,839
Investment property	-	-	1,287,007	1,287,007
Leasehold rights Over Mining Lands	-	-	5,645	6,536
Biological Assets	-	-	2,754,300	2,712,627
Property, Plant and Equipment	37,343	29,219	40,156,826	37,479,880
Assets Classified as Held for Sale	-	-	114,955	145,007
<b>Total Assets</b>	<b>30,703,907</b>	<b>32,452,909</b>	<b>216,158,952</b>	<b>206,172,864</b>
<b>LIABILITIES</b>				
Due to Banks	35,003	63,243	25,874,058	25,693,372
Due to Customers	-	-	77,970,399	72,946,011
Interest Bearing Loans and Borrowings	1,000,000	1,000,000	27,667,560	22,601,387
Trade and Other Payables	2,821	6,007	4,752,872	5,389,102
Other Financial Liabilities	-	-	1,374,032	2,192,470
Other Non Financial Liabilities	-	-	1,793,783	853,165
Dividend Payable	9,440	9,456	59,133	208,563
Employee Benefit Liabilities	6,764	5,976	1,553,355	1,478,707
Income Tax Liabilities	7,727	17,198	1,211,985	937,287
Deferred Tax Liabilities	1,280	1,280	5,441,817	5,391,524
Liabilities Directly Associated with the Assets Classified as Held for Sale	-	-	16,079	18,822
<b>Total Liabilities</b>	<b>1,063,035</b>	<b>1,103,160</b>	<b>147,715,073</b>	<b>137,710,410</b>
<b>Shareholders' Funds</b>				
<b>Equity Attributable to Equity Holders of the Parent</b>				
Stated Capital	27,163,984	27,163,984	27,163,984	27,163,984
Reserves	2,476,888	4,185,765	20,181,595	20,726,930
	29,640,872	31,349,749	47,345,579	47,890,914
<b>Non Controlling Interest</b>	-	-	21,098,301	20,571,539
<b>Total Equity</b>	<b>29,640,872</b>	<b>31,349,749</b>	<b>68,443,880</b>	<b>68,462,453</b>
<b>Total Equity and Liabilities</b>	<b>30,703,907</b>	<b>32,452,909</b>	<b>216,158,952</b>	<b>206,172,864</b>

Net Asset Per Share (Rs.) 27.28 28.85 43.57 44.08

These Financial Statements are in Compliance with the requirements of Companies Act No. 07 of 2007.

Sgd.  
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these Financial Statements. Signed for and on behalf of the board by,

Sgd.  
Director  
14/11/2018

Sgd.  
Director

**VALLIBEL ONE PLC**  
STATEMENT OF INCOME

For the Period ended 30th September	Company					Group				
	2018 Quarter	2017 Quarter	2018 Cumulative	2017 Cumulative	Variance %	2018 Quarter	2017 Quarter	2018 Cumulative	2017 Cumulative	Variance %
	Rs.'000	Rs.'000	Rs.'000	Rs.'000		Rs.'000	Rs.'000	Rs.'000	Rs.'000	
Revenue	-	-	-	-	-	15,879,127	14,645,752	30,219,588	27,646,197	9
Cost of Sales	-	-	-	-	-	(9,131,373)	(8,367,584)	(17,260,838)	(15,948,801)	(8)
<b>Gross Profit</b>	-	-	-	-	-	6,747,754	6,278,167	12,958,750	11,697,396	11
Dividend Income	(0)	130	390,570	459,499	(15)	3,488	2,481	4,247	20,397	(79)
Other Operating Income	53,908	26,571	98,194	63,945	54	161,670	91,109	282,945	194,545	45
Administrative Expenses	(57,946)	(50,655)	(117,383)	(91,297)	(29)	(2,355,404)	(1,979,786)	(3,824,875)	(3,254,085)	(18)
Distribution Expenses	-	-	-	-	-	(1,047,334)	(918,638)	(2,756,912)	(2,388,365)	(15)
Other Operating Expenses	(1,735)	-	(11,275)	-	(100)	(361,895)	(187,354)	(682,749)	(260,844)	(162)
Gold Loan Auction Losses	-	-	-	-	-	1,316	40	863	(430)	301
<b>Results from Operating Activities</b>	<b>(5,773)</b>	<b>(23,954)</b>	<b>360,107</b>	<b>432,147</b>	<b>(17)</b>	<b>3,149,594</b>	<b>3,286,020</b>	<b>5,982,269</b>	<b>6,008,614</b>	<b>(0)</b>
Finance Cost	(28,457)	-	(58,301)	(759)	(7585)	(644,650)	(473,829)	(1,227,534)	(902,153)	(36)
Finance Income	14,969	46,133	35,567	98,059	(64)	38,743	98,893	90,950	201,861	(55)
<b>Net Finance Income/(Cost)</b>	<b>(13,488)</b>	<b>46,133</b>	<b>(22,734)</b>	<b>97,300</b>	<b>(123)</b>	<b>(605,907)</b>	<b>(374,935)</b>	<b>(1,136,584)</b>	<b>(700,292)</b>	<b>(62)</b>
Share of Results of Equity Accounted Investees	-	-	-	-	-	1,928	(3,805)	(1,109)	(4,311)	(74)
<b>Profit Before Tax on Financial Services</b>	<b>(19,261)</b>	<b>22,179</b>	<b>337,372</b>	<b>529,447</b>	<b>(36)</b>	<b>2,545,615</b>	<b>2,907,280</b>	<b>4,844,576</b>	<b>5,304,011</b>	<b>(9)</b>
Tax on Financial Services	-	-	-	-	-	(408,184)	(311,740)	(791,950)	(607,320)	(30)
<b>Profit Before Tax</b>	<b>(19,261)</b>	<b>22,179</b>	<b>337,372</b>	<b>529,447</b>	<b>(36)</b>	<b>2,137,430</b>	<b>2,595,540</b>	<b>4,052,626</b>	<b>4,696,691</b>	<b>(14)</b>
Income Tax Expense	(10,137)	(12,894)	(18,434)	(27,433)	33	(876,239)	(925,566)	(1,705,565)	(1,592,295)	(7)
<b>Profit/(Loss) for the Period from Continuing Operation</b>	<b>(29,398)</b>	<b>9,285</b>	<b>318,938</b>	<b>502,014</b>	<b>(36)</b>	<b>1,261,192</b>	<b>1,669,974</b>	<b>2,347,061</b>	<b>3,104,396</b>	<b>(24)</b>
<b>Discontinued Operation</b>										
Profit/(Loss) After Tax for the Period from Discontinued Operations	-	-	-	-	-	(3,526)	399	(7,118)	(12,403)	43
<b>Net Profit for the Period</b>	<b>(29,398)</b>	<b>9,285</b>	<b>318,938</b>	<b>502,014</b>	<b>(36)</b>	<b>1,257,665</b>	<b>1,670,372</b>	<b>2,339,943</b>	<b>3,091,993</b>	<b>(24)</b>
<b>Attributable to :</b>										
Equity Holders of the Parent	(29,398)	9,285	318,938	502,014	(36)	786,088	805,516	1,477,331	1,628,940	(9)
Non - Controlling Interests	-	-	-	-	-	471,577	864,856	862,612	1,463,053	(41)
	<b>(29,398)</b>	<b>9,285</b>	<b>318,938</b>	<b>502,014</b>	<b>(36)</b>	<b>1,257,665</b>	<b>1,670,372</b>	<b>2,339,943</b>	<b>3,091,993</b>	<b>(24)</b>
Earnings Per Share (Rs.)	(0.03)	0.01	0.29	0.46		0.72	0.74	1.36	1.50	

**VALLIBEL ONE PLC**  
STATEMENT OF COMPREHENSIVE INCOME

For the Period ended 30th September	2018	2017	2018	2017	Variance %	2018	2017	2018	2017	Variance %
	Quarter	Quarter	Cumulative	Cumulative		Quarter	Quarter	Cumulative	Cumulative	
	Rs.'000	Rs.'000	Rs.'000	Rs.'000		Rs.'000	Rs.'000	Rs.'000	Rs.'000	
<b>Net Profit for the Period</b>	(29,398)	9,285	318,938	502,014	(36)	1,257,665	1,670,372	2,339,943	3,091,993	(24)
<b>Other comprehensive Income</b>										
<b>To be Reclassified to Profit or Loss in Subsequent Period</b>										
Net Gain/(Loss) on Available for Sale Financial Assets	(2,526,524)	539,441	(2,027,815)	1,417,351	-243	(2,530,365)	544,928	(2,042,051)	1,435,556	(242)
Exchange Difference on Translation of Foreign Operations	-	-	-	-	-	(2,562)	1,881	(12,422)	4,082	(404)
<b>Not to be Reclassified to Profit or Loss in Subsequent Period</b>										
Actuarial Loss on Defined Benefit Plans	-	-	-	-	-	(8,314)	-	(16,627)	-	-
<b>Other Comprehensive Income for the Period, Net of Tax</b>	(2,526,524)	539,441	(2,027,815)	1,417,351	(243)	(2,541,241)	546,809	(2,071,100)	1,439,638	(244)
<b>Total Comprehensive Income for the Period, Net of Tax</b>	<b>(2,555,922)</b>	<b>548,727</b>	<b>(1,708,877)</b>	<b>1,919,365</b>	<b>(189)</b>	<b>(1,283,576)</b>	<b>2,217,182</b>	<b>268,843</b>	<b>4,531,631</b>	<b>(94)</b>
<b>Total Comprehensive Income Attributable to :</b>										
Equity Holders of the Parent	(2,555,922)	548,727	(1,708,877)	1,919,365	(189)	(1,749,591)	1,349,590	(577,422)	3,060,452	(119)
Non - Controlling Interests	-	-	-	-	-	466,015	867,592	846,265	1,471,179	(42)
	<b>(2,555,922)</b>	<b>548,727</b>	<b>(1,708,877)</b>	<b>1,919,365</b>	<b>(189)</b>	<b>(1,283,576)</b>	<b>2,217,182</b>	<b>268,843</b>	<b>4,531,631</b>	<b>(94)</b>

**VALLIBEL ONE PLC**  
STATEMENT OF CHANGES IN EQUITY- COMPANY

For the Period ended 30th September	Stated Capital Rs.'000	Available for Sale Reserve Rs.'000	Retained Earnings/ (Losses) Rs.'000	Total Rs.'000
<b>Balance as at 01st April 2017</b>	27,163,984	400,218	1,459,286	29,023,488
Profit for the Period	-	-	502,014	502,014
Other Comprehensive Income	-	1,417,351	-	1,417,351
Dividend Paid	-	-	(543,280)	(543,280)
<b>Balance as at 30th September 2017</b>	<u>27,163,984</u>	<u>1,817,569</u>	<u>1,418,021</u>	<u>30,399,574</u>
<b>Balance as at 01st April 2018</b>	27,163,984	2,115,335	2,070,430	31,349,749
Profit for the Period	-	-	318,938	318,938
Other Comprehensive Income	-	(2,027,815)	-	(2,027,815)
<b>Balance as at 30th September 2018</b>	<u>27,163,984</u>	<u>87,520</u>	<u>2,389,368</u>	<u>29,640,872</u>

**VALLIBEL ONE PLC**  
STATEMENT OF CHANGES IN EQUITY - GROUP

For the period ended 30th September Rs.'000	Stated Capital	Treasury Shares	Capital Reserve Fund	Other Component of Equity			Revenue Reserve		Hedge Reserve	Actuarial Gain/ (Loss) Reserve	Shareholder's Fund	Non Controlling Interest	Total Equity
				Available for Sale Reserve	Foreign Currency Translation Reserve	Revaluation Reserve	General Reserve	Retained Earnings					
				Rs.	Rs.	Rs.	Rs.	Rs.					
<b>Balance as at 01st April 2017</b>	27,163,984	(44,112)	2,216,947	414,490	1,798	2,196,687	578,449	9,040,751	12,578	-	41,581,572	18,930,699	60,512,271
Profit for the Period	-	-	-	-	-	-	-	1,628,940	-	-	1,628,940	1,463,053	3,091,993
<b>Other Comprehensive Income</b>													
Exchange Difference on Translation of Foreign Operations	-	-	-	-	2,284	-	-	-	-	-	2,284	1,798	4,082
Net Gain/(Loss) on Available for Sale Financial Assets	-	-	-	1,429,228	-	-	-	-	-	-	1,429,228	6,328	1,435,556
<b>Total Other Comprehensive Income</b>	-	-	-	1,429,228	2,284	-	-	-	-	-	1,431,513	8,125	1,439,638
Effect on Change in Holding	-	-	-	-	-	-	-	(9,054)	-	-	(9,054)	(91,295)	(100,349)
Transfers	-	-	378,197	-	-	-	-	(378,197)	-	-	-	-	-
Dividend Paid	-	-	-	-	-	-	-	(542,819)	-	-	(542,819)	(434,742)	(977,561)
<b>Balance as at 30th September 2017</b>	27,163,984	(44,112)	2,595,144	1,843,718	4,082	2,196,687	578,449	9,739,621	12,578	-	44,090,151	19,875,841	63,965,992
<b>Balance as at 01st April 2018</b>	27,163,984	(44,112)	3,067,091	2,134,671	7,073	3,851,714	578,449	11,189,707	(57,664)	-	47,890,914	20,571,539	68,462,453
Profit for the Period	-	-	-	-	-	-	-	1,477,331	-	-	1,477,331	862,612	2,339,943
<b>Other Comprehensive Income</b>													
Exchange Difference on Translation of Foreign Operations	-	-	-	-	(8,368)	-	-	-	-	-	(8,368)	(4,054)	(12,422)
Net Gain/(Loss) on Available for Sale Financial Assets	-	-	-	(2,037,078)	-	-	-	-	-	-	(2,037,078)	(4,973)	(2,042,051)
Actuarial Gain/(Loss) on Retirement benefit obligations	-	-	-	-	-	-	-	-	(9,307)	-	(9,307)	(7,320)	(16,627)
<b>Total other Comprehensive Income</b>	-	-	-	(2,037,078)	(8,368)	-	-	-	(9,307)	-	(2,054,753)	(16,347)	(2,071,100)
Transfers	-	-	478,047	-	-	-	-	(478,047)	-	-	-	-	-
Acquisition of Non controlling interest	-	-	-	-	-	-	-	32,088	-	-	32,088	(34,943)	(2,855)
Dividend Paid	-	-	-	-	-	-	-	-	-	-	-	(284,561)	(284,561)
<b>Balance as at 30th September 2018</b>	27,163,984	(44,112)	3,545,138	97,593	(1,295)	3,851,714	578,449	12,221,079	(66,971)	-	47,345,579	21,098,301	68,443,880

**VALLIBEL ONE PLC**  
**CASH FLOW STATEMENT**

For the Period ended

**CASH FLOWS FROM OPERATING ACTIVITIES**

	Company		Group	
	30.09.2018	30.09.2017	30.09.2018	30.09.2017
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Net Profit/ (Loss) before Taxation	337,372	529,447	4,052,626	4,696,691
Profit/ (Loss) Before Tax from Discontinued Operations	-	-	(7,118)	(12,403)

**ADJUSTMENTS FOR**

Profit / Loss on sale of Property, Plant & equipment	-	-	(6,431)	(14,934)
Depreciation	4,998	5,193	1,033,849	838,804
Change in fair value of Biological Assets	-	-	(4,766)	(6,407)
Amortization of Capital Grants	-	-	(4,168)	(2,523)
Provision For Fall in Value of Investments	11,275	(9,920)	42,847	(19,544)
Amortization	-	-	43,652	41,730
Impairment of Loans	-	-	595,823	196,253
Share of results of Equity Accounted Investees	-	-	1,109	4,311
Net (Gain) / Loss on Foreign Exchange	-	(85)	42,643	3,916
Provision For Defined Benefit Plan Costs	788	-	120,571	105,164
Provision for Inventory	-	-	45,025	10,184
Dividend Income	-	-	(4,247)	(17,817)
Finance Cost	58,301	759	1,209,933	428,324
Finance Income	(35,567)	(97,974)	(603,666)	(132,874)

**Operating Profit/ (Loss) Before Working Capital Changes**

(Increase)/Decrease in Loans and Advances	-	150,000	(2,079,159)	(2,268,820)
(Increase)/Decrease in Trade & Other Debtors, Deposits & Prepayments	3,942	97,983	307,070	80,109
(Increase)/Decrease in Other Financial Assets	368,943	128,289	(2,839,059)	(1,379,533)
(Increase)/Decrease in Lease Rental Receivable	-	-	(2,499,137)	(3,782,048)
(Increase)/Decrease in Other Non Financial Assets	-	-	(325,468)	(957,998)
Increase/(Decrease) in Due to Banks	-	-	(4,866,096)	(3,393,108)
Increase/(Decrease) in Due to Customers	-	-	5,024,388	8,153,218
Increase/(Decrease) in Trade & Other Payables	(1,981)	(420)	(636,230)	127,102
(Increase)/Decrease in Other Financial Liabilities	-	-	(818,438)	(414,333)
Increase/(Decrease) in Other Non Financial Liabilities	-	-	937,874	389,119
(Increase)/Decrease in Inventories	-	-	(2,226,058)	(1,414,668)
Increase/(Decrease) in Assets Held For Sale	-	-	30,052	(73,105)
(Increase)/Decrease in Amounts Due from Related Companies	(506,501)	(143,274)	-	-

**Cash Generated from Operations**

Retirement Benefits Liabilities Paid	-	-	(45,922)	(116,096)
Interest Received	68,243	112,179	591,510	132,874
Finance Cost Paid	(59,505)	(2,432)	(1,199,254)	(428,324)
Income Tax Paid	(27,905)	(31,812)	(1,486,999)	(1,730,485)
<b>Net Cash from/(Used in) Operating Activities</b>	<b>222,403</b>	<b>737,933</b>	<b>(5,573,244)</b>	<b>(957,221)</b>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of Property, Plant & Equipment	(13,122)	(796)	(3,713,540)	(2,862,945)
Proceeds from Sale of Property, Plant & Equipment	-	-	9,227	551,898
Cost of Bearer Biological Assets	-	-	(36,907)	(37,967)
Net Proceeds of Fair Value Through Profit and Loss Financial Assets	-	-	(1,267)	(1,108)
Increase the Stake of Subsidiary	(180,000)	(171,500)	-	-
Acquisition of Non Controlling Interest	-	-	(2,855)	(100,349)
Dividend Received	-	-	4,247	17,817
Proceeds from leasehold right on Mining	-	-	-	1,666
<b>Net Cash used in Investing Activities</b>	<b>(193,122)</b>	<b>(172,770)</b>	<b>(3,744,468)</b>	<b>(2,445,042)</b>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds from Interest Bearing Loans & Borrowings	-	(400,000)	12,796,419	5,546,226
Repayment of Interest Bearing Loans & Borrowings	-	-	(4,527,188)	(1,041,657)
Capital Grant Received	-	-	-	2,199
Dividend Paid	(16)	(540,361)	(284,561)	(941,262)
<b>Net Cash from Financing Activities</b>	<b>(16)</b>	<b>(940,361)</b>	<b>7,984,670</b>	<b>3,565,507</b>

**Net Increase / (Decrease) in Cash & Cash Equivalents**

<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>29,265</b>	<b>(375,198)</b>	<b>(1,333,042)</b>	<b>163,244</b>
<b>Cash and Cash Equivalents at the beginning of the Period</b>	<b>(53,405)</b>	<b>399,208</b>	<b>3,243,894</b>	<b>1,485,247</b>
<b>Cash and Cash Equivalents at the end of the Period</b>	<b>(24,140)</b>	<b>24,011</b>	<b>1,910,852</b>	<b>1,648,492</b>

**VALLIBEL ONE PLC**  
NOTES TO THE FINANCIAL STATEMENTS

- 1 Financial year of the company ends on 31st March.
- 2 The above figures are provisional & subject to audit.
- 3 Number of fully paid ordinary shares as at 30th September 2018 is 1,086,559,353 (31st March 2018- 1,086,559,353).
- 4 There has not been a significant change in the nature of the contingent liabilities which were disclosed in the Annual Report for the year ended 31st March 2018
- 5 The Consolidated Financial Statements of the Company for the Period ended 30th September 2018 comprise of the Company , its Subsidiaries and Associates. The details of Subsidiaries and Associates are as follows:

**Subsidiary Companies**

Royal Ceramics Lanka PLC  
L B Finance PLC  
Greener Water Ltd  
Delmege Limited

**Associate Companies**

The Fortress Resorts PLC

**6 Basis of Preparation**

The Consolidated and Separate Financial Statements have been prepared in accordance with Sri Lanka Accounting Standards comprising SLFRS and LKAS as issued by the institute of Chartered Accountants of Sri Lanka. Further these Interim Financial Statements have been prepared in compliance with the requirements of LKAS 34 on 'Interim Financial Reporting'.

**7 Significant Accounting Policies**

The changes to accounting policies which have been disclosed in the company's Annual Report 2017/18, have been applied consistently to all periods presented in these Interim Financial Statements.

The presentation and classification of the financial statements of the previous period have been amended, where relevant, for better presentation and to be comparable with those of the current period.

**8 Related Party Transactions**

For the Period ended 30th September	<b>2018</b>	<b>2017</b>
	<b>Rs.'000</b>	<b>Rs.'000</b>
<b>Subsidiaries</b>		
Technical Fee - Income Recognized	98,194	54,025
Fund Transfers	478,134	143,274
Net Investment Through Equity Shares	180,000	171,500
Dividend Income	370,593	441,553
Purchase of Goods and Services	250	96
<b>Associates</b>		
Dividend Income	19,977	-
<b>Key management personnel (KMP)</b>		
Directors Remuneration	11,192	5,596
<b>Companies controlled / jointly controlled / significantly Influenced by KMP and their close family members</b>		
Investment in Fixed Deposits	1,718,667	2,016,851
Withdrawal of Fixed Deposits	2,087,610	2,145,140
Interest Income	35,567	97,974
Dividend Income	-	16,369
Purchase of Goods & Services	38	6
Operating Expenses Incurred on behalf of Company	145	290
Reimbursement of Operating Expenses Incurred on behalf of Company	1,240	1,629

**VALLIBEL ONE PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**

**9 Change in Accounting Policy**

The Group has changed its Accounting Policy in relation to Accounting for Investment Property by changing from cost model to Fair Value model according to LKAS 40. Retrospective adjustments have been made according to LKAS 8 Accounting Policies, Changes in Accounting Estimates & Errors to reflect the change in accounting policy in the financial statements.

The fair value of freehold land and buildings were determined by P.B Kalugalagedara and Associates an independent professionally qualified valuer (Valuation report dated 31 March 2018). The basis of valuation is the Direct Capital Comparison Method using the depreciated value of buildings and Current Open Market Value of land.

The Total effect to the financial statements of the Group is summarised below.

	<b>Previously Reported Amount Rs.000's</b>	<b>Adjustment Amount Rs.000's</b>	<b>Restated Amount Rs.000's</b>
<b>Statement of Financial Position</b>			
<b>Investment Property</b>			
Balance as at 1st April 2017	238,024	467,976	706,000
Balance as at 30th September 2017	237,679	468,321	706,000
<b>Retained Earnings</b>			
Balance as at 1st April 2017	8,810,680	230,071	9,040,751
Balance as at 30th September 2017	9,509,550	230,071	9,739,621
<b>Non Controlling Interest</b>			
Balance as at 1st April 2017	18,692,794	237,905	18,930,698
Balance as at 30th September 2017	19,637,936	237,905	19,875,841

**VALLIBEL ONE PLC**  
NOTES TO THE FINANCIAL STATEMENTS

**10 Discontinued Operations**

**Delmege Coir (Private) Limited**

On 12th February 2018, the Board of Directors of Delmege Limited took a decision to cease the operations of Delmege Coir (Private) Limited and to dispose of the assets thereof. Further, the company is available for immediate sale in its current condition and the actions to complete the sale were initiated. Delmege Forsyth & Co. (Exports) Ltd owns 60% and ESNA Exports (Pvt) Ltd owns 40% of Delmege Coir (Private) Limited and both shareholders are incorporated in Sri Lanka. It was engaged in the business of manufacturing and export of Coir. The results of Delmege Coir (Private) Limited for the year is presented below:

**Ever Paint and Chemical Industries (Private) Limited ("EPCI")**

On 25th July 2016, the Board of Directors of Royal Ceramics Lanka PLC took a decision to cease the operations of Ever Paint and Chemical Industries (Private) Limited ("EPCI") and to dispose of the assets thereof. EPCI is a fully owned subsidiary of Royal Ceramics Lanka PLC and it was engaged in the business of manufacturing and marketing of paints and allied products.

**10.1** The results of Delmege Coir (Private) Limited and EPCI for the Period :

	<b>Delmege Coir (Private) Limited</b>		<b>Ever Paint and Chemical Industries (Private) Limited ("EPCI")</b>	
	<b>2018 Rs.'000</b>	<b>2017 Rs.'000</b>	<b>2018 Rs.'000</b>	<b>2017 Rs.'000</b>
<b>Revenue</b>	-	79,348	3,562	1,297
Cost of Sales	-	(72,079)	(5,127)	(2,362)
<b>Gross Profit</b>	-	7,269	(1,565)	(1,065)
Finance Income	-	-	-	-
Other Income and Gains	-	749	(14)	8,259
Selling and Distribution Costs	84	(2,589)	(1,055)	(5,502)
Administrative Expenses	(2,045)	(8,676)	(538)	(10,767)
Other Operating Expenses	-	-	-	-
Finance Cost	(1,985)	(2,682)	-	(3,328)
<b>Loss for the year from discontinued operations</b>	<b>(3,946)</b>	<b>(5,929)</b>	<b>(3,172)</b>	<b>(12,403)</b>
Loss from discontinued operations (Group) for the period ended 30th September 2018				<b>(7,118)</b>

**10.2** The major classes of assets and liabilities is classified as held for sale as at the end of the Period:

	<b>Delmege Coir (Private) Limited</b>		<b>Ever Paint and Chemical Industries (Private) Limited</b>	
	<b>2018 Rs.'000</b>	<b>2017 Rs.'000</b>	<b>2018 Rs.'000</b>	<b>2017 Rs.'000</b>
<b>Assets</b>				
Property, Plant and Equipment	26,282	-	44,773	57,449
Inventories	8,715	-	13,769	28,519
Trade and Other Receivables	2,371	-	6,898	17,339
Cash and Cash Equivalents	624	-	849	165
Assets Held for Sale	37,992	-	66,290	103,472
<b>Current Liabilities</b>				
Trade and Other Payables	(7,979)	-	(8,100)	(8,344)
Interest Bearing Loans & Borrowings	-	-	-	(19,815)
Retirement Benefit Liability	-	-	-	(2,210)
Liabilities Directly Associated with the Assets Held for Sale	(7,979)	-	(8,100)	(30,369)
<b>Net Assets Directly Associated with Disposal Group</b>	<b>30,013</b>	<b>-</b>	<b>58,191</b>	<b>73,103</b>

**VALLIBEL ONE PLC**  
NOTES TO THE FINANCIAL STATEMENTS

**10 Discontinued Operations (Contd...)**

**10.3** The net cash flows incurred by Delmege Coir (Private) Limited and Ever Paint and Chemical Industries (Private) Limited are as follows:

	<b>Delmege Coir (Private) Limited</b>		<b>Ever Paint and Chemical Industries</b>	
	<b>Period ended</b>		<b>(Private) Limited</b>	
	<b>30.09.2018</b>	<b>30.09.2017</b>	<b>30.09.2018</b>	<b>30.09.2017</b>
	<b>Rs.'000</b>	<b>Rs.'000</b>	<b>Rs.'000</b>	<b>Rs.'000</b>
Operating	(977)	2,785	(104,603)	78,466
Investing	-	(532)	471	22,731
Financing	904	-	-	(105,030)
<b>Net cash (outflow)/inflow</b>	<b>(73)</b>	<b>2,253</b>	<b>(104,132)</b>	<b>(3,833)</b>

**Asset Held For Sale- Property Plant & Equipment**

The Management of Delmege group has decided on 2016-2017 year to dispose of the fixed assets having net book value of Rs. 10,673,599.39/- thereof . These assets are available for immediate sale in its current condition. The actions to complete the sale were initiated and expected to be completed within one year from the the reporting date. Therefore, the said fixed assets are classified as a non-current assets held for sale as at the reporting date.

**Group**

	<b>30.09.2018</b>	<b>30.09.2018</b>
	<b>Rs.'000</b>	<b>Rs.'000</b>
<b>Assets</b>		
Delmege Coir (Private) Limited	37,992	-
Ever Paint and Chemical Industries (Private) Limited	66,290	103,472
Delmege Interior Deco (Pvt )Ltd	10,674	-
	<u>114,955</u>	<u>103,472</u>

**Liabilities**

Delmege Coir (Private) Limited	(7,979)	-
Ever Paint and Chemical Industries (Private) Limited	(8,100)	(30,369)
	<u>(16,079)</u>	<u>(30,369)</u>

**11 Greener Water Hotel Project**

- Civil and Structural works along with the Mechanical, Electrical and Plumbing works of super structure are in progress and in line with the revised project timeline and accordingly Mock-up's for guest rooms were finalized.

- Utilization of IPO funds via Investing on Greener Water Hotel shares

<b>Detail</b>	<b>Objective</b>	<b>Amount raise as per Prospectus</b>	<b>Amount allocated from the Proceeds</b>	<b>% of Total Proceeds</b>	<b>Amount Utilized Rs. mn</b>	<b>% of Utilization againts Allocation</b>
Initial Public Offer in June 2011	To fund the Balance Capital Requirement of Greenerwater Ltd	532.8	532.8	100%	532.8	100%

**12** There have been no material events occurring after the balance sheet date that require adjustment or disclosure in the financial statement.

## VALLIBEL ONE PLC

### 13 Operating Segment Information For the period ended 30th September Rs'000

	Lifestyle		Finance		Aluminium		Plantation		Leisure	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<b>Revenue</b>										
Sales to external customers	10,543,047	9,849,142	14,084,092	11,488,679	1,381,158	1,343,830	927,382	1,140,459	-	-
Intra group Revenue	539	13,371	-	-	-	-	-	22,722	-	-
<b>Total Revenue</b>	<b>10,543,586</b>	<b>9,862,513</b>	<b>14,084,092</b>	<b>11,488,679</b>	<b>1,381,158</b>	<b>1,343,830</b>	<b>927,382</b>	<b>1,163,181</b>	<b>-</b>	<b>-</b>
<b>Results</b>										
<b>Gross Profit</b>	<b>4,162,417</b>	<b>4,331,911</b>	<b>7,802,696</b>	<b>5,985,204</b>	<b>269,143</b>	<b>422,990</b>	<b>12,993</b>	<b>120,808</b>	<b>-</b>	<b>-</b>
Dividend Income	786	435	7,669	1,972	-	-	-	-	-	-
Other Operating Income	158,888	122,089	76,278	65,536	4,227	2,025	9,509	9,155	-	-
Administrative Expenses	(715,025)	(644,763)	(2,482,238)	(2,140,386)	(106,386)	(66,769)	(60,094)	(59,987)	(19,596)	(24,683)
Distribution Expenses	(2,181,795)	(1,710,171)	(260,879)	(273,997)	(119,890)	(167,857)	-	-	-	-
Other Operating Expenses	(32,564)	(31,171)	(616,186)	(205,105)	-	-	-	-	(101)	-
Finance Cost	(675,974)	(524,308)	-	-	(130,473)	(57,564)	(55,877)	(48,813)	-	(74)
Finance Income	36,019	74,175	-	-	-	-	-	432	470	387
Gold Loan Auction Losses	-	-	863	(430)	-	-	-	-	-	-
Share of results of Equity Accounted Investees	-	-	-	-	-	-	-	-	(1,109)	(4,311)
<b>Profit Before Tax on Financial Services</b>	<b>752,752</b>	<b>1,618,197</b>	<b>4,528,203</b>	<b>3,432,795</b>	<b>(83,379)</b>	<b>132,824</b>	<b>(93,469)</b>	<b>21,595</b>	<b>(20,336)</b>	<b>(28,680)</b>
Tax on Financial Services	-	-	(791,950)	(607,320)	-	-	-	-	-	-
<b>Profit / (Loss) Before Tax</b>	<b>752,752</b>	<b>1,618,197</b>	<b>3,736,253</b>	<b>2,825,475</b>	<b>(83,379)</b>	<b>132,824</b>	<b>(93,469)</b>	<b>21,595</b>	<b>(20,336)</b>	<b>(28,680)</b>
Income Tax Expense	(320,081)	(488,885)	(1,340,097)	(934,490)	17,487	(32,686)	5,229	(3,886)	(86)	(70)
Loss after tax for the year from Discontinued Operations	-	-	-	-	-	-	-	-	-	-
<b>Profit / (Loss) for the Period</b>	<b>432,671</b>	<b>1,129,312</b>	<b>2,396,156</b>	<b>1,890,985</b>	<b>(65,892)</b>	<b>100,139</b>	<b>(88,240)</b>	<b>17,709</b>	<b>(20,422)</b>	<b>(28,751)</b>

As at 30th September

### 14 Segment Assets and Liabilities

<b>Total Assets</b>	42,851,547	35,528,907	130,273,734	111,938,812	4,163,963	2,875,626	3,669,815	4,066,526	5,275,804	2,012,130
<b>Total Liabilities</b>	24,836,456	19,412,348	113,117,207	97,941,189	2,901,420	1,631,899	2,393,804	2,309,439	1,009,669	184,514

### 15 Other Segment Information

Total Cost Incurred During the Period to Acquire										
Property , Plant & Equipment	1,438,346	1,409,908	1,277,112	961,688	171,555	107,156	4,261	90,426	593,128	271,108
Depreciation & Amortization	650,795	553,191	210,922	182,076	53,016	38,150	70,992	23,648	3,315	3,166
provision for Retirement Benefit Liability	45,800	38,189	27,840	24,761	669	36	35,415	35,898	447	116

## VALLIBEL ONE PLC

### 13 Operating Segment Information For the period ended 30th September Rs'000

	Consumer		Investment		Other		Eliminations / Adjustments		Group	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017 (Restated)
<b>Revenue</b>										
Sales to external customers	1,525,653	2,343,902	-	-	1,758,256	1,480,185	-	-	30,219,588	27,646,197
Intra group Revenue	26,412	1,134	-	-	267,118	202,636	(294,069)	(239,862)	-	-
<b>Total Revenue</b>	<b>1,552,065</b>	<b>2,345,036</b>	<b>-</b>	<b>-</b>	<b>2,025,374</b>	<b>1,682,821</b>	<b>(294,069)</b>	<b>(239,862)</b>	<b>30,219,588</b>	<b>27,646,197</b>
<b>Results</b>										
<b>Gross Profit</b>	<b>340,829</b>	<b>469,917</b>	<b>-</b>	<b>-</b>	<b>380,185</b>	<b>385,795</b>	<b>(9,513)</b>	<b>(19,228)</b>	<b>12,958,750</b>	<b>11,697,396</b>
Dividend Income	-	-	390,570	459,499	-	5,795	(394,778)	(447,305)	4,247	20,397
Other Operating Income	1,573	8,247	98,194	63,945	185,485	177,717	(251,209)	(254,171)	282,945	194,545
Administrative Expenses	(101,706)	(97,568)	(117,383)	(91,297)	(360,036)	(324,951)	137,589	196,319	(3,824,875)	(3,254,085)
Distribution Expenses	(234,978)	(219,303)	-	-	(85,557)	(74,097)	126,187	57,060	(2,756,912)	(2,388,365)
Other Operating Expenses	-	-	(11,275)	-	-	-	(22,623)	(24,568)	(682,749)	(260,844)
Finance Cost	(241,850)	(271,778)	(58,301)	(759)	(124,132)	(112,315)	59,073	113,458	(1,227,534)	(902,153)
Finance Income	24,984	70,226	35,567	98,059	54,967	62,702	(61,057)	(104,121)	90,950	201,861
Gold Loan Auction Losses	-	-	-	-	-	-	-	-	863	(430)
Share of results of Equity Accounted Investees	-	-	-	-	-	-	-	-	(1,109)	(4,311)
<b>Profit Before Tax on Financial Services</b>	<b>(211,148)</b>	<b>(40,259)</b>	<b>337,372</b>	<b>529,447</b>	<b>50,912</b>	<b>120,648</b>	<b>(416,331)</b>	<b>(482,556)</b>	<b>4,844,576</b>	<b>5,304,011</b>
Tax on Financial Services	-	-	-	-	-	-	-	-	(791,950)	(607,320)
<b>Profit / (Loss) Before Tax</b>	<b>(211,148)</b>	<b>(40,259)</b>	<b>337,372</b>	<b>529,447</b>	<b>50,912</b>	<b>120,648</b>	<b>(416,331)</b>	<b>(482,556)</b>	<b>4,052,626</b>	<b>4,696,691</b>
Income Tax Expense	(1,237)	(3,899)	(18,434)	(27,433)	(14,454)	(21,578)	(33,892)	(79,368)	(1,705,565)	(1,592,295)
Loss after tax for the year from Discontinued Operations	-	-	-	-	-	-	(7,118)	(12,403)	(7,118)	(12,403)
<b>Profit / (Loss) for the Period</b>	<b>(212,385)</b>	<b>(44,158)</b>	<b>318,938</b>	<b>502,014</b>	<b>36,458</b>	<b>99,070</b>	<b>(457,341)</b>	<b>(574,327)</b>	<b>2,339,943</b>	<b>3,091,993</b>

As at 30th September

### 14 Segment Assets and Liabilities

<b>Total Assets</b>	<b>2,412,861</b>	<b>3,769,682</b>	<b>30,703,907</b>	<b>30,423,627</b>	<b>9,756,658</b>	<b>10,418,544</b>	<b>(12,949,337)</b>	<b>(13,215,898)</b>	<b>216,158,952</b>	<b>187,817,955</b>
<b>Total Liabilities</b>	<b>4,226,878</b>	<b>5,217,013</b>	<b>1,063,035</b>	<b>24,053</b>	<b>4,252,023</b>	<b>3,421,812</b>	<b>(6,085,419)</b>	<b>(5,822,328)</b>	<b>147,715,073</b>	<b>124,319,939</b>

### 15 Other Segment Information

Total Cost Incurred During the Period to Acquire Property, Plant & Equipment	6,076	5,552	13,122	796	209,941	16,310	-	-	3,713,541	2,862,945
Depreciation & Amortization	3,327	4,511	4,998	5,193	57,513	47,976	22,622	22,622	1,077,500	880,534
provision for Retirement Benefit Liability	1,647	682	788	-	7,965	5,481	-	-	120,571	105,164

**VALLIBEL ONE PLC**  
SHARE INFORMATION

**1 Market prices of the shares for quarter ended 30th September**

	<u>2018</u> Rs.	<u>2017</u> Rs.
Highest	21.50	20.20
Lowest	16.90	17.50
Closing	17.00	17.80

**2 Directors Shareholding**

Name	No of shares as at 30th September 2018	No of shares as at 30th September 2017
Mr. Dhammika Perera	689,726,471	689,726,471
Mr. J A S S Adhihetty	100,000	100,000
Mr. S H Amarasekera -Shares held in the following manner Pan Asia Banking Corporation PLC / Mr. S H Amarasekera	1,000,000	1,000,000
Ms. K Fernando	800,000	800,000
Mr. R N Asirwatham	800	800

3 The percentage of shares held by the public as at 30th September 2018 was 19.25% comprising of 10,961 Share holders.

4 The Float Adjusted Market Capitalization as at 30th September 2018 is Rs. 3,556,153,908/-

5 The Float adjusted market capitalization of the company falls under Option 1 of Rule 7.13.1(b) of the Listing Rules of the Colombo Stock Exchange and the company has complied with the minimum public holding requirement applicable under the said option.

**6 Twenty Major Shareholders as at 30th September 2018.**

	No of Shares	(%)
1 Mr. Dhammika Perera	689,726,471	63.478
2 Employees Provident Fund	101,549,200	9.346
3 Vallibel Investments (Private) Limited	91,966,451	8.464
4 Vallibel Leisure (Private) Limited	91,929,063	8.461
5 Bank of Ceylon A/c Ceybank Unit Trust	14,635,963	1.347
6 Mercantile Investments and Finance PLC	5,176,000	0.476
7 National Savings Bank	3,269,832	0.301
8 Mellon Bank N. A. -UPS Group Trust	2,800,000	0.258
9 Hatton National Bank PLC/Sanka Ramoorthy Nadaraj Kumar	2,752,297	0.253
10 Bank of Ceylon No. 1 Account	2,427,704	0.223
11 Merrill J Fernando & Sons (Pvt) Limited	2,299,000	0.212
12 Mr. K D A Perera	2,079,039	0.191
13 Mr. H R S Wijeratne	2,069,000	0.190
14 Mr. A M Weerasinghe	2,000,000	0.184
15 Wickramaratnes (Pvt) Limited	1,865,000	0.172
16 Employees Trust Fund Board	1,722,140	0.158
17 Prof M.T.A Furkhan	1,672,000	0.154
18 Mr A Sithampalam	1,567,000	0.144
19 Mr. S.L.R.R. Premathilaka & Mis. A.R.N. Perera	1,548,713	0.143
20 Bartleet Asset Management (Pvt) Ltd	1,314,000	0.121
	1,024,368,873	94.276
Others	62,190,480	5.724
<b>Total</b>	<b>1,086,559,353</b>	<b>100.000</b>

**VALLIBEL ONE PLC**  
**CORPORATE INFORMATION**

**Name of Company**

Vallibel One PLC

**Legal Form**

A Public Quoted Company with limited liability

Incorporated under the provisions of the Companies Act, No. 07 of 2007.

**Date of Incorporation**

09th June 2010

**Company Registration Number**

PB 3831 PQ

**Nature of the Business**

Group Holding Company manages a portfolio of diversified business holdings

**Board of Directors**

Mr. Dhammika Perera – Chairman / Managing Director

Mr. S H Amarasekera

Mr. J A S S Adhihetty

Ms. K Fernando

Mr. R N Asirwatham

**Head Office and Registered Office**

29, West Tower, World Trade Center

Echelon Square, Colombo 01

Telephone: 011 2445577

Fax: 011 2441444

**Subsidiary Companies**

Royal Ceramics Lanka PLC

L B Finance PLC

Greener Water Limited

Delmege Limited

**Associate Companies**

The Fortress Resorts PLC

**Company Secretaries**

P W Corporate Secretarial (Pvt) Ltd

No.3/17, Kynsey Road,

Colombo 08.

Telephone: 011 4640360

Fax: 011 4740588

E-mail:pwcs@pwcs.lk

**Auditors**

Ernst & Young

Chartered Accountants

No.201, De Saram Place

Colombo 10.

**Bankers**

Hatton National Bank PLC

Pan Asia Banking corporation PLC

Sampath Bank PLC

Standard Chartered Bank Ltd

MCB Bank Limited