

ASCOT Holdings PLC

Interim Financial Statements



QUARTERLY ACCOUNTS FOR THE QUARTER ENDED 30TH JUNE 2018

ASCOT HOLDINGS PLC

Interim Financial Statements

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Ascot Holdings PLC
Review of Consolidated Accounts
Quarter Ended June 2018

P&L Analysis

Revenue | Gross Profit | Administration Expenses

Overall consolidated revenue increased by 1.0% to LKR 41.8 m for QE June 2018 compared with LKR 41.4 m for QE June 2017.

Gross profit declined by 11.1% to LKR 23.2 m for the quarter compared with LKR 26.1 m in the corresponding quarter the previous year.

Direct Expenses and Administration Expenses increased by 5.8% to LKR 27.3 m compared with LKR 25.8 m in the comparable quarter in the previous year. An increase in operational activities resulted in direct production expenses associated with Amtrad Limited increasing during the period under review.

Net Finance Expenses

Net Finance expenses declined by 8.2% to LKR 11.4 m during the quarter compared with LKR 12.4 m in the previous year. This reduction was due to the monthly settlements on the capital loan with the Bank of Ceylon and therefore the reduction in the finance costs. It should be noted that the finance expenses demonstrated a decline despite the total debt increasing, due to payments that were processed and the cheques not being issued for Amtrad Limited. This increased the overdraft figure and since the cheques were not issued, a finance cost was not incurred.

Profit After Tax

The profit for the quarter was LKR 0.7 m compared with the loss of LKR 0.7 m reported in the corresponding quarter the previous year.

Earnings Per Share

The EPS was a negative LKR 0.10 per share for QE June 2018, compared with a negative LKR 0.05 per share in the corresponding period the previous year.

Balance Sheet Analysis

Total Assets

Total Assets have increased by 0.1% from LKR 1,734.8 m to LKR 1,737.1 from the March to June 2018 quarter.

Total Shareholders Funds (Net Assets)

Total Net Assets declined by 0.1% from LKR 1,036.1 m in March 2018 to LKR 1,034.8 m as at end June 2018.

Borrowings

Total long term and short term borrowings (including overdrafts) increased by 2.3% to LKR 289.1 m as at June end 2018 compared with LKR 282.6 m in the previous March quarter. Despite the reduction in the long term borrowings, there was an increase in the short term borrowings by way of a machine lease facility for Amtrad Limited and also due to a temporary increase in the overdraft as a result of the cash cycle of Amtrad Limited being longer than planned.

Net Asset Value Per Share (NAVPS)

The NAVPS decreased to LKR 81.8 as at end June 2018 compared with LKR 81.9 per share recorded as per the QE March 2018 audited financials.

As at 30th June 2018

	Notes	COMPANY		GROUP	
		30-06-2018 LKR 000	31-03-2018 LKR 000	30-06-2018 LKR 000	31-03-2018 LKR 000
ASSETS					
Non-current assets					
Property, plant and equipment		883	1,215	284,038	281,867
Loan Term Lease properties		-	-	-	-
Investment property	3	-	-	1,444,000	1,444,000
Investment in subsidiaries		448,529	448,529	-	-
Other non-current assets		-	-	7,903	7,977
Deferred income tax assets		966	966	1,155	966
Goodwill		-	-	-	-
Total Non-Current Assets		450,379	450,710	1,737,096	1,734,810
Current Assets					
Inventories		-	-	8,547	5,906
Receivables and prepayments		160	284	12,724	3,610
Intercompany Receivables		102,457	92,609	-	-
Amount due from related parties		188	188	196	8
Equity Instruments Held For Trading		108	121	108	121
Other current assets		398	204	602	3,512
Short term investments		-	2,122	-	2,485
Cash and cash equivalents		311	77	474	559
Total Current Assets		103,621	95,605	22,652	16,201
Total Assets		553,999	546,315	1,759,748	1,751,012
EQUITY AND LIABILITIES					
Equity					
Stated capital		156,716	156,716	156,716	156,716
Other components of equity		23,100	23,100	23,100	23,100
Revaluation Reserve		-	-	106,949	106,949
Retained earnings		308,466	316,652	748,059	749,300
Non-Controlling Interest		488,281	496,468	1,034,823	1,036,065
		-	-	133,848	131,862
Total Equity		488,281	496,468	1,168,671	1,167,927
Non-Current Liabilities					
Borrowings		-	-	206,737	212,469
Loan Notes		21,455	20,685	21,455	20,685
Defined benefit obligations		310	160	1,588	1,288
Deferred income tax liabilities		-	-	212,747	210,840
Total Non-Current Liabilities		21,765	20,845	442,527	445,283
Current Liabilities					
Trade and other payables		604	604	25,168	20,183
Borrowings		-	-	48,289	45,237
Income Tax Payable		32	32	1,422	32
Amount due to related parties		21,704	7,943	15,691	10,313
Bank Overdraft		-	229	34,061	24,942
Other current liabilities		21,612	20,194	23,920	37,094
Total Current Liabilities		43,952	29,002	148,550	137,801
Total Liabilities		65,717	49,847	591,077	583,084
Total Equity and Liabilities		553,999	546,315	1,759,748	1,751,012

Net Book Value Per Share (LKR)

38.58

39.22

81.76

81.85

I certify that the above financial statements comply with the requirements of the Companies Act No. 07 of 2007.

(Sgd.) Yaveen Jayasekara
Head of Finance & Planning

Signed on behalf of the Board

(Sgd.) R M M J Ratnayake
Chairman(Sgd.) M H Jamaldeen
Director

ASCOT Holdings PLC

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

For the Quarter ended 30th June 2018

	Notes	COMPANY		GROUP	
		30-06-2018 LKR 000	30-06-2017 LKR 000	30-06-2018 LKR 000	30-06-2017 LKR 000
Revenue	1	3,421	5,288	41,764	41,350
Other Operating Income		-	183	2,483	183
Direct Expenses		(7,984)	(4,371)	(21,064)	(15,445)
Gross Profit		(4,563)	1,101	23,183	26,089
Administration Expenses		(2,785)	(1,728)	(6,265)	(10,356)
Distribution Cost		-	-	(896)	(2,064)
Other Operating Expense		(69)	-	(2,134)	-
Operating Profit/Loss		(7,417)	(627)	13,889	13,668
Net Finance Expense		(770)	(11)	(11,427)	(12,445)
		(8,187)	(638)	2,462	1,223
Change in fair value of Investment properties		-	-	-	-
Profit/(Loss) before tax		(8,187)	(638)	2,462	1,223
Tax (expense)/reversal		-	-	(1,717)	(1,895)
Profit/(Loss) for the period		(8,187)	(638)	744	(672)
Attributable to :					
Equity holders of the parent company		(8,187)	(638)	(1,241)	(613)
Non-Controlling Interest		-	-	1,986	(59)
Profit/(Loss) for the period		(8,187)	(638)	744	(672)

Figures in brackets indicate deductions.

Earnings / (Loss) Per Share - LKR

Basic	(0.65)	(0.05)	(0.10)	(0.05)
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ASCOT Holdings PLC

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Quarter ended 30th June 2018

	COMPANY		GROUP	
	30-06-2018 LKR 000	30-06-2017 LKR 000	30-06-2018 LKR 000	30-06-2017 LKR 000
Profit/(Loss) for the period	(8,187)	(638)	744	(672)
Other Comprehensive Income	-	-	-	-
Gain/(loss) on post employment benefit obligations	-	-	-	-
Gain/(loss) on property revaluation	-	-	-	-
Income tax on actuarial gain/(loss)	-	-	-	-
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year, net of tax	(8,187)	(638)	744	(672)
Attributable to:				
Equity holders of the Company	(8,187)	(638)	(1,241)	(613)
Non-controlling interest	-	-	1,986	(59)
Profit/(Loss) for the period	(8,187)	(638)	744	(672)

Figures in brackets indicate deductions.

ASCOT Holdings PLC

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Quarter ended 30th June 2018

COMPANY	Stated Capital	Other Components of Equity	Revaluation Reserve	Retained Earnings	Total Equity
	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000
Balance as at 01 April 2017	156,716	23,100	-	333,090	512,906
Profit for the period	-	-	-	(638)	(638)
Balance as at 30 June 2017	156,716	23,100	-	332,452	512,268
Balance as at 01 April 2018	156,716	23,100	-	316,652	496,468
Loss for the period	-	-	-	(8,187)	(8,187)
Balance as at 30th June 2018	156,716	23,100	-	308,466	488,281

GROUP	Attributable to equity holders of the company					
	Stated Capital	Redemption Reserve	Revaluation Reserve	Retained Earnings	Total	Minority Interest
	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000
Balance as at 01 April 2017	156,716	23,100	-	488,688	668,504	92,421
Profit for the period	-	-	-	(613)	(613)	(59)
Balance as at 30 June 2017	156,716	23,100	-	488,075	667,891	92,362
Balance as at 01 April 2018	156,716	23,100	106,949	749,300	1,036,065	131,862
Profit for the period	-	-	-	(1,241)	(1,241)	1,986
Balance as at 30 June 2018	156,716	23,100	106,949	748,059	1,034,823	133,848

ASCOT Holdings PLC
INTERIM CONDENSED CASHFLOW STATEMENT

For the Quarter ended 30th June 2018

	Company		GROUP	
	30-06-2018 LKR	30-06-2017 LKR	30-06-2018 LKR	30-06-2017 LKR
OPERATING ACTIVITIES				
Cash Used in Operations	(5,573)	2,993	(825)	734
Net Received/(Interest) Paid	-	(11)	(10,657)	(12,445)
Income Tax Paid	-	-	-	-
Gratuity Paid	-	-	-	-
Net Cash Generated from / (Used in) Operating Activities	(5,574)	2,982	(11,482)	(11,711)
INVESTING ACTIVITIES				
Acquisition of subsidiary, net of cash acquired	-	-	-	-
Purchase of Property, Plant & Equipment	-	-	(13,092)	-
Investment in subsidiaries	-	-	-	-
Advance paid on lease hold right	-	-	-	-
Disposal of Property, Plant & Equipment	-	-	10,300	-
Purchase of Marketable Securities	-	-	-	-
Disposal of Marketable Securities	-	959	-	959
Dividends Received	-	2	-	2
Disposal of Subsidiary/Associate Investments	-	-	-	-
Net Cash Generated from / (Used in) Investing Activities	-	961	(2,792)	961
FINANCING ACTIVITIES				
Proceeds from issue of shares	-	-	-	-
Direct costs on Right Issue/Warrant Conversion	-	-	-	-
Proceeds from Loans Notes	-	-	-	-
Net Borrowings from related companies	3,914	(8,456)	5,190	-
Security & Deposits	-	-	74	-
Payment of Borrowings including related companies	-	-	(2,680)	(6,316)
Dividends Paid to NCI	-	-	-	-
Net Cash Generated from / (Used in) Financing Activities	3,914	(8,456)	2,585	(6,316)
Increase / (Decrease) in Cash & Cash Equivalents	(1,660)	(4,513)	(11,689)	(17,066)
Movement in Cash & Cash Equivalents				
At the Beginning of the Period	1,971	5,005	(21,898)	(7,182)
Increase / (Decrease)	(1,660)	(4,513)	(11,689)	(17,066)
At the End of the Period	311	492	(33,587)	(24,248)

Corporate Information

ASCOT Holdings PLC is a public limited liability company listed on the Colombo Stock Exchange incorporated and domiciled in Sri Lanka. The registered office is situated at No.16-03, Level 16, East Tower, World Trade Center, Echelon Square, Colombo 01, Sri Lanka.

Basis of preparation and changes to the Group's accounting policies

The interim condensed consolidated financial statements for the three months ended 30 June 2018 which have not been audited are prepared in accordance with LKAS 34 Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and these Interim Financial Statements have been prepared in accordance with the accounting policies set out in the Audited Financial Statements for the year ended 31.03.2018. The provisions of the new Companies Act No. 7 of 2007 and the revised listing rules of the CSE have been considered in preparing the interim financial statements of the Company and the Group.

New standards, interpretations and amendments thereof, adopted by the Group

There are no new standards or interpretation that were adopted after 31 March 2018.

1 SEGMENT RESULTS FOR 3 MONTHS ENDED 30TH JUNE 2018

	ASCOT Holdings PLC	Amtrad Limited	ASCOT Developments (Pvt) Ltd	L & A Quarries (Pvt) Ltd	ASCOT Ambalangoda (Pvt) Ltd	ASCOT Leisure (Pvt) Ltd	Inter Segment Eliminations	Consolidated
	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000
Revenue	3,421	14,755	27,000	-	-	-	(3,412)	41,764
Other Operating Income	-	223	6	2,254	-	-	-	2,483
Direct Expenses	(7,984)	(10,279)	(2,241)	(560)	-	-	-	(21,064)
Gross Profit	(4,563)	4,699	24,766	1,694	-	-	(3,412)	23,183
Administration Expenses	(2,785)	(1,569)	(434)	(44)	(937)	(496)	-	(6,265)
Distribution Cost	-	(896)	-	-	-	-	-	(896)
Other Operating Expense	(69)	(2,055)	(8)	(3)	-	-	-	(2,134)
Operating Profit / Loss	(7,417)	179	24,325	1,647	(937)	(496)	(3,412)	13,889
Net Finance Expense	(770)	(2,836)	(11,235)	7	(5)	-	3,412	(11,427)
	(8,187)	(2,657)	13,089	1,654	(941)	(496)	(0)	2,462
Change in fair value of Investment properties	-	-	-	-	-	-	-	-
Profit / (Loss) Before Tax	(8,187)	(2,657)	13,089	1,654	(941)	(496)	(0)	2,462

Figures in brackets indicate deductions.

2 INVESTMENT PROPERTY

The investment property has been valued by an independent valuer for the year ended 31st March 2018.

	LKR
Ascot Developments (Pvt) Ltd	1,115,000,000
Ascot Ambalangoda (Pvt) Ltd	145,000,000
Ascot Leisure (Pvt) Ltd	140,000,000
Amtrad Ltd	44,000,000
Total	1,444,000,000

3 INVESTOR INFORMATION

Quarter ended

Market Value of Shares

	Quarter ended	
	30-06-18	30-06-17
	LKR	LKR
Closing Price	28.90	30.10
Highest Price	39.50	31.50
Lowest Price	24.00	22.70

Share Trading Information

No. of transactions	346	610
No. of shares traded	1,313,262	614,825
Value of shares traded (LKR)	55,362,670	17,748,886

4 STATED CAPITAL

Stated Capital is represented by the number of shares in issue as given below.

As at	30-06-2018	30-06-2017
Ordinary Shares	12,657,555	12,657,555

5 DISCLOSURES

- 5.1 There are no significant changes in the nature of the contingent liabilities disclosed in the Audited Financial Statements for the year ended 31st March 2018.
- 5.2 There are no material post balance sheet events that require adjustments to or disclosure in accounts.
- 5.3 Where necessary, comparative figures have been re-classified to conform with the current period's presentation.
- 5.4 Related Party Transactions

For the Quarter ended 30th June

Transaction with related parties	2018		2017	
	Company LKR 000	Group LKR 000	Company LKR 000	Group LKR 000
Sale of goods and services/interest & dividend income	10,307	6,895	5,253	-
Short term loans (given) to / Settlements from Subsidiaries	955	-	(2,314)	-

6 TWENTY MAJOR SHAREHOLDERS

No.	Name	No of Shares	Percentage
1	EIGHTH WONDER	3,927,151	31.026
2	MR I.J. MCVEIGH	2,171,529	17.156
3	MR M.F. FAROOK	1,325,000	10.468
4	MR P. MORGAN	1,265,756	10.000
5	MR M.H. JAMALDEEN	721,059	5.697
6	LB FINANCE PLC/BOSTON CAPITAL (PVT) LTD	473,291	3.739
7	BOSTON CAPITAL (PVT) LTD	426,975	3.373
8	MR A.J.B. WARMAN	418,450	3.306
9	GEORGE STEUART FINANCE PLC/ BOSTON CAPITAL (PVT) LTD	260,000	2.054
10	MR W.W.D.D.S. PERERA	80,790	0.638
11	AXIS FINANCIAL SERVICES (PVT) LTD	49,303	0.390
12	MR P.G.W. SIRISENA	47,250	0.373
13	MR T.G. THORADENIYA	46,275	0.366
14	MISS N.R. FONSEKA	44,780	0.354
15	MR K.M.S.M. RAZEEK	37,338	0.295
16	MR A.S.W. JAYEWARDENE	36,666	0.290
17	MR D.H.G.U.P. UBAYAWANSHA	26,005	0.205
18	COMMERCIAL BANK OF CEYLON PLC / M R H GALAPPATTI	22,270	0.176
19	MR R.E. RAMBUKWELLE	22,130	0.175
20	MRS S.A.S. WIJENDRA	19,637	0.155

- 6.1 The percentage of shares held by the public as at 30th June 2018 was **32.35%**
The number of shareholders representing the public holding was **1,692**
- 6.2 The float adjusted market capitalization as at 30th June 2018 was **LKR 118,326,06.23**
- 6.3 The float adjusted market capitalization of the Company falls under **Option 5** of Rule 7.13.1 (a) 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.

7 DIRECTORS SHAREHOLDING

	No of Shares
MR. MOHAN RATNAYAKE	NIL
MR. TERENCE SMITH	NIL
MR. IAN MCVEIGH	2,171,529
MR. HISHAM JAMALDEEN	721,059
MR. ARCHIE WARMAN	418,450
MR. SARAVANAN NEELAKANDAN	NIL
MR. FIRDOUSE FAROOK	1,325,000
MR. JAYANTHA PRADEEP	NIL

ASCOT Holdings PLC
CORPORATE INFORMATION

Name of Company

ASCOT Holdings PLC

Legal Form

A Public Limited Liability Company incorporated in Sri Lanka under the Companies Ordinance No. 51 of 1938 (Cap 145), (Registered under the Companies Act No. 07 of 2007) and listed on the Colombo Stock Exchange.

Date of Incorporation

17th April 2008

Company Registration Number

PQ 139

Nature of the Business

An Investment Holding Company with the view of investing in profitable ventures

Board of Directors

Mr. Rathnayake Mudiyanseelage Mohan Joseph Rathnayake

Mr. Terence Charles Smith

Mr. Ian Joseph McVeigh

Mr. Mohamed Hisham Jamaldeen

Mr. Archie James Buckland Warman

Mr. Saravanan Neelakandan

Mr. Mohamed Firdouse Farook

Mr. Kudagamage Jayantha Pradeep

Head office & Registered office

No.16-03, Level 16,

East Tower,

World Trade Center,

Echelon Square,

Colombo 01.

Subsidiary Companies

Amtrad Limited

ASCOT Developments (Pvt) Ltd

L & A Quarries (Pvt) Ltd

ASCOT Ambalangoda (Pvt) Ltd

ASCOT Leisure (Pvt) Ltd

ASCOT Yala (Pvt) Ltd

Company Secretaries

P. W. Corporate Secretarial (Pvt) Ltd.

No. 3/17, Kynsey Road,

Colombo 08.

Auditors

M/s Ernst & Young

Chartered Accountants

No. 201, De Saram Place

Colombo 10

Bankers

Pan Asia Banking Corporation PLC

Nations Trust Bank PLC

Seylan Bank PLC

Bank of Ceylon

Commercial Bank of Ceylon PLC

Sampath Bank PLC

DFCC Bank PLC

National Development Bank PLC