

**LANKA REALTY INVESTMENTS PLC**  
**INTERIM FINANCIAL STATEMENTS**  
**31ST MARCH 2019**



# LANKA REALTY INVESTMENTS PLC

## Interim Financial Statements

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**Lanka Realty Investments PLC**  
**Review of Consolidated Accounts**  
**Period Ended March 2019**

**P&L Analysis**

**Revenue | Gross Profit | Operating Expenses | Profit After Tax**

Overall consolidated revenue decreased by 37% to LKR 26.20 m for the quarter ended 31st March 2019 compared with LKR 41.44 m in the corresponding quarter the previous year. This decrease was due to the loss in income in Lanka Realty Developments (Pvt) Limited due to not having a tenant in the commercial building as a result of the LKR 250m refurbishment that is currently being carried out. On a full Year reporting basis, overall consolidated revenue increased by 7% to LKR 157.06 m for the Year ended 31st March 2019 compared with LKR 146.12 m in the corresponding period the previous year. This increase was aided by the revenue increase in Amtrad Limited from LKR 37.29 m for the year ended March 2018 to LKR 79.14 m for the year ended March 2019.

Direct Expenses decreased by 24% to LKR 24.63 m for the quarter ended 31st March 2019 compared with LKR 32.38 m in the comparable period in the previous year. This decrease was due to a reversal in direct expenses due to a reclassification of a fee as an administration expense. For the year ended March 2019, direct expenses increased by 56% to LKR 86.54 m compared with LKR 55.40 m in the comparable period in the previous year.

Gross profit decreased by 83% to LKR 1.56 m for the quarter compared with LKR 9.06 m in the previous year. Compared with the year ended 31st March 2019, gross profit declined by 22% to LKR 70.51 m for the period compared with LKR 90.72 m in the previous year.

Other Operating Expenses decreased by 7% to LKR 2.72 m for the March 2019 quarter compared with LKR 2.92 m in the comparable period in the previous year. On a full year reporting basis Other Operating Expenses increased to LKR 15.56 m compared with LKR 4.39 m in the comparable period in the previous year.

An increase in building depreciation as a result of a revaluation that was carried out and the overall increase in other operating expenses associated with Amtrad Limited had a negative impact on the reported figure along with the net loss in disposal of land in Amtrad Limited.

**Net Finance Expenses**

Net Finance expenses demonstrated a decline of 86% to record LKR 1.52 m during the March 2019 quarter compared with LKR 11.17 m in the same quarter the previous year. This reduction was due to the full settlement of the loan with the Bank of Ceylon and as a result the reduction in the finance costs. Given the above, on a full year basis the overall finance costs demonstrated a decline of 41% to report LKR 28.40 m compared with LKR 47.84 m that was reported in the corresponding period the previous year.

**Profit/Loss After Tax**

The Group incurred a profit for the period amounting to LKR 28.94 m for the March 2019 quarter compared with the profit of LKR 24.82 m reported in the corresponding quarter the previous year. For the full year ending March 2019, the Group incurred a profit for the period amounting to LKR 23.51 m compared with the profit of LKR 235.49 m reported in the corresponding 12 month period the previous year. The significant reduction in profit was due to the recording of a LKR 274.46 m fair value gain in investment properties in the previous year.

**Earnings Per Share**

The EPS was LKR 0.65 per share for the quarter ended 31st March 2019, compared with LKR 0.55 per share in the corresponding period the previous year. The full year reporting figure too demonstrated a LKR 0.53 earnings per share compared with the LKR 5.32 per share in the previous year.

**Balance Sheet Analysis**

**Total Assets**

Total Assets have increased by 9% from LKR 1,734.81 m as at end March 2018 to LKR 1,895.12 m as at end March 2019 as a result of the development cost of the LR Developments commercial building being factored into the investment property computation.

**Total Shareholders Funds (Net Assets)**

Total Shareholders Funds increased by 64% from LKR 1,020.07 m as at end March 2018 to LKR 1,673.85 m as at end March 2019 primarily due to the LKR 632 m Rights Issue that was carried out in October 2018.

**Borrowings**

Total long term and short term borrowings (including overdrafts) declined by 91% to LKR 25.32 m as at March end 2019 compared with LKR 282.65 m as per the year ended March 2018 audited financials due to the full settlement of the Lanka Realty Developments (Pvt) Ltd loan with the Bank of Ceylon.

**Net Asset Value Per Share (NAVPS)**

The NAVPS decreased to LKR 37.78 as at end March 2019 compared with LKR 80.59 per share recorded as per the year ended March 2018 audited financials due to the additional shares that were issued during the Rights Issue that was carried out in October 2018.

**LANKA REALTY INVESTMENTS PLC**  
**STATEMENT OF COMPREHENSIVE INCOME**  
For the Year Ended 31st March 2019

	Notes	GROUP			COMPANY		
		31-03-2019 LKR 000	31-03-2018 LKR 000	Change %	31-03-2019 LKR 000	31-03-2018 LKR 000	Change %
Revenue	4	157,058	146,123	7%	22,005	16,734	32%
Direct Expenses		(86,544)	(55,399)	56%	(15,264)	(17,734)	-14%
<b>Gross Profit</b>		<b>70,514</b>	<b>90,724</b>	<b>-22%</b>	<b>6,741</b>	<b>(1,000)</b>	<b>-774%</b>
Other Operating Income		13,037	4,220	209%	1	196	-99%
Administration Expenses		(50,725)	(38,885)	30%	(13,642)	(8,949)	52%
Distribution Cost		(3,490)	(8,622)	-60%	(401)	-	100%
Other Operating Expense		(15,563)	(4,394)	254%	(44)	(23)	91%
<b>Operating Profit/Loss</b>		<b>13,774</b>	<b>43,042</b>	<b>-68%</b>	<b>(7,345)</b>	<b>(9,776)</b>	<b>-25%</b>
Net Finance Expense		(28,399)	(47,836)	-41%	(3,064)	(172)	1682%
Change in fair value of Investment Properties		48,097	274,457	-82%	-	-	-
<b>Profit/(Loss) before tax</b>		<b>33,470</b>	<b>269,663</b>	<b>-88%</b>	<b>(10,410)</b>	<b>(9,948)</b>	<b>5%</b>
Tax (expense)/reversal		(9,964)	(34,176)	-71%	-	-	-
<b>Profit/(Loss) for the period</b>		<b>23,506</b>	<b>235,487</b>	<b>-90%</b>	<b>(10,410)</b>	<b>(9,948)</b>	<b>5%</b>
<b>Other Comprehensive Income</b>							
Gain/(loss) on post employment benefit obligations		-	-	-	-	-	-
Gain/(loss) on property revaluation		-	-	-	-	-	-
Other comprehensive income for the year, net of tax		-	-	-	-	-	-
<b>Total comprehensive income for the year, net of tax</b>		<b>23,506</b>	<b>235,487</b>	<b>-90%</b>	<b>(10,410)</b>	<b>(9,948)</b>	<b>5%</b>
<b>Profit/(Loss) Attributable to :</b>							
Equity holders of the parent company		24,990	231,116	-89%	-	-	-
Non-Controlling Interest		(1,484)	4,370	-134%	-	-	-
		<b>23,506</b>	<b>235,487</b>	<b>-90%</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income Attributable to:</b>							
Equity holders of the Company		24,990	231,116	-89%	-	-	-
Non-controlling interest		(1,484)	4,370	-134%	-	-	-
		<b>23,506</b>	<b>235,487</b>	<b>-90%</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Diluted Earnings / (Loss) Per Share - LKR**

0.53

5.32

(0.23)

(0.22)

Figures in brackets indicate deductions.

**LANKA REALTY INVESTMENTS PLC**  
**STATEMENT OF COMPREHENSIVE INCOME**  
For the Quarter Ended 31st March 2019

	Notes	GROUP			COMPANY		
		31-03-2019 LKR 000	31-03-2018 LKR 000	Change %	31-03-2019 LKR 000	31-03-2018 LKR 000	Change %
Revenue		26,196	41,439	-37%	4,932	3,037	62%
Direct Expenses		(24,634)	(32,381)	-24%	(6,838)	(8,133)	-16%
<b>Gross Profit</b>		<b>1,562</b>	<b>9,058</b>	<b>-83%</b>	<b>(1,906)</b>	<b>(5,096)</b>	<b>-63%</b>
Other Operating Income		4,436	2,924	52%	-	-	-
Administration Expenses		(14,716)	2,111	-797%	(4,916)	(3,225)	52%
Distribution Cost		(1,117)	(1,675)	-33%	(132)	-	100%
Other Operating Expense		(2,721)	(2,924)	-7%	(14)	-	100%
<b>Operating Profit/Loss</b>		<b>(12,556)</b>	<b>9,495</b>	<b>-232%</b>	<b>(6,968)</b>	<b>(8,321)</b>	<b>-16%</b>
Net Finance Expense		(1,518)	(11,172)	-86%	(766)	(89)	760%
Change in fair value of Investment Properties		48,097	15,000	221%	-	-	-
<b>Profit/(Loss) before tax</b>		<b>34,022</b>	<b>13,323</b>	<b>155%</b>	<b>(7,734)</b>	<b>(8,410)</b>	<b>-8%</b>
Tax (expense)/reversal		(5,082)	11,494	-144%	-	-	-
<b>Profit/(Loss) for the period</b>		<b>28,941</b>	<b>24,817</b>	<b>17%</b>	<b>(7,734)</b>	<b>(8,410)</b>	<b>-8%</b>
<b>Other Comprehensive Income</b>							
Gain/(loss) on post employment benefit obligations		-	-	-	-	-	-
Gain/(loss) on property revaluation		-	-	-	-	-	-
Other comprehensive income for the year, net of tax		-	-	-	-	-	-
<b>Total comprehensive income for the year, net of tax</b>		<b>28,941</b>	<b>24,817</b>	<b>17%</b>	<b>(7,734)</b>	<b>(8,410)</b>	<b>-8%</b>
<b>Profit/(Loss) Attributable to :</b>							
Equity holders of the parent company		30,064	15,601	93%	-	-	-
Non-Controlling Interest		(1,124)	9,216	-112%	-	-	-
		<b>28,941</b>	<b>24,817</b>	<b>17%</b>	<b>-</b>	<b>-</b>	
<b>Total Comprehensive Income Attributable to:</b>							
Equity holders of the Company		30,064	15,601	93%	-	-	-
Non-controlling interest		(1,124)	9,216	-112%	-	-	-
		<b>28,941</b>	<b>24,817</b>	<b>17%</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Diluted Earnings / (Loss) Per Share - LKR**

0.65

0.55

(0.17)

(0.19)

Figures in brackets indicate deductions.

**LANKA REALTY INVESTMENTS PLC**  
**STATEMENT OF FINANCIAL POSITION**

As at 31st March 2019

	Notes	GROUP			COMPANY		
		31-03-2019 LKR 000	31-03-2018 LKR 000	Change %	31-03-2019 LKR 000	31-03-2018 LKR 000	Change %
<b>ASSETS</b>							
<b>Non-current assets</b>							
Property, plant and equipment	5	292,977	281,867	4%	205	1,215	-83%
Investment property		1,593,500	1,444,000	10%	-	-	-
Investment in subsidiaries		-	-	-	1,063,529	448,529	137%
Other non-current assets		7,680	7,977	-4%	-	-	-
Deferred tax assets		966	966	-	966	966	-
<b>Total Non-Current Assets</b>		<b>1,895,123</b>	<b>1,734,810</b>	<b>9%</b>	<b>1,064,701</b>	<b>450,710</b>	<b>136%</b>
<b>Current Assets</b>							
Inventories		22,962	5,906	289%	-	-	-
Trade and other receivable		36,674	3,618	914%	311	284	9%
Amount due from related parties		-	-	-	95,288	92,609	3%
Financial assets-fair value through profit or loss		98	121	-19%	98	121	-19%
Other current assets		2,799	3,512	-20%	699	391	79%
Short-term investments		-	2,485	-100%	-	2,122	-100%
Cash in hand and at bank		76,433	559	13571%	3,277	77	4142%
<b>Total Current Assets</b>		<b>138,965</b>	<b>16,201</b>	<b>758%</b>	<b>99,671</b>	<b>95,605</b>	<b>4%</b>
<b>Total Assets</b>		<b>2,034,088</b>	<b>1,751,012</b>	<b>16%</b>	<b>1,164,372</b>	<b>546,315</b>	<b>113%</b>
<b>EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
Stated capital		785,425	156,716	401%	785,425	156,716	401%
Other components of equity		23,100	23,100	-	23,100	23,100	-
Revaluation Reserve		106,949	106,949	-	-	-	-
Retained earnings		758,375	733,300	3%	306,243	316,652	-3%
		1,673,848	1,020,065	64%	1,114,768	496,468	125%
Non-Controlling Interest		31,294	147,862	-79%	-	-	-
<b>Total Equity</b>		<b>1,705,142</b>	<b>1,167,927</b>	<b>46%</b>	<b>1,114,768</b>	<b>496,468</b>	<b>125%</b>
<b>Non-Current Liabilities</b>							
Interest bearing borrowings		7,283	273,944	-97%	-	-	-
Loan Notes		23,748	20,685	15%	23,748	20,685	15%
Employee benefit liabilities		1,207	1,288	-6%	99	160	-38%
Deferred tax liabilities		220,805	210,840	5%	-	-	-
<b>Total Non-Current Liabilities</b>		<b>253,042</b>	<b>506,758</b>	<b>-50%</b>	<b>23,847</b>	<b>20,845</b>	<b>14%</b>
<b>Current Liabilities</b>							
Trade and other payables		30,284	20,183	50%	1,624	604	169%
Income Tax Payable		32	1,422	-98%	32	32	-
Amount due to related parties		14,112	10,313	37%	19,837	7,943	150%
Bank Overdraft		18,038	8,704	107%	571	229	149%
Other current liabilities		13,438	35,705	-62%	8,575	20,194	-58%
<b>Total Current Liabilities</b>		<b>75,904</b>	<b>76,326</b>	<b>-1%</b>	<b>30,638</b>	<b>29,002</b>	<b>6%</b>
<b>Total Liabilities</b>		<b>328,946</b>	<b>583,084</b>	<b>-44%</b>	<b>54,485</b>	<b>49,847</b>	<b>9%</b>
<b>Total Equity and Liabilities</b>		<b>2,034,088</b>	<b>1,751,012</b>	<b>16%</b>	<b>1,169,253</b>	<b>546,315</b>	<b>114%</b>

Net Book Value Per Share (LKR)

37.78

80.59

25.16

39.22

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

(Sgd) Y Jayasekara

Head of Finance & Planning

Signed on behalf of the Board by

(Sgd) R M M J Ratnayake

Chairman

(Sgd) M H Jamaldeen

Director

**LANKA REALTY INVESTMENTS PLC**  
**STATEMENT OF CHANGES IN EQUITY**

GROUP	Attributable to equity holders of the Parent					Minority Interest
	Stated Capital	Capital Redemption	Revaluation Reserve	Retained Earnings	Total	
	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000
<b>Balance as at 01 April 2017</b>	156,716	23,100	-	517,410	697,226	100,691
Profit/ (Loss) for the period	-	-	-	(1,633)	(1,633)	(123)
Acquisition of Non-Controlling Interest without a change in control	-	-	-	(16,000)	(16,000)	16,000
<b>Balance as at 31 March 2018</b>	156,716	23,100	-	499,777	679,593	116,568
<b>Balance as at 01 April 2018</b>	156,716	23,100	106,949	733,300	1,020,065	147,862
Share Issue During Period	628,709	-	-	-	628,709	-
Purchase of Minority Interest	-	-	-	-	-	(115,085)
Bargain Purchase of Minority Interest	-	-	-	85	85	-
Profit/ (Loss) for the period	-	-	-	24,990	24,990	(1,484)
<b>Balance as at 31 March 2019</b>	785,425	23,100	106,949	758,375	1,673,848	31,294

COMPANY	Stated Capital	Other Components of Equity	Revaluation Reserve	Retained Earnings	Total Equity
	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000
<b>Balance as at 01 April 2017</b>	156,716	23,100	-	329,450	509,266
Profit/ (Loss) for the period	-	-	-	(1,538)	(1,538)
<b>Balance as at 31 March 2017</b>	156,716	23,100	-	327,912	507,728
<b>Balance as at 01 April 2018</b>	156,716	23,100	-	316,652	496,468
Share Issue During Period	628,709	-	-	-	628,709
Profit/ (Loss) for the period	-	-	-	(10,410)	(10,410)
<b>Balance as at 31 March 2019</b>	785,425	23,100	-	306,243	1,114,768

**LANKA REALTY INVESTMENTS PLC**  
**STATEMENT OF CASH FLOWS**  
For the Year Ended 31st March 2019

	Notes	GROUP		COMPANY	
		31-03-2019 LKR 000	31-03-2018 LKR 000	31-03-2019 LKR 000	31-03-2018 LKR 000
<b>OPERATING ACTIVITIES</b>					
Cash Used in Operations		(34,325)	88,073	(23,502)	(1,255)
Net Received/(Interest) Paid		(17,514)	(47,038)	8,014	72
Income Tax Paid		(1,390)	-	-	-
Gratuity Paid		340	(3,336)	(340)	(3,336)
<b>Net Cash Generated from/ (Used in) Operating Activities</b>		<b>(52,889)</b>	<b>37,700</b>	<b>(15,828)</b>	<b>(4,519)</b>
<b>INVESTING ACTIVITIES</b>					
Acquisition of Property, Plant & Equipment		(177,847)	(15,694)	(205)	-
Disposal of Property, Plant & Equipment		48,800	7,252	-	-
Disposal of Marketable Securities		-	1,058	-	1,058
Dividends Received		1	24	1	24
<b>Net Cash Generated from/ (Used in) Investing Activities</b>		<b>(129,046)</b>	<b>(7,361)</b>	<b>(205)</b>	<b>1,082</b>
<b>FINANCING ACTIVITIES</b>					
Net Proceeds from issue of shares		628,709	-	628,709	-
Increase in interest in Subsidiaries		(115,000)	-	(615,000)	-
Proceeds from long term Lease		8,500	-	-	-
Repayment of long term Lease		(6,117)	-	-	-
Net Receive/(Payment) of Borrowings including related companies		(253,864)	(45,457)	-	-
<b>Net Cash Generated from/ (Used in) Financing Activities</b>		<b>262,228</b>	<b>(45,457)</b>	<b>13,709</b>	<b>-</b>
<b>Increase / (Decrease) in Cash &amp; Cash Equivalents</b>		<b>80,294</b>	<b>(15,118)</b>	<b>(2,324)</b>	<b>(3,437)</b>
<b>Movement in Cash &amp; Cash Equivalents</b>					
At the Beginning of the Period		(21,898)	(6,781)	1,971	5,408
Increase / (Decrease )		80,294	(15,118)	(2,324)	(3,437)
<b>At the End of the Period</b>		<b>58,396</b>	<b>(21,898)</b>	<b>(353)</b>	<b>1,971</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>					
<b>Favorable balances</b>					
Cash in hand and at bank		76,433	3,044	218	2,200
<b>Unfavorable balances</b>					
Bank overdrafts		(18,038)	(24,942)	(571)	(229)
<b>Total cash and cash equivalents</b>		<b>58,395</b>	<b>(21,898)</b>	<b>(353)</b>	<b>1,971</b>



**LANKA REALTY INVESTMENTS PLC**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
For the Year Ended 31st March 2019

**1 Corporate Information**

Lanka Realty Investments 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.

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

The interim condensed consolidated financial statements for the year ended 31 March 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.

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

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

**4 SEGMENT RESULTS FOR YEAR ENDED 31ST MARCH 2018**

	Lanka Realty Investment PLC	Amtrad Limited	Lanka Realty Developments (Pvt) Ltd	Lanka Realty Leisure (Pvt) Ltd	Lanka Realty Ambalangoda (Pvt) Ltd	L & A Quarries (Pvt) Ltd	Ascot Yala (Pvt) Ltd	Inter Segment Eliminations	Consolidated
	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000
Revenue	22,005	79,143	69,900	-	-	-	-	(13,991)	157,058
Direct Expenses	(15,264)	(65,001)	(4,887)	-	-	(1,393)	-	-	(86,544)
<b>Gross Profit</b>	<b>6,741</b>	<b>14,142</b>	<b>65,013</b>	<b>-</b>	<b>-</b>	<b>(1,393)</b>	<b>-</b>	<b>(13,991)</b>	<b>70,514</b>
Other Operating Income	0.45	1,858	2,861	-	-	8,318	-	-	13,037
Administration Expenses	(13,642)	(12,634)	(14,217)	(3,141)	(6,584)	(500)	(7)	-	(50,725)
Distribution Cost	(401)	(3,089)	-	-	-	-	-	-	(3,490)
Other Operating Expense	(44)	(13,455)	(2,055)	-	(7)	(1)	-	-	(15,563)
<b>Operating Profit/Loss</b>	<b>(7,346)</b>	<b>(13,177)</b>	<b>51,603</b>	<b>(3,141)</b>	<b>(6,591)</b>	<b>6,424</b>	<b>(7)</b>	<b>(13,991)</b>	<b>13,773</b>
Net Finance Expense	(3,064)	(11,508)	(27,825)	-	-	7	-	13,991	(28,399)
Change in fair value of Investment Properties	-	-	34,597	10,000	3,500	-	-	-	48,097
<b>Profit/(Loss) before tax</b>	<b>(10,411)</b>	<b>(24,686)</b>	<b>58,375</b>	<b>6,859</b>	<b>(3,091)</b>	<b>6,431</b>	<b>(7)</b>	<b>-</b>	<b>33,470</b>
Tax (expense)/reversal	-	(1,149)	(10,312)	14,955	(14,479)	1,020	-	-	(9,964)
<b>Profit/(Loss) for the period</b>	<b>(10,411)</b>	<b>(25,834)</b>	<b>48,063</b>	<b>21,814</b>	<b>(17,570)</b>	<b>7,451</b>	<b>(7)</b>	<b>-</b>	<b>23,506</b>

23,506

**5 INVESTMENT PROPERTY**

The investment property has been valued by an independent valuer for the year ended 31st March 2019.

	LKR
Lanka Realty Developments (Pvt) Ltd	1,295,000,000
Lanka Realty Ambalangoda (Pvt) Ltd	148,500,000
Ascot Leisure (Pvt) Ltd	150,000,000
<b>Total</b>	<b>1,593,500,000</b>

**6 INVESTOR INFORMATION**

**Market Value of Shares**

	Quarter ended		Year ended	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	LKR	LKR	LKR	LKR
Closing Price	23.90	32.50	23.90	32.50
Highest Price	25.00	40.00	39.50	40.00
Lowest Price	18.00	27.10	18.00	27.10

**Share Trading Information**

No. of transactions	469	101	1,742	2,351
No. of shares traded	108,542	7,924	1,475,858	7,197,720
Value of shares traded (LKR)	2,460,969	294,911	59,106,641	291,075,345

# LANKA REALTY INVESTMENTS PLC

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2019

### 7 STATED CAPITAL

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

As at	31-03-2019	31-03-2018
Ordinary Shares	44,301,443	12,657,555

### 8 DISCLOSURES

8.1 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.

8.2 Events after the Reporting Date

There were no material events occurring after the reporting date that require adjustments to or disclosure in the financial statements.

8.3 The Company received approval to proceed with a Rights Issue amounting to Rs. 632,877,760 at a ratio of 05 new ordinary shares for every 02 existing ordinary shares held by a shareholder, at a consideration of Rs 20/- per share. The proceeds of the Rights issue were to be utilised as given below.

(i) to invest a sum of Rs 500,000,000/- in the capital of the company's subsidiary, Lanka Realty Developments (Pvt) Ltd, in order that the said subsidiary may in turn utilize a sum Rs 250,000,000/-, to refurbish by way of additions and alterations to its commercial building, situated at Darly Road, Colombo 10, and Rs 250,000,000/- and to settle, its balance outstanding loan to Bank of Ceylon, Corporate Branch.

(ii) to pay a sum of Rs 25,000,000/- to Fairway Holdings (Pvt) Ltd and settle the court case in Ascot Leisure (Pvt) Ltd.

(iii) to facilitate the purchase by the company of the minority shareholding held by Fairway Holdings (Pvt) Ltd and Mr H.D. de Alwis in Ascot Developments (Pvt) Ltd, for a consideration of Rs 100,000,000/-.

(iv) to utilize as working capital of the company, the balance sum Rs 7,877,760/-

8.4 Where necessary, comparative figures have been re-classified to conform with the current period's presentation.

8.5 Related Party Transactions

For the Year ended 31st March

Transactions with related parties	2019		2018	
	Company LKR 000	Group LKR 000	Company LKR 000	Group LKR 000
Sale of goods and services/interest & dividend income	13,991	13,991	-	-
Short term loans (given) to / Settlements from Subsidiaries	13,974	13,974	(20,257)	(20,257)

8.6 Continuous disclosure regarding status of the utilisation of funds raised via the Rights Issue as at 31.03.2019

Objective Number	Objective as per Circular/Market Announcement	Amount allocated as per Circular/Market Announcement in LKR	Total amount subscribed from Rights Issue	Amount allocated from proceeds in LKR (A)	% of total proceeds	Amounts utilised in LKR (B)	% utilisation against allocation (B/A)	Clarification if not fully utilised including where the funds are invested (e.g whether lent to related party/s etc)
1	To refurbish by way of additions and alterations to the commercial building of Lanka Realty Developments (Pvt) Ltd	250,000,000	250,000,000	250,000,000	100%	145,403,333	58%	Refurbishment is ongoing. Un-utilised funds re-invested in money market funds
	To settle, Lanka Realty Developments (Pvt) Ltd balance outstanding loan to Bank of Ceylon, Corporate Branch	250,000,000	250,000,000	250,000,000	100%	250,000,000	100%	-
2	to pay a sum of Rs 25,000,000/- to Fairway Holdings (Pvt) Ltd and settle the court case in Ascot Leisure (Pvt) Ltd.	25,000,000	25,000,000	25,000,000	100%	25,000,000	100%	-
3	To acquire, Lanka Realty Developments (Pvt) Ltd's minority shareholding held by Fairway Holdings (Pvt) Ltd and Mr H.D. de Alwis	100,000,000	100,000,000	100,000,000	100%	100,000,000	100%	-
4	To utilize as working capital of the company	7,877,760	7,877,760	7,877,760	100%	7,877,760	100%	-
Total		632,877,760	632,877,760	632,877,760		528,281,093		

# LANKA REALTY INVESTMENTS PLC

## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2019

### 9 TWENTY MAJOR SHAREHOLDERS

No.	Name	No of Shares	Percentage %
1	EIGHTH WONDER	16,513,863	37.28
2	MR I.J. MCVEIGH	9,131,354	20.61
3	MR M.H. JAMALDEEN	6,255,806	14.12
4	MR P. MORGAN	5,322,827	12.02
5	MR A.J.B. WARMAN	2,783,208	6.28
6	MR M.F. FAROOK	1,325,000	2.99
7	LB FINANCE PLC/BOSTON CAPITAL (PVT) LTD	473,291	1.07
8	BOSTON CAPITAL (PVT) LTD	426,975	0.96
9	GEORGE STEUART FINANCE PLC/ BOSTON CAPITAL (PVT) LTD	260,000	0.59
10	MR W.W.D.D.S. PERERA	80,790	0.18
11	MYLAND DEVELOPMETS (PVT) LTD	52,420	0.12
12	AXIS FINANCIAL SERVICES (PVT) LTD	49,303	0.11
13	MR P.G.W. SIRISENA	47,250	0.11
14	MR T.G. THORADENIYA	46,275	0.10
15	MR R.E. RAMBUKWELLE	44,001	0.10
16	MR K.M.S.M. RAZEEK	37,338	0.08
17	MR A.S.W. JAYEWARDENE & MIS T.R.J JAYEWARDENE	36,666	0.08
18	MISS N.R. FONSEKA	28,453	0.06
19	MR D.H.G.U.P. UBAYAWANSHA	23,895	0.05
20	COMMERCIAL BANK OF CEYLON PLC / M R H GALAPPATTI	22,270	0.05

9.1 The percentage of shares held by the public as at 31st December 2018 was 6.703%

The number of shareholders representing the public holding was **1,756**

9.2 The float adjusted market capitalization as at 31st December 2018 was **LKR 70,968,301.50**

9.3 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 not complied with the minimum public holding requirement applicable under the said Option. The company is taking steps to address this matter.

### 10 DIRECTORS SHAREHOLDING

#### No of Shares

MR. MOHAN RATNAYAKE	NIL
MR. TERENCE SMITH	NIL
MR. IAN MCVEIGH	9,131,354
MR. PIERS MORGAN	5,322,827
MR. HISHAM JAMALDEEN	6,255,806
MR. ARCHIE WARMAN	2,783,208
MR. SARAVANAN NEELAKANDAN	NIL
MR. FIRDOUSE FAROOK	1,325,000
MR. JAYANTHA PRADEEP	NIL

### 11 CHANGE THE BUSINESS NAME

The Company changed its name from ASCOT Holdings PLC to Lanka Realty Investments PLC with effect from 19<sup>th</sup> September 2018.

Its subsidiary companies have changed their business names from ASCOT Developments (Pvt) Ltd and ASCOT Ambalangoda (Pvt) Ltd to Lanka Realty Developments (Pvt) Ltd and Lanka Realty Ambalangoda (Pvt) Ltd respectively with effect from 09<sup>th</sup> October 2018.

Its subsidiary company has changed their business names from ASCOT Lesisure (Pvt) Ltd a to Lanka Realty Leisure (Pvt) Ltd with effect from 15<sup>th</sup> February 2019.

**LANKA REALTY INVESTMENTS PLC**  
**CORPORATE INFORMATION**

**Name of Company**

Lanka Realty Investments 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**

11th December 1967

**Company Registration Number**

PQ 139

**Nature of the Business**

A Holding company in the areas of Real Estate, Building Construction Material and Leisure.

**Board of Directors**

Mr. Ratnayake Mudiyansele Mohan Joseph Rathnayake

Mr. Terence Charles Smith

Mr. Ian Joseph McVeigh

Mr. Piers Morgan

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

Lanka Realty Developments (Pvt) Ltd

L & A Quarries (Pvt) Ltd

Lanka Realty Ambalangoda (Pvt) Ltd

Lanka Realty Leisure (Pvt) Ltd

ASCOT Yala (Pvt) Ltd

**Company Secretaries**

PW 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