

Browns Investments

Browns Investments PLC
Period ended 31st March 2019
Reg. No. PV 66136PB/PQ

Browns Investments PLC
Income Statements

	Group					
	Quarter ended 31st March			Period ended 31st March		
	2019 (Un Audited) Rs.000	2018 (Un Audited) Rs.000	% Change	2019 (Un Audited) Rs.000	2018 (Audited) Rs.000	% Change
Revenue/ Income	1,557,148	1,389,473	12%	5,123,307	5,147,888	0%
Cost of sales	(1,449,009)	(902,627)	-61%	(3,647,789)	(3,055,829)	-19%
Gross profit	108,140	486,846	-78%	1,475,519	2,092,059	-29%
Other income	312,166	413,929	-25%	541,910	508,605	7%
Selling & distribution expenses	(25,724)	(93,850)	73%	(109,030)	(171,480)	36%
Administrative expenses	(168,884)	(326,489)	48%	(1,470,750)	(1,583,176)	7%
Other expenses	(20,775)	(43,079)	100%	(22,016)	(48,330)	54%
Finance income	125,602	23,078	444%	384,641	255,437	51%
Finance cost	(777,608)	(608,436)	-28%	(2,907,324)	(2,100,319)	-38%
Net change in fair value of consumer biological assets	439,076	285,256	-54%	439,076	285,256	-54%
Gain on disposal of fair value through profit or loss investments	-	-		-	892,476	100%
Net change in fair value of investment properties	18,019	1,595,834	99%	18,019	1,595,834	99%
Transfer of translation reserve on disposed foreign associates	-	61,621	100%	-	61,621	100%
Gain on bargain purchase	-	105,610	100%	-	105,610	100%
Share of profit/ (loss) of equity accounted investees (Net of tax)	(4,115)	7,259	157%	(10,294)	(2,087)	-393%
Profit before taxation	5,897	1,907,579	100%	(1,660,249)	1,891,506	188%
Taxation	(202,490)	(230,353)	12%	(363,337)	(431,369)	16%
Profit/(loss) for the period	(196,593)	1,677,226	112%	(2,023,586)	1,460,137	239%
Other comprehensive income						
Item that will never be reclassified to profit and loss						
Revaluation surplus on property, plant and equipment	4,500	1,081,702		4,500	1,081,702	
Deferred tax on revaluation	-	(62,626)		-	(373,757)	
Actuarial gains/(losses) on defined benefit obligation	(69,369)	(68,761)		(69,369)	(68,762)	
Tax on other comprehensive income	9,668	9,748		9,668	9,747	
Share of other comprehensive income of equity accounted investees	-	56,587		-	56,587	
Item that are or may be reclassified to profit or loss						
Transfer of translation reserve on disposed foreign associates	-	(61,621)		-	(61,621)	
Net change in fair value of available-for-sale financial assets	(17,671)	17,215		(70,508)	50,290	
Exchange gain/(loss) from translation of foreign operation	(261,960)	103,170		922,036	127,426	
Tax on other comprehensive income	(7,344)	-		(7,344)	-	
Total other comprehensive income	(342,175)	1,075,414		788,984	821,612	
Total comprehensive income for the period	(538,769)	2,752,640		(1,234,602)	2,281,748	
Profit attributable to						
Equity holders of the Company	(268,897)	1,517,635		(1,901,456)	847,289	
Non -controlling interest	72,303	159,591		(122,131)	612,848	
	(196,593)	1,677,226		(2,023,586)	1,460,137	
Total Comprehensive Income attributable to						
Equity holders of the Company	(492,689)	2,496,618		(1,337,718)	1,615,084	
Non-controlling interest	(46,080)	256,022		103,116	666,664	
	(538,769)	2,752,640		(1,234,602)	2,281,748	
Earnings/(loss) per Share - Rs.	(0.07)	0.41		(0.51)	0.23	

Browns Investments PLC
Income Statements

Company

	Quarter ended 31st March			Period ended 31st March		
	2019 (Un Audited) Rs.000	2018 (Un Audited) Rs.000	% Change	2019 (Un Audited) Rs.000	2018 (Audited) Rs.000	% Change
Revenue/Income	517	3,380	-85%	7,365	338,012	-98%
Cost of sales	-	-		-	-	
Gross profit	517	3,380	-85%	7,365	338,012	-98%
Other income	851	1,158	-27%	3,416	364,376	-99%
Administrative expenses	(49,158)	(23,793)	-107%	(153,960)	(87,257)	-76%
Other expenses		(65,314)	100%	-	(65,314)	100%
Finance income	255,745	189,053	35%	857,860	581,894	47%
Finance cost	(282,738)	(343,135)	18%	(1,114,343)	(1,120,005)	1%
Change in Fair value of Investment Properties	90,019	129,000	-30%	90,019	129,000	-30%
Profit before taxation	15,236	(109,651)	114%	(309,643)	140,706	320%
Taxation	(8,999)	(1,034)		(8,999)	(1,034)	-770%
Profit/(loss) for the period	6,237	(110,685)	106%	(318,642)	139,672	328%
Other Comprehensive Income						
Net change in fair value of available-for-sale financial assets	(24,616)	13,683		(77,240)	46,075	
Actuarial gains/(losses) on defined benefit obligation	(187)	(128)		(187)	(128)	
Exchange gain on translation of foreign investments	25,400	-		25,400	-	
Deferred tax on translation gain of foreign investments	(2,540)	-		(2,540)	-	
Revaluation Surplus on Property, Plant and equipment	-	25,891		-	25,892	
Total other comprehensive income	(1,943)	39,446		(54,567)	71,839	
Total comprehensive income for the period	4,294	(71,239)		(373,209)	211,511	
Earnings (loss) per Share - Rs.	0.002	(0.03)		(0.09)	0.04	

Browns Investments PLC
Statement of Financial Position

	Group		Company	
	As at 31.03.2019 (Un Audited) Rs.000	As at 31.03.2018 (Audited) Rs.000	As at 31.03.2019 (Un Audited) Rs.000	As at 31.03.2018 (Audited) Rs.000
ASSETS				
Non-Current Assets				
Property, plant and equipment	31,724,124	26,456,648	26,174	23,824
Investment property	7,767,726	8,046,697	1,306,800	1,513,782
Intangible assets	1,555,796	1,543,273	4,132	-
Prepaid lease rentals	2,785,694	2,580,478	-	-
Bearer biological assets	1,259,879	1,212,191	-	-
Consumer biological assets	3,788,607	3,305,918	-	-
Investments in subsidiaries	-	-	11,874,904	10,275,752
Investments in equity accounted investees	163,270	6,129	4,023	4,023
Other financial assets	4,025,729	1,391,370	1,086,128	1,022,072
Deferred tax assets	545,776	614,410	-	-
	53,616,601	45,157,114	14,302,161	12,839,453
Current Assets				
Inventories	831,162	445,163	-	-
Trade and other receivables	3,003,856	3,382,775	176,135	152,886
Loans to related parties	-	-	3,999,785	2,112,005
Amounts due from related parties	753,320	656,065	4,510,868	2,626,906
Income tax recoverable	17,331	14,328	-	713
Other financial assets	518,545	618,334	142,701	251,220
Cash and cash equivalents	880,218	555,151	206,738	12,704
	6,004,432	5,671,816	9,036,227	5,156,434
Total Assets	59,621,033	50,828,930	23,338,388	17,995,887
EQUITY AND LIABILITIES				
Capital and Reserves				
Stated capital	11,844,816	7,705,000	11,844,816	7,705,000
Capital reserves	3,099,516	2,518,542	156,704	211,084
Retained earnings	6,498,459	7,143,611	4,196,821	926,966
Equity Attributable to Equity holders of the Company	21,442,791	17,367,153	16,198,341	8,843,050
Non- controlling interest	2,900,303	7,339,483	-	-
Total Equity	24,343,094	24,706,636	16,198,341	8,843,050
Non-Current Liabilities				
Interest bearing borrowings	5,754,106	4,806,891	-	248,941
Finance lease obligations	52,362	51,911	455	612
Retirement benefit obligations	743,096	707,090	2,272	1,513
Deferred tax liabilities	1,686,903	1,623,872	11,539	-
Deferred income	131,698	144,284	-	-
Loans from related parties	2,888,348	4,008	-	-
	11,256,513	7,338,056	14,266	251,066
Current Liabilities				
Trade and other payable	3,204,073	2,665,740	34,763	168,284
Interest bearing loans and borrowings	1,937,302	1,837,536	300,000	669,960
Finance lease obligations	1,011	11,484	153	260
Loans from related parties	5,851,095	1,905,097	1,433,321	5,903,600
Amounts due to related parties	12,261,284	11,894,004	5,224,153	2,159,667
Income tax payable	204,186	264,174	125,052	-
Other short term interest bearing liabilities	178,146	52,167	-	-
Bank overdraft	384,329	154,036	8,339	-
	24,021,426	18,784,238	7,125,781	8,901,771
Total Equity and Liabilities	59,621,033	50,828,930	23,338,388	17,995,887
Net Assets per Share (Rs.)	4.48	4.67	3.38	2.38

The Statement of Financial Position as at 31st March 2019 and related Statements of Comprehensive Income, Changes in Equity and Cash Flow for the period ended 31st March 2019 are drawn up from the unaudited Financial Statements of the Company, its Subsidiaries and Associates, and they provide the information required by the Colombo Stock Exchange.

The Board of Directors is responsible for the preparation and presentation of these Financial Statements. The Chief Financial Officer, LOLC Group certifies that the Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.

Sgd..
Mrs .S.S. Kotakadeniya
Chief Financial Officer, LOLC Group

Signed for and on behalf of the Board.

Sgd..
Director
Colombo
31st May 2019

Sgd..
Director

Browns Investments PLC
Statement of Changes in Equity

	Group							
	Attributable to Equity holders of the Company							
	Stated capital	Revaluation reserve on PPE	Foreign currency translation Reserve	Fair valuation reserve	Revenue reserves	Total	Non- controlling interest	Total equity
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Balance as at 1st April 2017	7,705,000	1,660,809	107,970	(40,221)	6,392,183	15,825,741	6,106,454	21,932,195
Profit/(loss) for the period	-	-	-	-	847,289	847,289	612,848	1,460,137
Other comprehensive income	-	655,678	89,153	48,174	(25,210)	767,795	53,816	821,611
Dividend paid	-	-	-	-	-	-	(236,430)	(236,430)
Adjustments due to changes in group holdings	-	-	-	-	(49,652)	(49,652)	49,652	-
Transfer of translation reserve on disposed foreign associates	-	-	-	-	-	-	-	-
Depreciation transfer on revaluation	-	(3,021)	-	-	3,021	-	-	-
On acquisition of subsidiaries	-	-	-	-	-	-	1,344,999	1,344,999
On acquisition of non controlling interest	-	-	-	-	(24,020)	(24,020)	(591,856)	(615,876)
Balance as at 31st March 2018	7,705,000	2,313,466	197,123	7,953	7,143,611	17,367,153	7,339,483	24,706,636
Balance as at 1st April 2018	7,705,000	2,313,466	197,123	7,953	7,143,611	17,367,153	7,339,483	24,706,636
Impact of adoption of SLFRS 9- Impact of reclassifying financial investment from AFS to FVTPL	-	-	-	(4,162)	4,162	-	-	-
Profit/(loss) for the period	-	-	-	-	(1,901,456)	(1,901,456)	(122,131)	(2,023,586)
Other Comprehensive income	-	4,500	661,574	(60,324)	(42,012)	563,738	225,246	788,984
Share issue by subsidiaries to non-controlling interests	-	-	-	-	-	-	879,874	879,874
On acquisition of subsidiaries	-	-	-	-	-	-	(2,765)	(2,765)
Pending share allotment	4,139,816	-	-	-	(5,171)	4,134,645	(4,139,816)	(5,171)
Realised revaluation on disposal	-	(20,614)	-	-	20,614	-	-	-
Adjustments due to changes in group holdings and other adjustments	-	-	-	-	1,278,711	1,278,711	(1,279,589)	(879)
Balance as at 31st March 2019	11,844,816	2,297,352	858,697	(56,533)	6,498,459	21,442,791	2,900,303	24,343,094
	Company							
	Stated capital	Revaluation reserve on PPE	Fair valuation reserve	Foreign currency Translation Reserve	Revenue reserves	Total		
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000		
Balance as at 1st April 2017	7,705,000	175,097	(35,980)	-	787,422	8,631,539		
Profit/(loss) for the Period	-	-	-	-	139,672	139,672		
Other Comprehensive income	-	25,892	46,075	-	(128)	71,839		
Balance as at 31st March 2018	7,705,000	200,989	10,095	-	926,966	8,843,050		
Balance as at 1st April 2018	7,705,000	200,989	10,095	-	926,967	8,843,051		
Profit/(loss) for the Period	-	-	-	-	(318,642)	(318,642)		
Other Comprehensive income	-	-	(77,240)	22,860	(187)	(54,567)		
Pending share allotments	4,139,816	-	-	-	(5,171)	4,134,645		
Excess of the investment/Goodwill on merger with subsidiary	-	-	-	-	3,593,854	3,593,854		
Balance as at 31st March 2019	11,844,816	200,989	(67,145)	22,860	4,196,821	16,198,341		

Browns Investments PLC
Cash Flow Statements

	Group		Company	
	Period ended 31st March		Period ended 31st March	
	2019	2018	2019	2018
	Rs.000	Rs.000	Rs.000	Rs.000
	(Un Audited)	(Audited)	(Un Audited)	(Audited)
Cash Flows from Operating Activities				
Profit/(loss) before taxation	(1,660,249)	1,891,506	(309,643)	140,706
Adjustment for:				
(Gain)/loss on disposal of other financial assets	-	(892,476)	-	-
Share of profit/(loss)of equity accounted investees (Net of tax)	10,294	2,087	-	-
Amortization of deferred income	(12,586)	(12,919)	-	-
(Gain)/loss on changes in fair value of investments	31	259	4	7
Depreciation/Amortization	549,647	515,578	1,529	2,274
Provision for retirement benefit obligation	108,073	101,309	572	418
Gain on disposal of Property, Plant and equipment	(58,948)	(3,594)	-	-
Gain on disposal of old rubber trees and other related income	-	(27,636)	-	-
Impairment of trade and other receivables	-	17,740	-	15,314
Impairment of goodwill	-	17,260	-	50,000
Gain on disposal of investment properties	-	(980)	-	(980)
Net change in fair value of investment properties	(18,019)	(1,595,834)	(90,810)	(129,000)
Interest Income	(384,641)	(255,437)	(857,860)	(581,894)
Net change in fair value of consumer biological assets	(439,076)	(285,256)	-	-
Loss on disposal of bearer biological assets	-	4,121	-	-
Transfer of translation reserve on disposed foreign associates	-	(61,621)	-	-
Gain on bargain purchase	-	(105,610)	-	-
(Gain)/Loss on disposal of subsidiary	-	-	-	(362,063)
Interest expense	2,907,324	2,100,319	1,114,343	1,120,005
Operating profit before working capital changes	1,001,850	1,408,816	(141,865)	254,787
Working capital changes				
(Increase)/decrease in inventories	(345,525)	(18,345)	-	-
(Increase)/decrease in trade and other receivable	451,652	(1,373,888)	11,846	76,352
(Increase)/decrease in amounts due from related parties	(97,255)	(483,584)	(1,894,252)	(1,921,475)
Increase/(decrease) in amounts due to related parties	367,280	(377,579)	3,546,070	310,189
Increase/(decrease) in trade and other payables	422,763	(370,546)	(158,466)	(140,744)
Cash generated from/ (used in) operations	1,800,765	(1,215,126)	1,363,333	(1,420,891)
Interest paid	(2,907,324)	(2,094,555)	(1,114,343)	(1,119,814)
Income tax paid	(294,834)	(63,231)	(321)	-
Retiring gratuity paid	(139,558)	(348,012)	-	-
Net cash flows generated from/ (used) operating activities	(1,540,951)	(3,720,924)	248,669	(2,540,705)
Cash flows from investing activities				
Acquisition of property, plant and equipment	(4,694,819)	(2,887,515)	(238)	(11,140)
Proceeds from disposal of subsidiaries	-	-	-	1,505,000
Investments in subsidiaries	(70,659)	(312,156)	(832,947)	(542,130)
Investments in equity accounted investees	(176,728)	-	-	-
Investment in intangible assets	-	(3,415)	-	-
Investment/ Proceeds in investment properties	(3,010)	(39,508)	297,794	4,204
Acquisition of leasehold properties	-	(106,738)	-	-
Acquisition of non controlling interest	-	(615,876)	-	-
Cash received from amalgamated subsidiaries	-	-	205,731	-
Net investment in bearer biological assets	(96,288)	(113,087)	-	-
(Investment in)/Proceeds from consumer biological assets	(43,613)	(8,936)	-	-
Proceeds from sale of other financial assets	95,359	1,527,082	69,204	-
Proceeds to long term investments	-	-	-	-
Proceeds from disposal of property, plant and equipment	58,948	8,115	-	-
Net proceeds to loans to related parties	-	188,582	4,429,066	(1,364,296)
Net proceeds/(Investments) of long term investments	(2,690,991)	15,350	-	-
Interest received	384,641	255,437	857,860	576,775
Net cash flows generated from/ (used) in investing activities	(7,237,160)	(2,092,665)	5,026,470	168,413
Cash flows from financing activities				
Proceeds from interest bearing borrowings	1,046,718	1,096,054	(618,901)	(1,349,920)
(Repayments)/Proceeds short term borrowings	125,979	(67,441)	-	-
Net proceeds from/ loans to related parties	6,830,338	699,370	(4,470,279)	3,731,109
Repayment of finance lease liabilities	(10,024)	(31,750)	(264)	(465)
Proceeds from issue of shares to non controlling interest	879,874	-	-	-
Dividend paid	-	(236,430)	-	-
Net cash flows generated from financing activities	8,872,885	1,459,803	(5,089,444)	2,380,724
Net increase / (decrease) in cash and cash equivalents during the period	94,774	(4,353,786)	185,695	8,436
Cash and cash equivalents at the beginning of the period	401,115	4,754,901	12,704	4,268
Cash and cash equivalents at the end of the period	495,889	401,115	198,399	12,704
Analysis of cash and cash equivalents at the end of the period				
Cash at bank and in hand	880,218	555,151	206,738	12,704
Bank overdraft	(384,329)	(154,036)	(8,339)	-
	495,889	401,115	198,399	12,704

Browns Investments PLC
Notes to the Financial Statements

1 Corporate Information

Browns Investments PLC ("Company") is a public limited company incorporated and domiciled in Sri Lanka, and listed on the Colombo Stock Exchange. The registered office of the Company is located at 481, T B Jayah Mawatha, Colombo 10.

The Business Office of the Company is located at No. 100/1, Sri Jayawardanepura Mawatha, Rajagiriya.

The Interim Financial Statements of the Group and the Company for the period ended 31st March 2019 was authorised for issue by the Board of Directors on 31st May 2019.

2 Basis of Preparation

The Interim condensed Financial Statements of the Company & Group have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRS/LKAS) which complies with the Sri Lanka Accounting Standard - LKAS 34, Interim Financial Reporting. These Interim Financial statements should be read in conjunction with the annual financial statements for the year ended 31st March 2018.

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

2.1 New Standards effective from 01st January 2018

a) SLFRS 9 - Financial Instruments

Sri Lanka Accounting Standard – SLFRS 9 on "Financial Instruments", which replaces the existing guidance on LKAS 39 on "Financial Instruments: Recognition and Measurement" has become effective for annual reporting periods beginning on or after January 01, 2018. The new standard SLFRS 9 bringing together all three aspects of the accounting for financial instruments; classification and measurement; impairment; and hedge accounting.

Based on the assessment performed, the Group concluded that SLFRS 09 does not have a material impact on the Group's Consolidated Financial Statements.

b) SLFRS 15 - Revenue from Contracts with Customers

SLFRS 15 supersedes LKAS 11 Construction Contracts, LKAS 18 Revenue and related Interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers.

Based on the assessment performed, the Group concluded that SLFRS 15 does not have a material impact on the Group's Consolidated Financial Statements.

3 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments operating results are reviewed regularly by Group Board of Directors to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment Information - Group

	Investments		Leisure & Travel		Construction & Manufacturing		Plantation		Renewable energy		Real estate		Inter/Intra eliminations		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Revenue/income	4,053	764,005	1,624,050	1,711,954	1,465,501	575,643	1,749,084	2,281,890	439,331	453,413	-	1,821	(158,711)	(640,841)	5,123,307	5,147,885
Cost of sales	-	(30,537)	(647,004)	(436,477)	(1,070,394)	(350,206)	(1,803,543)	(2,034,679)	(198,164)	(193,636)	(82,778)	(10,291)	154,094	-	(3,647,789)	(3,055,826)
Gross profit	4,053	733,468	977,045	1,275,477	395,107	225,437	(54,460)	247,211	241,167	259,777	(82,778)	(8,470)	(4,616)	(640,841)	1,475,518	2,092,059
Other income/Finance income	1,562,187	2,827,312	124,408	85,079	146,946	5,289	246,082	283,054	12,724	644	257,460	289,607	(945,153)	(1,772,845)	1,404,654	1,718,140
Net change in fair value of investment properties	93,519	129,000	-	325,954	-	-	-	-	-	-	(71,000)	1,505,341	(4,500)	(364,460)	18,019	1,595,835
Net change in fair value of consumer biological assets	-	-	-	-	-	-	439,076	285,255	-	-	-	-	-	-	439,076	285,255
Gain on bargain purchase	-	105,610	-	-	-	-	-	-	-	-	-	-	-	-	-	105,610
Share of profit/ (loss) of equity accounted investees	(10,294)	(2,086)	-	-	-	-	-	-	-	-	-	-	-	-	(10,294)	(2,086)
Expenses	(2,121,948)	(1,954,664)	(2,658,374)	(2,267,502)	(262,456)	(114,364)	(575,134)	(534,848)	(202,301)	(216,124)	(116,776)	(321,837)	949,769	1,506,033	(4,987,221)	(3,903,305)
Profit before taxation	(472,483)	1,838,640	(1,556,921)	(580,992)	279,596	116,362	55,563	280,672	51,591	44,297	(13,094)	1,464,641	(4,500)	(1,272,113)	(1,660,248)	1,891,508
Taxation	(147,216)	(245,341)	(19,060)	(72,111)	(70,079)	(17,731)	(124,783)	(80,348)	(287)	(728)	(1,912)	(15,111)	-	-	(363,337)	(431,370)
Profit after taxation	(619,700)	1,593,299	(1,575,982)	(653,103)	209,518	98,631	(69,220)	200,324	51,304	43,569	(15,006)	1,449,530	(4,500)	(1,272,113)	(2,023,586)	1,460,137
Segment Assets																
Non-current Assets	24,773,121	23,530,258	37,968,011	32,500,302	830,449	732,228	6,241,461	5,779,175	2,440,778	2,596,873	6,982,372	7,122,820	(25,619,592)	(27,104,542)	53,616,601	45,157,114
Current Assets	11,086,518	12,914,803	5,534,440	3,464,322	1,608,598	714,781	589,564	432,453	128,580	375,265	650,434	1,434,573	(13,593,702)	(13,664,381)	6,004,432	5,671,816
	35,859,639	36,445,061	43,502,451	35,964,624	2,439,048	1,447,009	6,831,025	6,211,628	2,569,359	2,972,138	7,632,806	8,557,393	(39,213,295)	(40,768,923)	59,621,033	50,828,930
Segment Liabilities																
Non-Current Liabilities	2,808,115	256,295	4,527,166	3,773,259	47,242	32,621	3,562,711	2,248,185	1,297,223	1,515,104	293,082	332,993	(1,279,026)	(820,400)	11,256,513	7,338,056
Current Liabilities	11,691,057	13,062,657	20,625,356	13,718,868	1,398,310	916,936	1,935,641	2,650,056	389,768	382,176	497,119	1,366,783	(12,515,825)	(13,313,238)	24,021,426	18,784,238
	14,499,173	13,318,952	25,152,523	17,492,127	1,445,551	949,557	5,498,352	4,898,241	1,686,991	1,897,280	790,201	1,699,776	(13,794,852)	(14,133,638)	35,277,939	26,122,294

4 Stated Capital

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

	31.03.2019	31.03.2018
Issued Ordinary Shares (Nos.000)	3,720,000	3,720,000
Pending share allotment (Nos.000)	1,072,491	-
Minority Buyouts (Nos.000)	(2,585)	-
	4,789,906	3,720,000

5 Contingent Liabilities

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.

6 Earnings per Share

The computation of the Basic Earnings per Ordinary Share has been done based on net profit attributable to ordinary shareholders for the year, divided by weighted average number of ordinary shares in issue as at the balance sheet date and calculated as follows.

For the period	Group		Company	
Net Profit / (loss) attributable to ordinary shareholders (Rs.000)	(1,901,456)	847,289	(318,642)	139,672
Weighted average number of ordinary shares in issue (Nos.)	3,720,000,000	3,720,000,000	3,720,000,000	3,720,000,000
Basic/diluted earnings per ordinary share (Rs.)	(0.51)	0.23	(0.09)	0.04
For the quarter				
Net Profit / (loss) attributable to ordinary shareholders (Rs.000)	(268,897)	1,517,635	6,237	(110,685)
Weighted average number of ordinary shares in issue (Nos.)	3,720,000,000	3,720,000,000	3,720,000,000	3,720,000,000
Basic/diluted earnings per ordinary share (Rs.)	(0.07)	0.41	0.002	(0.03)

7 Events after the reporting date

No circumstances have arisen since the reporting date which would require adjustments or disclosures in the Interim Financial Statements.

8 Amalgamation

8.1 Amalgamation with Browns Capital PLC

The Board of Directors of Browns Investments PLC at its meeting held on 22nd May 2018 approved the amalgamation with its sub-subsidiary Browns Capital PLC.

The resolutions pertaining to the amalgamation and issue of new shares were approved by the shareholders at the EGM held on 8th March 2019 and due approvals were obtained from the CSE and the SEC and the requirements of the Companies Act were fulfilled.

1,072,491,188 Ordinary Voting Shares have been subscribed for and allotted and issued for a consideration other than for cash, pursuant to the amalgamation of Browns Capital PLC with Browns Investments PLC [the consideration being the issue of two (2) shares of Browns Investments PLC for every one (1) share held in Browns Capital PLC.

2,585,368 shares of Browns Investments PLC pertaining to "Minority Buyouts" were withdrawn by the said Shareholders from the CDS, and cancelled prior to the issue of cheques to the holders thereof.

The number of shares in issue post repurchase and the Stated Capital post repurchase is 4,789,905,820 shares, at Rs. 11,844,815,986/-.

8.2 Amalgamation with Browns Capital (Pvt) Ltd

On 26th July 2018 Browns Capital Holdings (Pvt) Ltd the fully owned subsidiary was merged with the Company (Browns Investments PLC).

8.3 The carrying amount of the identifiable assets and liabilities are as follows;

	Browns Capital PLC Rs.000	Browns Capital Holdings (Pvt) Ltd Rs.000
Property, plant and equipment	3,641	-
Investment in subsidiaries	1,877,833	874,646
Other financial assets	444,638	-
Trade and other receivables	12,222	353
Loans to related parties	6,316,846	40,000
Amounts due from related parties	481,739	10,907
Other financial assets	-	1,211
Cash and cash equivalents	205,799	58
	<u>9,342,718</u>	<u>927,175</u>
Trade and other payable	18,920	151
Amounts due to related parties	57,065	155
Income tax payable	102,188	1,375
Bank overdraft	126	-
	<u>178,299</u>	<u>1,681</u>
Carrying amount of identifiable net assets	<u>9,164,419</u>	<u>925,494</u>
Investment	874,339	(1,481,200)
Pending share allotment	4,139,815	-
Cash payable to Dissenting shareholders	705	-
Resulting excess	<u>4,149,560</u>	<u>(555,706)</u>

Since this business combination is within the group, no goodwill is recognised and upon the merger, the excess was recognised in the equity of the Company.

9 Acquisition of Gurind Accor (Pvt) Ltd

The Group acquired 85% stake of Gurind Accor (Pvt) Ltd for a consideration of Rs. 53.8Mn. The fair value of identified assets and liabilities as at acquisition date were;

	Rs.000
Property, plant and equipment	52,092
Inventories	40,474
Trade and other receivables	72,733
Cash and cash equivalents	33,297
Retirement benefit obligations	(4,752)
Interest bearing borrowings	(264)
Trade and other payable	(110,399)
Bank overdraft	(50,151)
Net identifiable assets and liabilities	<u>33,030</u>
Non controlling interests, based on their proportionate interest	(2,764)
Cash paid on acquisition	<u>53,805</u>
Goodwill	<u>18,011</u>
Cash paid for acquisition	53,805
Cash and cash equivalents of subsidiaries acquired	<u>16,854</u>
Net cash outflow	<u>70,659</u>

Browns Investments PLC
Notes to the Financial Statements

10 Share Information

10.1 Market Price per Share

The market value of an ordinary share of Browns Investments PLC was as follows:

Last traded price recorded for 3 months ended
 Highest price recorded for 3 months ended
 Lowest price recorded for 3 months ended

31.03.2019	31.03.2018
Rs.	Rs.
1.50	2.70
2.00	2.90
1.50	2.30

10.2 Public Share Holdings as at 31st March 2019

No. of shares held by public - 648,006,395
 No. of public shareholders - 8,250
 Percentage of shares held by the Public - 17.42%
 Float adjusted market capitalisation (Rs' 000) - 972,036
 Under which option the listed entity complies-Option 2

10.3 Twenty Major Shareholders

Name of Share holders
1 Brown & Company PLC A/C No: 03
2 LOLC Investments Ltd
3 Oxford Capital (Pvt) Ltd
4 Brown & Company PLC A/C No: 01
5 Mrs. Pubudhu Saranga Wijekumari Rupasinghe
6 Commercial Trust Technologies (Pvt) Ltd
7 Dr. Ruwanpura Rohitha De Silva
8 LOLC Finance PLC/Mrs. J.M.S. Rohini
9 Commercial Bank of Ceylon PLC/Mr. S. V. Somasunderam
10 Seylan Bank PLC / Brown & Co PLC
11 Mr. Ishara Chinthaka Nanayakkara
12 LOLC Holdings PLC
13 Hatton National Bank PLC/ Capital Trust Holdings Limited
14 Mr. Don Nimal Nayana Lokuge
15 Sampath Bank PLC/Capital Trust Holdings Limited
16 Ceylinco General Insurance Ltd
17 Mr. Bhagwan Wassiamal Kundanmal
18 National Savings Bank
19 Capital Trust Holdings Ltd
20 Pan Asia Banking Corporation/ Mr. A.C.Jayasinghe

31.03.2019	
Number of Shares	(%)
1,200,000,000	32.26
509,855,000	13.71
370,000,000	9.95
327,283,211	8.80
277,722,000	7.47
266,710,894	7.17
111,592,639	3.00
89,904,337	2.42
50,000,000	1.34
49,377,600	1.33
40,000,000	1.08
28,688,200	0.77
27,541,666	0.74
26,207,529	0.70
25,000,000	0.67
20,000,000	0.54
17,416,200	0.47
13,017,669	0.35
11,837,956	0.32
11,702,024	0.31
3,473,856,925	93.40

Total

10.4 Directors' share holdings

Mr. I.C. Nanayakkara
 Mr. W.D.Kapila Jayawardena
 Mrs. K.U. Amarasinghe
 Mr. D.S.K Amarasekera
 Mr. S. Furkhan
 Dr. J.M. Swaminathan

31.03.2019
Number of Shares
40,000,000
-
-
-
-
40,000,000

Browns Investments PLC

Corporate Information

Name of the Company

Browns Investments PLC

Legal Form

A Public Limited Liability Company incorporated in Sri Lanka on 10th November 2008 under the Companies Act No.07 of 2007 and the Company was listed on the Diri Savi Board of the Colombo Stock Exchange on 26th July 2011.

Company Registration Number

PV 66136PB/PQ

Board of Directors

I.C. Nanayakkara -Executive Chairman
W.D.Kapila Jayawardena-Non Executive Director
Mrs. K.U. Amarasinghe-Non Executive Director
D.S.K. Amarasekera - Non Executive Director
S. Furkhan - Independent Non Executive Director
Dr. J.M. Swaminathan-Independent Non Executive Director

Secretaries

L O L C Corporate Services (Pvt) Ltd
100/1, Sri Jayawardenepura Mawatha,
Rajagiriya
Tel: 0112663000
Fax: 0112307380

Registered Office

No. 481, T.B. Jayah Mawatha, (Darley Road),
Colombo 10
Tel: 0112663000

Business Address

100/1, Sri Jayawardenepura Mawatha
Rajagiriya
Fax No. :112865606
Tel: 0115880880
Website: www.brownsinvestments.com

Auditors

PricewaterhouseCoopers
Chartered Accountants
100, Braybrooke Place
Colombo 02.

Registrars

S S P Corporate Services (Pvt) Ltd
101, Inner Flower Road,
Colombo 3
Fax: 0112573609
Tel: 0112573894

Bankers

Bank of Ceylon-Head Office Branch
Hatton National Bank PLC
Nations Trust Bank PLC
Sampath Bank PLC
Seylan Bank PLC
Union Bank of Sri Lanka