

CANDOR OPPORTUNITIES FUND

QUARTERLY REPORT **December 2018**

Fund Manager:
Candor Asset Management (Pvt) Ltd

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

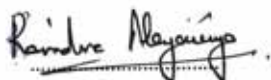
	For the quarter ended		For the year ended	
	31.12.2018	31.12.2017	31.12.2018	31.12.2017
	Rs.	Rs.	Rs.	Rs.
INVESTMENT INCOME				
Dividend Income	1,059,813	1,724,548	13,686,944	11,480,553
Interest Income	2,755,831	1,701,762	12,145,304	10,876,997
Realised (Losses) / Gains on Financial Assets - Fair Value Through Profit or Loss	(2,304,182)	2,028,005	(6,189,196)	(5,038,529)
Unrealised Gains / (Losses) on Financial Assets - Fair Value Through Profit or Loss	13,893,653	(31,475,584)	(20,743,404)	(20,636,069)
Total Investment Income	15,405,115	(26,021,269)	(1,100,352)	(3,317,048)
EXPENSES				
Management Fees	(2,287,102)	(2,500,067)	(9,587,840)	(10,192,129)
Trustee and Custodian Fees	(266,828)	(285,198)	(1,102,949)	(1,155,069)
Audit Fees	(149,855)	(64,987)	(302,356)	(176,566)
Other Expenses	(921,493)	(911,614)	(5,361,535)	(5,964,113)
	(3,625,278)	(3,761,866)	(16,354,680)	(17,487,877)
NET PROFIT / (LOSS) BEFORE INCOME TAX	11,779,837	(29,783,135)	(17,455,032)	(20,804,925)
Income Tax Expense	(63,697)	(477,763)	(63,697)	(512,779)
NET PROFIT / (LOSS) AFTER INCOME TAX FOR THE PERIOD	11,716,140	(30,260,898)	(17,518,729)	(21,317,704)
INCREASE / (DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	11,716,140	(30,260,898)	(17,518,729)	(21,317,704)

STATEMENT OF FINANCIAL POSITION

	As at 31.12.2018 Rs.	As at 31.12.2017 Rs. (Audited)
ASSETS		
Cash and Cash Equivalents	5,000	739,635
Financial Assets - Amortised Cost	95,845,111	69,166,766
Financial Assets - Fair Value Through Profit or Loss	372,010,423	402,016,610
Other Receivables	-	11,290,000
Income Tax Receivable	1,799,441	1,617,022
	<u>469,659,975</u>	<u>484,830,033</u>
LIABILITIES		
CDS Payable	2,376,320	194,656
Accrued Expenses	1,216,745	1,049,738
	<u>3,593,065</u>	<u>1,244,394</u>
NET ASSETS	<u>466,066,910</u>	<u>483,585,639</u>
UNIT HOLDERS' FUNDS		
Net Assets Attributable to Unit Holders	<u>466,066,910</u>	<u>483,585,639</u>

These Financial Statements were approved by the Management Company, and adopted by the Trustee.

Signed for and on behalf of the Manager and the Trustee by;


Director
Management Company


Director
Management Company


Trustee



16 January 2019

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS

	For the year ended	
	31.12.2018 Rs.	31.12.2017 Rs.
UNIT HOLDERS' FUNDS AS AT BEGINNING OF THE PERIOD	483,585,639	504,903,343
Increase in net asset attributable to unit holders	(17,518,729)	(21,317,704)
UNIT HOLDERS' FUNDS AS AT END OF THE PERIOD	<u>466,066,910</u>	<u>483,585,639</u>

CASH FLOWS STATEMENT

	For the year ended	
	31.12.2018	31.12.2017
	Rs.	Rs.
Cash Flows from Operating Activities		
Interest Received	11,033,820	12,037,265
Dividend Received	14,976,944	11,997,960
Management Fees, Custodian Fees and Trustee Fees Paid	(10,739,165)	(11,377,828)
Audit fee paid	(187,191)	(172,782)
Other Expenses Paid	(5,261,317)	(5,964,113)
Sale proceeds from Sale of Equity Securities	232,092,449	241,489,028
Purchase of Equity Securities	(216,837,199)	(294,577,614)
Net Investment in Treasury Bill/Bond Repurchase Agreements	33,413,887	43,289
Net Investment in Trust Certificates	-	55,142,674
Net Investment in HNB Money Market account	(5,271,206)	-
Net Investment in Fixed Deposits	(53,955,657)	-
Net Cash Flow used in Operating Activities	(734,635)	(1,382,121)
Net Decrease in Cash and Cash Equivalents	(734,635)	(1,382,121)
Cash and Cash Equivalents at the beginning of the period	739,635	2,121,756
Cash and Cash Equivalents at the end of the period	5,000	739,635

EXPLANATORY NOTES**1. GENERAL INFORMATION**

Candor Opportunities Fund (the Fund) is close-ended listed unit trust Fund approved by the Securities and Exchange Commission of Sri Lanka. The Fund was launched on 20 October 2015. The Fund is created and established for a 5 years commencing from the date of allotment 20 November 2015.

The Fund is managed by Candor Asset Management (Private) Limited which is incorporated and domiciled in Sri Lanka. The registered office of the management company is located at level 08, South Wing, Millennium House, 46/58, Nawam Mawatha, Colombo 02.

The investment objective of the Fund is to achieve growth of capital and income to Unit Holders by adopting a dynamic asset allocation strategy for investment in listed equities and in fixed income securities.

2. TRUSTEE CHANGE

The Deutsche Bank AG has retired from the trustee and custodian of the fund with effect from 1 November 2018 and the Hatton National Bank PLC has appointed as the new trustee and custodian.

3. BASIS OF PREPARATION

- 3.1** All figures for the period ended 31 December 2018 are provisional and unaudited.
- 3.2** The quarterly financial statement have been prepared and presented in accordance with Sri Lanka Accounting Standards.
- 3.3** There were no changes to the Accounting Policies and methods of computation since the publication of the Annual Report 2017.
- 3.4** The financial statements are presented in Sri Lankan rupees.

UNIT INFORMATION

1 Related party unit holding as at 31 December 2018

Unit holder	Relationship	No. of Units
Mr. Dharshan Ravindra Abeysuriya	Director of the Management Company	100,000
Mr. Ravindra Amarasinghe	Chief Investment Officer	1,550,000
Eagle Proprietary Investments Limited	Parent Company of the Management Company	10,000,000

2. Unit Price Movement

The unit market prices during the quarter ended 31 December 2018

for the quarter ended 31
December 2018

	Rs.
Highest Price	8.50
Lowest Price	6.40
Last Traded Price	7.50

3. Net Asset Value of a unit as at 31 December 2018 is Rs. 9.19

4. List of 20 major Unit Holders based on their unit holdings as at 31 December 2018

Name of the Unit holder	No. of Units	Holding %
Eagle Proprietary Investments Limited	10,000,000	19.80%
Perpetual Holdings Ltd	10,000,000	19.80%
Thurston Investments Limited	5,000,000	9.90%
Bartleet Religare Securities (Pvt) Ltd	2,500,000	4.95%
Housing Development Finance Corp	2,500,000	4.95%
Janashakthi General Insurance Limited	2,500,000	4.95%
Ravindra Amarasinghe	1,550,000	3.07%
Dinal Asanka Peiris	1,010,000	2.00%
Horanagamage Don Anton Damascene	1,000,000	1.98%
Mallory Eraj Wijesinghe	1,000,000	1.98%
Life Insurance Corporation (Lanka) Ltd	650,000	1.29%
Upali Amarasinghe	500,000	0.99%
Bartleet Asset Management (Pvt) Ltd	500,000	0.99%
Code-Gen International Pvt Ltd	500,000	0.99%
Wen Chieh Teng	414,500	0.82%
Ajith Surendra Ratnayake	386,519	0.77%
Built Element Limited	300,000	0.59%
Lamurep Investments Limited Accoimited Account No.1	300,000	0.59%
Ravindra Rajakariar	300,000	0.59%
Visvanathamoorthy Govindasamy	250,000	0.50%
Sandya Kumari	250,000	0.50%

MANAGEMENT COMPANY INFORMATION

Managing Company	Candor Asset Management (Pvt) Ltd Level 8, South Wing, Millennium House 46/58, Nawam Mawatha Colombo 02 Sri Lanka T: +94 11 235 9100 F: +94 11 231 4831 Web: www.candor-holdings.com
Board of Directors of Managing Company	Mr. Rajiv Nandlal Dvivedi Ms. Sharon Veronica D'Souza Mr. Dharshan Ravindra Abeysuriya
Bankers	Nations Trust Bank PLC No 242, Union Place Colombo 2 Sri Lanka Hatton National Bank 479, T. B. Jayah Mawatha Colombo 10 Sri Lanka
Auditors	KPMG Chartered Accountants 32A, Sir Mohamed Macan Markar Mawatha Colombo 03 Sri Lanka
Lawyers	Nithya Partners Attorneys-at-Law No. 97A, Galle Road Colombo 03

FUND INFORMATION

Registrar	Candor Asset Management (Pvt) Ltd Level 8, South Wing Millennium House 46/58, Nawam Mawatha Colombo 02 Sri Lanka
Trustee and Custodian	Hatton National Bank 479, T. B. Jayah Mawatha Colombo 10 Sri Lanka
Auditors	SJMS Associates No. 11, Castle Lane Colombo 04 Sri Lanka
Lawyers	Nithya Partners Attorneys-at-Law No. 97A, Galle Road Colombo 03