



**Interim Financial Statements
For the period ended
30th September 2018**

eChannelling PLC
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period ended 30.09.2018

	Quarter Ended 30th September		Nine Month Ended 30th September	
	Un-audited 2018 <u>LKR</u>	Un-audited 2017 <u>LKR</u>	Un-audited 2018 <u>LKR</u>	Un-audited 2017 <u>LKR</u>
Revenue	32,341,151	35,176,949	99,901,142	102,329,128
Cost of Sales/Direct Cost	(3,449,531)	(3,381,456)	(6,857,731)	(5,355,440)
Gross Profit	28,891,620	31,795,493	93,043,411	96,973,688
Net Other Operating Income	315	182,470	418	906,049
Administrative Expenses	(18,782,397)	(18,891,283)	(64,921,645)	(68,658,070)
Marketing & Distribution Expenses	(4,426,568)	(695,920)	(9,826,570)	(3,244,871)
Profit From Operations	5,682,971	12,390,760	18,295,615	25,976,797
Finance Income	5,380,703	6,227,372	16,191,151	17,368,645
Net Finance (Expenses) / Income	5,380,703	6,227,372	16,191,151	17,368,645
Profit Before Taxation	11,063,673	18,618,133	34,486,766	43,345,441
Income Tax Expenses	(3,484,415)	(6,158,377)	(10,130,260)	(14,309,695)
Profit for the Period	7,579,258	12,459,756	24,356,506	29,035,746
Other Comprehensive Income				
Net change in fair value of available-for-sale financial assets	81,603	(178,155)	105,824	(24,835)
Remeasurement of employee benefit obligation	32,566	-	611,804	6,271,281
Deferred tax impact on actuarial (gain)/ loss	(9,119)	-	(171,306)	(1,755,959)
Other Comprehensive Income for the Period	105,051	(178,155)	546,323	4,490,487
Total Comprehensive Income for the Period	7,684,309	12,281,601	24,902,829	33,526,233
Earnings Per Share	0.06	0.10	0.20	0.24
Dividends Per Share	0.25	-	0.25	-

The notes to the Financial Statements form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

eChannelling PLC
STATEMENT OF FINANCIAL POSITION
As at 30th September 2018

	30.09.2018 LKR Un-audited	31.12.2017 LKR Audited
ASSETS		
Non Current Assets		
Property, plant & equipment	9,912,427	12,571,218
Intangible assets	704,386	1,756,291
Deferred tax assets	1,601,899	126,167
Total Non Current Assets	12,218,712	14,453,676
Current Assets		
Inventories	1,028,915	1,430,225
Trade & other receivables	56,356,029	72,896,032
Amount due from related parties	15,465,281	41,414,132
Short term investments	207,704,346	193,286,113
Cash & cash equivalents	4,518,352	4,934,307
Total Current Assets	285,072,924	313,960,809
Total Assets	297,291,636	328,414,485
EQUITY AND LIABILITIES		
Equity		
Stated capital	93,758,316	93,758,316
Retained earnings	140,893,418	146,629,267
Available for sale reserve	348,156	242,332
Total Equity	234,999,891	240,629,915
Non Current Liabilities		
Employee benefits	6,578,606	5,756,832
Total Non Current Liabilities	6,578,606	5,756,832
Current Liabilities		
Trade & other payables	40,617,777	40,324,459
Amount due to related parties	1,585,793	-
Income tax liability	8,277,887	9,574,803
Bank Overdraft	5,231,682	32,128,476
Total Current Liabilities	55,713,139	82,027,738
Total Liabilities	62,291,745	87,784,570
Total Equity & Liabilities	297,291,636	328,414,485
Net Asset Per Share	1.92	1.97

I certify that these financial statements have been prepared in compliance with the requirements of the Companies Act No 7 of 2007.

Signed
A.R.R.D.Alahakoon
Senior Finance Manager

The Board of Directors is responsible for the preparation and presentation of these financial statements.

Signed for and on behalf of the board:

Signed
P.G.K. Sirisena
Chairman

Signed
K.G.D.Sudharshana
Director

Date: 18.10.2018

Figures in the brackets indicate deductions.

The above figures are provisional and subject to audit.

eChannelling PLC
STATEMENT OF CHANGES IN EQUITY

For the Period Ended 30th September 2018

	Stated Capital	Available for- sale Reserve	Retained Earnings	Total
	<u>LKR</u>	<u>LKR</u>	<u>LKR</u>	<u>LKR</u>
Balance as at 31st December 2016	93,758,316	399,602	111,322,606	205,480,524
Profit for the period (Nine Months)	-	-	29,035,746	29,035,746
Net Change in Fair Value of Available-For-Sale Financial Assets	-	(24,835)	4,515,322	4,490,487
Balance as at 30th September 2017	93,758,316	374,767	144,873,674	239,006,757
Profit for the period (Three Months)	-	-	6,535,946	6,535,946
Net Change in Fair Value of Available-For-Sale Financial Assets	-	(132,435)	(4,780,353)	(4,912,788)
Balance as at 31st December 2017	93,758,316	242,332	146,629,267	240,629,915
Profit for the period (Nine Months)	-	-	24,356,506	24,356,506
Net Change in Fair Value of Available-For-Sale Financial Assets	-	105,824	440,499	546,323
Final dividend - 2017	-	-	(30,532,854)	(30,532,854)
Balance as at 30th September 2018	93,758,316	348,156	140,893,418	234,999,891

Figures in the brackets indicate deductions.

The above figures are provisional and subject to audit.

eChannelling PLC
CASH FLOW STATEMENT

For the period ended

	30.09.2018 Un-audited <u>LKR</u>	30.09.2017 Un-audited <u>LKR</u>
Cash Flow From Operating Activities		
Profit Before Tax	34,486,766	43,345,441
Adjustments for :		
Depreciation and amortization	5,345,643	5,174,875
Provision for employee benefits	1,567,767	7,707,869
Interest income	(16,191,151)	(17,368,644)
Profit on disposal of property, plant and equipment	-	(905,758)
Operating Profit before Working Capital Changes	25,209,025	37,953,783
(Increase) / decrease in inventories	401,310	(1,143,526)
Decrease / (increase) in trade & other receivable	16,540,003	(7,780,643)
Decrease / (increase) in amounts due from related parties	27,534,644	1,065,196
Increase / (decrease) in trade & other payables	(171,510)	1,277,099
Cash Generated from Operations	69,513,472	31,371,909
Interest received	15,783,228	17,251,311
Employee benefits paid	(134,190)	-
Tax paid	(13,074,216)	(20,861,374)
Net Cash Generated from Operating Activities	72,088,294	27,761,846
Cash Flow From Investing Activities		
Acquisition of property plant and equipment	(1,634,947)	(1,070,700)
Net Proceeds from short term investments	(13,904,485)	(14,514,444)
Cash proceeds from property plant and equipment disposal	-	2,622,400
Net proceed from employee share ownership trust fund	-	(2,417,407)
Dividend Payment	(30,068,022)	-
Net Cash (used in) / Generated from Investing Activities	(45,607,455)	(15,380,151)
Net Increase in Cash & Cash Equivalents	26,480,839	12,381,696
Cash & Cash Equivalents at beginning of the Period	(27,194,169)	13,266,418
Cash & Cash Equivalents at end of the Period	(713,330)	25,648,114
Analysis of Cash and Cash Equivalents		
Cash at bank & in hand	4,518,352	25,648,114
Bank Overdraft	(5,231,682)	-
	(713,330)	25,648,114

Figures in the brackets indicate deductions.

The above figures are provisional and subject to audit.

Notes to the Financial Statements

1 Basis of preparation

The Interim Financial Statements of the Company have been prepared in accordance with Sri Lanka Accounting Standard - LKAS 34 – Interim Financial Reporting. This Interim Financial Statement should be read in conjunction with the Annual Report for the year ended 31 December 2017. The financial statements provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.

- 2 Company is following the same accounting policies published in the Annual report for the year ended 31st December 2017.
- 3 The figures are provisional and subject to audit.
- 4 All known expenses including management fees and similar expenses have been provided for the financial statements.
- 5 According to the best of knowledge and belief of the Board of Directors no circumstances have arisen since the reporting date, which would require adjustments to or disclosure in the Financial Statements.
- 6 There has not been a significant change in the nature of contingent liabilities, which were disclosed in the Annual Report for the year ended 31 December 2017.
- 7 Basic earnings per share is calculated by dividing the net profit for the respective period attributable to ordinary shareholders of the entity by the weighted average number of ordinary shares outstanding during that period.

20 Largest Shareholders		
Name of Shareholder	No of Shares	% Holding
	30-Sep-18	
Mobitel (Pvt) Ltd	106,974,618	87.59
Mr.G.C. Goonetilleke	1,162,000	0.95
Mr. F.N. Herft	982,000	0.80
Mr.P. Rathnayaka	840,000	0.69
Dr. M.M. Rinoza	322,400	0.26
Mrs. M.M Fazeel	312,972	0.26
Mr. M Fazal	307,632	0.25
Mr. M.A.B Morahela	292,300	0.24
Mr. A.H Munasinghe	277,031	0.23
Mrs.N.D Palliya Guruge	260,000	0.21
EST.OF.LAT Perera (Deceased)	254,700	0.21
Mr. H.A.V. Starrex	239,181	0.20
Mr. Z.G Carimjee	231,933	0.19
Mr.D.K.A.K. Weeratunga	219,544	0.18
Mr. Weerakoon B.A.N.D.A	208,713	0.17
Mrs.T.R. Selvanayagam	201,000	0.16
Mr. M.H.A Kamil	179,138	0.15
MBSL/H.W.R.S Jayawardena	177,503	0.15
Mr.D.P. Kumarasingha	174,989	0.14
Dasatha Investments Limited	163,331	0.13
Sub Total	113,780,985	93.84
Others	8,350,430	6.16
Total Shares	122,131,415	100

Public Shareholding

Number of Shareholders	1,767
Number of Shares	15,156,797
Percentage Holding	12.41%
Float Adjusted Market Capitalization - Rs.	69,721,266

The Company complies with Option 2 of the Listing Rules 7.13.1 (b) - Less than Rs. 1 Bn, Float Adjusted Market Capitalization which requires 10% minimum Public Holding.

Directors Shareholding	As at 30th September 2018	
Name of Director		
Mr. D.J. Stephen	-	
Mr.S.A. Hettiarachchi	-	
Mr. P.G.K. Sirisena	-	
Mr. D.K. Senanayake	-	
Mr. L.M. Paratz	-	
Mr. N.T.M. Perera	-	
Mr.K.G.D. Sudharshana	-	
Market Price Per Share	2018	2017
For the 3 months ended 30th September	<u>LKR</u>	<u>LKR</u>
Highest	5.70	8.30
Lowest	4.00	5.40
Last Traded	4.60	7.80

Corporate Information

Name of the Company	eChannelling PLC
Company Registration No	PQ 205
Registered Office	No.409, R.A.De Mel Mawatha, Colombo 03
Telephone	(+94 71) 4 225225
Telefax	(+94 11) 2 370979
Website	www.echannelling.com
Contant Person	Dharmika Alahakoon (Senior Manager Finance)
Legal Form	Quoted Public Company incorporated in Sri Lanka in 2000, Ordinary share listed on the Diri Savi Board of the Colombo Stock Exchange
Board of Directors	Mr. P.G.K. Sirisena - Chairman Mr. D.K. Senanayake Mr. L.M. Paratz Mr. N.T.M. Perera Mr. D.J. Stephen Mr. S.A. Hettiarachchi Mr.K.G.D. Sudharshana
Secretaries of the Company	S.S.P Corporate Services (Pvt) Limited No 101, Inner Flower Road Colombo 03 Tel. 2573894/ 2576871 Contact person: Mr.Lalindra Abeysekera
Auditors	KPMG Chartered Accountants 32A, Sir Mohamed Macan Marker Mawatha P.O. Box 186 Colombo 03
Lawyer(s)	D. L. & F. De Saram 47 Alexandra Place, Colombo 07
Bankers	Sampath Bank PLC Nations Trust Bank PLC Peoples Bank Commercial Bank of Ceylon PLC DFCC Bank Amana Bank PLC National Development Bank