

Keells Food Products PLC - PQ3
117, Sir Chittampalam A. Gardiner Mawatha
Colombo 2.

CONSOLIDATED INCOME STATEMENT

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| | Quarter ended 30th September | | | Six months ended 30th September | | |
|--|------------------------------|----------------|-------------|---------------------------------|----------------|-------------|
| | 2017 | 2016 | Change % | 2017 | 2016 | Change % |
| Revenue | 752,453 | 806,532 | (7) | 1,482,208 | 1,535,434 | (3) |
| Cost of sales | (537,706) | (552,505) | (3) | (1,070,224) | (1,071,276) | 0 |
| Gross profit | 214,747 | 254,027 | (15) | 411,984 | 464,158 | (11) |
| Other operating income | 627 | 1,708 | (63) | 1,705 | 2,219 | (23) |
| Selling and distribution expenses | (85,106) | (68,526) | 24 | (159,416) | (137,488) | 16 |
| Administrative expenses | (39,369) | (40,325) | (2) | (82,385) | (74,815) | 10 |
| Other operating expenses | (25,091) | (24,245) | 3 | (47,184) | (46,872) | 1 |
| Results from operating activities | 65,808 | 122,639 | (46) | 124,704 | 207,202 | (40) |
| Finance cost | (2,213) | (3,307) | (33) | (4,794) | (6,748) | (29) |
| Finance income | 5,011 | 5,858 | (14) | 10,508 | 12,252 | (14) |
| Profit before tax | 68,606 | 125,190 | (45) | 130,418 | 212,706 | (39) |
| Tax expense | (20,655) | (35,852) | (42) | (40,548) | (62,898) | (36) |
| Profit for the period | 47,951 | 89,338 | (46) | 89,870 | 149,808 | (40) |
| Attributable to: | | | | | | |
| Equity holders of the Parent | 47,951 | 89,338 | (46) | 89,870 | 149,808 | (40) |
| | 47,951 | 89,338 | (46) | 89,870 | 149,808 | (40) |
| | LKR. | LKR. | | LKR. | LKR. | |
| Earnings per share | | | | | | |
| Basic | 1.88 | 3.50 | | 3.52 | 5.87 | |
| Dividend per share | - | - | | 3.00 | 8.00 | |

Note : All values are in LKR '000s, unless otherwise stated.
Figures in brackets indicate deductions.
The above figures are not audited.

Keells Food Products PLC - PQ3
117, Sir Chittampalam A. Gardiner Mawatha
Colombo 2.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

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| | Quarter ended 30th September | | Six months ended 30th September | |
|--|------------------------------|--------|---------------------------------|---------|
| | 2017 | 2016 | 2017 | 2016 |
| Profit for the period | 47,951 | 89,338 | 89,870 | 149,808 |
| Other comprehensive income | | | | |
| Other comprehensive income to be reclassified to income statement in subsequent periods | | | | |
| Currency translation of foreign operations | (34) | 69 | 8 | (74) |
| Net other comprehensive income /(expense) to be reclassified to income statement in subsequent periods | (34) | 69 | 8 | (74) |
| Other comprehensive income/(expense) for the period, net of tax | (34) | 69 | 8 | (74) |
| Total comprehensive income for the period, net of tax | 47,917 | 89,407 | 89,878 | 149,734 |
| Attributable to: | | | | |
| Equity holders of the Parent | 47,917 | 89,407 | 89,878 | 149,734 |

Note : All values are in LKR '000s, unless otherwise stated.
 Figures in brackets indicate deductions.
 The above figures are not audited.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

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| As at | 30.09.2017 | 31.03.2017 |
|--|-------------------|-------------------|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 1,165,709 | 1,183,711 |
| Intangible assets | 243,270 | 243,805 |
| Non-current financial assets | 42,620 | 43,834 |
| Other non-current assets | 10,856 | 11,020 |
| | 1,462,455 | 1,482,370 |
| Current assets | | |
| Inventories | 302,572 | 294,587 |
| Trade and other receivables | 305,498 | 333,477 |
| Amounts due from related parties | 115,204 | 113,509 |
| Income tax refund | 2,045 | 2,045 |
| Other current assets | 40,011 | 16,154 |
| Short term investments | 144,463 | 137,558 |
| Cash in hand and at bank | 43,375 | 28,722 |
| | 953,168 | 926,052 |
| Total assets | 2,415,623 | 2,408,422 |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the parent | | |
| Stated capital | 1,294,815 | 1,294,815 |
| Revenue reserves | 142,117 | 128,747 |
| Other components of equity | 253,613 | 246,567 |
| Total equity | 1,690,545 | 1,670,129 |
| Non-current liabilities | | |
| Interest bearing borrowings | 8,592 | 33,704 |
| Deferred tax liabilities | 189,813 | 195,258 |
| Employee benefit liabilities | 82,898 | 77,726 |
| | 281,303 | 306,688 |
| Current liabilities | | |
| Trade and other payables | 268,035 | 242,551 |
| Amounts due to related parties | 7,229 | 5,819 |
| Income tax liabilities | 23,576 | 65,492 |
| Interest bearing borrowings | 50,000 | 50,000 |
| Other current liabilities | 18,695 | 28,272 |
| Bank overdrafts | 76,240 | 39,471 |
| | 443,775 | 431,605 |
| Total equity and liabilities | 2,415,623 | 2,408,422 |
| | LKR | LKR |
| Net assets per share | 66.30 | 65.50 |

Note : All values are in LKR '000s, unless otherwise stated.

The above figures are not audited.

I certify that the Financial Statements comply with the requirements of the Companies Act No.07 of 2007.



P.N Fernando
Sector Financial Controller

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.



J R F Peiris
Director



J R Gunaratne
Director

25th October 2017

Keells Food Products PLC - PQ3
117, Sir Chittampalam A. Gardiner Mawatha
Colombo 2.

CONSOLIDATED STATEMENT OF CASH FLOWS

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For the Six months ended 30th September

| | 2017 | 2016 |
|---|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before tax | 130,418 | 212,706 |
| Adjustments for: | | |
| Finance income | (10,508) | (12,252) |
| Finance cost | 4,794 | 6,748 |
| Share-based payment expense | 7,038 | 5,511 |
| Depreciation of property, plant and equipment | 50,770 | 48,265 |
| Amortisation of intangible assets | 535 | 535 |
| Gratuity provision and related costs | 6,435 | 6,025 |
| Profit before working capital changes | 189,482 | 267,538 |
| (Increase) / Decrease in inventories | (7,985) | (28,800) |
| (Increase) / Decrease in trade and other receivables | 27,979 | (10,276) |
| (Increase) / Decrease in amounts due from related parties | (1,695) | (13,619) |
| (Increase) / Decrease in other current assets | (23,857) | (10,413) |
| (Increase) / Decrease in non-current financial assets | 1,214 | (2,001) |
| (Increase) / Decrease in other non-current assets | 164 | (212) |
| Increase / (Decrease) in trade and other payables | 25,484 | 22,419 |
| Increase / (Decrease) in amounts due to related parties | 1,410 | 1,628 |
| Increase / (Decrease) in other current liabilities | (9,577) | (425) |
| Cash generated from operations | 202,619 | 225,839 |
| Finance income received | 10,508 | 12,252 |
| Finance cost paid | (4,794) | (6,748) |
| Tax paid | (87,909) | (13,292) |
| Gratuity paid | (1,263) | (2,092) |
| Net cash flow from operating activities | 119,161 | 215,959 |
| CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES | | |
| Purchase and construction of property, plant and equipment | (32,768) | (44,535) |
| Net cash flow (used in) investing activities | (32,768) | (44,535) |
| CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES | | |
| Dividend paid | (76,500) | (204,000) |
| Repayment of interest bearing borrowings | (25,112) | (25,061) |
| Net cash flow (used in) financing activities | (101,612) | (229,061) |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | (15,219) | (57,637) |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING | 126,809 | 293,159 |
| Effect of exchange rate changes | 8 | (74) |
| CASH AND CASH EQUIVALENTS AT THE END | 111,598 | 235,448 |
| ANALYSIS OF CASH AND CASH EQUIVALENTS | | |
| Favourable balances | | |
| Short term investments | 144,463 | 214,221 |
| Cash in hand and at bank | 43,375 | 32,260 |
| Unfavourable balances | | |
| Bank overdrafts | (76,240) | (11,033) |
| Total cash and cash equivalents | 111,598 | 235,448 |

Note : All values are in LKR '000s, unless otherwise stated.

Figures in brackets indicate deductions.

The above figures are not audited.

Keells Food Products PLC - PQ3
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Colombo 2.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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| | Attributable to equity holders of parent | | | | | |
|-----------------------------------|--|---------------------|--------------------------------------|-------------------------------|------------------|--------------|
| | Stated capital | Revaluation reserve | Foreign currency translation reserve | Employee share option reserve | Revenue reserves | Total Equity |
| As at 1st April 2016 | 1,294,815 | 181,236 | (617) | 15,997 | 279,707 | 1,771,138 |
| Profit for the period | - | - | - | - | 149,808 | 149,808 |
| Other comprehensive (loss) | - | - | (74) | - | - | (74) |
| Total comprehensive income/(loss) | - | - | (74) | - | 149,808 | 149,734 |
| Share based payments | - | - | - | 5,511 | - | 5,511 |
| Final dividend paid - 2015/16 | - | - | - | - | (204,000) | (204,000) |
| As at 30th September 2016 | 1,294,815 | 181,236 | (691) | 21,508 | 225,515 | 1,722,383 |
| As at 1st April 2017 | 1,294,815 | 218,713 | (471) | 28,325 | 128,747 | 1,670,129 |
| Profit for the period | - | - | - | - | 89,870 | 89,870 |
| Other comprehensive income | - | - | 8 | - | - | 8 |
| Total comprehensive income | - | - | 8 | - | 89,870 | 89,878 |
| Share based payments | - | - | - | 7,038 | - | 7,038 |
| Final dividend paid - 2016/17 | - | - | - | - | (76,500) | (76,500) |
| As at 30th September 2017 | 1,294,815 | 218,713 | (463) | 35,363 | 142,117 | 1,690,545 |

Note : All values are in LKR '000s, unless otherwise stated.
Figures in brackets indicate deductions.
The above figures are not audited.

Keells Food Products PLC - PQ3
117, Sir Chittampalam A. Gardiner Mawatha
Colombo 2.

COMPANY INCOME STATEMENT

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| | Quarter ended 30th September | | | Six months ended 30th September | | |
|--|------------------------------|----------------|-------------|---------------------------------|----------------|-------------|
| | 2017 | 2016 | Change % | 2017 | 2016 | Change % |
| Revenue | 752,453 | 806,532 | (7) | 1,482,208 | 1,535,434 | (3) |
| Cost of sales | (537,706) | (552,505) | (3) | (1,070,224) | (1,071,276) | 0 |
| Gross profit | 214,747 | 254,027 | (15) | 411,984 | 464,158 | (11) |
| Other operating income | 627 | 1,708 | (63) | 1,705 | 2,219 | (23) |
| Selling and distribution expenses | (85,106) | (68,526) | 24 | (159,416) | (137,488) | 16 |
| Administrative expenses | (39,136) | (40,156) | (3) | (81,922) | (74,533) | 10 |
| Other operating expenses | (25,090) | (24,119) | 4 | (47,183) | (46,622) | 1 |
| Results from operating activities | 66,042 | 122,934 | (46) | 125,168 | 207,734 | (40) |
| Finance cost | (2,213) | (3,309) | (33) | (4,794) | (6,748) | (29) |
| Finance income | 4,990 | 5,827 | (14) | 10,471 | 12,199 | (14) |
| Profit before tax | 68,819 | 125,452 | (45) | 130,845 | 213,185 | (39) |
| Tax expense | (20,655) | (35,852) | (42) | (40,548) | (62,898) | (36) |
| Profit for the period | 48,164 | 89,600 | (46) | 90,297 | 150,287 | (40) |
| | | | | LKR. | LKR. | |
| Dividend per share | | | | 3.00 | 8.00 | |

Note : All values are in LKR '000s, unless otherwise stated.
Figures in brackets indicate deductions.
The above figures are not audited.

Keells Food Products PLC - PQ3
117, Sir Chittampalam A. Gardiner Mawatha
Colombo 2.

COMPANY STATEMENT OF COMPREHENSIVE INCOME

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| | Quarter ended 30th September | | Six months ended 30th September | |
|---|------------------------------|--------|---------------------------------|---------|
| | 2017 | 2016 | 2017 | 2016 |
| Profit for the period | 48,164 | 89,600 | 90,297 | 150,287 |
| Other comprehensive income for the period, net of tax | - | - | - | - |
| Total comprehensive income for the period, net of tax | 48,164 | 89,600 | 90,297 | 150,287 |

Note : All values are in LKR '000s, unless otherwise stated.
 Figures in brackets indicate deductions.
 The above figures are not audited.

Keells Food Products PLC - PQ3
117, Sir Chittampalam A. Gardiner Mawatha
Colombo 2.

COMPANY STATEMENT OF FINANCIAL POSITION

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| As at | 30.09.2017 | 31.03.2017 |
|-------------------------------------|------------------|------------------|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 1,165,709 | 1,183,711 |
| Intangible assets | 243,270 | 243,805 |
| Investments in subsidiary | 3,033 | 3,033 |
| Non-current financial assets | 42,620 | 43,834 |
| Other non-current assets | 10,856 | 11,020 |
| | 1,465,488 | 1,485,403 |
| Current assets | | |
| Inventories | 302,572 | 294,587 |
| Trade and other receivables | 305,498 | 333,477 |
| Amounts due from related parties | 115,204 | 113,509 |
| Income tax refund | 2,045 | 2,045 |
| Other current assets | 39,766 | 16,053 |
| Short term investments | 140,603 | 133,740 |
| Cash in hand and at bank | 42,744 | 28,030 |
| | 948,432 | 921,441 |
| Total assets | 2,413,920 | 2,406,844 |
| EQUITY AND LIABILITIES | | |
| Stated capital | 1,294,815 | 1,294,815 |
| Revenue reserves | 141,625 | 127,828 |
| Other components of equity | 254,076 | 247,038 |
| Total equity | 1,690,516 | 1,669,681 |
| Non-current liabilities | | |
| Interest bearing borrowings | 8,592 | 33,704 |
| Deferred tax liabilities | 189,813 | 195,258 |
| Employee benefit liabilities | 82,898 | 77,726 |
| | 281,303 | 306,688 |
| Current liabilities | | |
| Trade and other payables | 266,503 | 241,514 |
| Amounts due to related parties | 7,229 | 5,819 |
| Income tax liabilities | 23,576 | 65,492 |
| Interest bearing borrowings | 50,000 | 50,000 |
| Other current liabilities | 18,553 | 28,179 |
| Bank overdrafts | 76,240 | 39,471 |
| | 442,101 | 430,475 |
| Total equity and liabilities | 2,413,920 | 2,406,844 |
| | LKR | LKR |
| Net assets per share | 66.29 | 65.48 |

Note : All values are in LKR '000s, unless otherwise stated.
The above figures are not audited.

I certify that the Financial Statements comply with the requirements of the Companies Act No.07 of 2007.



P.N Fernando
Sector Financial Controller

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.



J R F Peiris
Director

25th October 2017



J R Gunaratne
Director

Keells Food Products PLC - PQ3
117, Sir Chittampalam A. Gardiner Mawatha
Colombo 2.

COMPANY STATEMENT OF CASH FLOWS

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| For the Six months ended 30th September | 2017 | 2016 |
|---|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before tax | 130,845 | 213,185 |
| Adjustments for: | | |
| Finance income | (10,471) | (12,199) |
| Finance cost | 4,794 | 6,748 |
| Share based payment expenses | 7,038 | 5,511 |
| Depreciation of property, plant and equipment | 50,770 | 48,265 |
| Amortisation of intangible assets | 535 | 535 |
| Gratuity provision and related costs | 6,435 | 6,025 |
| Profit before working capital changes | 189,946 | 268,070 |
| (Increase) / Decrease in inventories | (7,985) | (28,800) |
| (Increase) / Decrease in trade and other receivables | 27,979 | (10,278) |
| (Increase) / Decrease in amounts due from related parties | (1,695) | (13,619) |
| (Increase) / Decrease in other current assets | (23,713) | (10,246) |
| (Increase) / Decrease in non-current financial assets | 1,214 | (2,001) |
| (Increase) / Decrease in other non-current assets | 164 | (212) |
| Increase / (Decrease) in trade and other payables | 24,989 | 21,888 |
| Increase / (Decrease) in amounts due to related parties | 1,410 | 1,628 |
| Increase / (Decrease) in other current liabilities | (9,626) | (500) |
| Cash generated from operations | 202,683 | 225,930 |
| Finance income received | 10,471 | 12,199 |
| Finance cost paid | (4,794) | (6,748) |
| Tax paid | (87,909) | (13,292) |
| Gratuity paid | (1,263) | (2,092) |
| Net cash flow from operating activities | 119,188 | 215,997 |
| CASH FLOWS FROM/ (USED IN) INVESTING ACTIVITIES | | |
| Purchase and construction of property, plant and equipment | (32,768) | (44,535) |
| Net cash flow (used in) investing activities | (32,768) | (44,535) |
| CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES | | |
| Dividend paid | (76,500) | (204,000) |
| Repayment of interest bearing borrowings | (25,112) | (25,061) |
| Net cash flow (used in) financing activities | (101,612) | (229,061) |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | (15,192) | (57,599) |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING | 122,299 | 288,219 |
| CASH AND CASH EQUIVALENTS AT THE END | 107,107 | 230,620 |
| ANALYSIS OF CASH & CASH EQUIVALENTS | | |
| Favourable balances | | |
| Short term investments | 140,603 | 209,808 |
| Cash in hand and at bank | 42,744 | 31,845 |
| Unfavourable balances | | |
| Bank overdrafts | (76,240) | (11,033) |
| Total cash and cash equivalents | 107,107 | 230,620 |

Note : All values are in LKR '000s, unless otherwise stated.

Figures in brackets indicate deductions.

The above figures are not audited.

Keells Food Products PLC - PQ3
117, Sir Chittampalam A. Gardiner Mawatha
Colombo 2.

COMPANY STATEMENT OF CHANGES IN EQUITY

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| | Stated capital | Revaluation reserve | Employee share option reserve | Revenue reserves | Total Equity |
|----------------------------------|-------------------|------------------------|-------------------------------------|---------------------|-----------------|
| As at 1st April 2016 | 1,294,815 | 181,236 | 15,997 | 277,388 | 1,769,436 |
| Profit for the period | - | - | - | 150,287 | 150,287 |
| Other comprehensive income | - | - | - | - | - |
| Total comprehensive income | - | - | - | 150,287 | 150,287 |
| Share based payments | - | - | 5,511 | - | 5,511 |
| Final dividend paid - 2015/16 | - | - | - | (204,000) | (204,000) |
| As at 30th September 2016 | 1,294,815 | 181,236 | 21,508 | 223,675 | 1,721,234 |
| As at 1st April 2017 | 1,294,815 | 218,713 | 28,325 | 127,828 | 1,669,681 |
| Profit for the period | - | - | - | 90,297 | 90,297 |
| Other comprehensive income | - | - | - | - | - |
| Total comprehensive income | - | - | - | 90,297 | 90,297 |
| Share based payments | - | - | 7,038 | - | 7,038 |
| Final dividend paid - 2016/17 | - | - | - | (76,500) | (76,500) |
| As at 30th September 2017 | 1,294,815 | 218,713 | 35,363 | 141,625 | 1,690,516 |

Note : All values are in LKR '000s, unless otherwise stated.
Figures in brackets indicate deductions.
The above figures are not audited.

Keells Food Products PLC - PQ3
117, Sir Chittampalam A. Gardiner Mawatha
Colombo 2.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

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Business segments

The following tables present revenue, profit information and other disclosures regarding Group's business segments.

| For the quarter ended 30th September | Manufacturing | | Trading | | Group Total | |
|--------------------------------------|---------------|----------|---------|--------|-------------|----------|
| | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| Revenue | 707,928 | 766,765 | 44,525 | 39,767 | 752,453 | 806,532 |
| Segment result | 203,917 | 243,683 | 10,830 | 10,344 | 214,747 | 254,027 |
| Other operating income | 627 | 1,708 | - | - | 627 | 1,708 |
| Selling and distribution expenses | (85,106) | (68,526) | - | - | (85,106) | (68,526) |
| Administrative expenses | (39,369) | (40,325) | - | - | (39,369) | (40,325) |
| Other operating expenses | (25,091) | (24,245) | - | - | (25,091) | (24,245) |
| Results from operating activities | 54,978 | 112,295 | 10,830 | 10,344 | 65,808 | 122,639 |
| Finance cost | (2,213) | (3,307) | - | - | (2,213) | (3,307) |
| Finance income | 5,011 | 5,858 | - | - | 5,011 | 5,858 |
| Profit before tax | 57,776 | 114,846 | 10,830 | 10,344 | 68,606 | 125,190 |
| Purchase and construction of PPE* | 26,954 | 7,336 | - | - | 26,954 | 7,336 |
| Depreciation of PPE* | 25,712 | 24,666 | - | - | 25,712 | 24,666 |
| Amortisation / impairment of IA** | 268 | 268 | - | - | 268 | 268 |
| Gratuity provision and related costs | 3,217 | 2,836 | - | - | 3,217 | 2,836 |

*PPE (Property, plant and equipment), **IA (Intangible assets)

Note : All values are in LKR '000s, unless otherwise stated.
Figures in brackets indicate deductions.
The above figures are not audited.

Keells Food Products PLC - PQ3
117, Sir Chittampalam A. Gardiner Mawatha
Colombo 2.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

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Business segments

The following tables present revenue, profit information and other disclosures regarding Group's business segments.

| For the six months ended 30th September | Manufacturing | | Trading | | Group Total | |
|--|---------------|-----------|---------|--------|-------------|-----------|
| | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| Revenue | 1,400,384 | 1,460,387 | 81,824 | 75,047 | 1,482,208 | 1,535,434 |
| Segment result | 393,047 | 446,688 | 18,937 | 17,470 | 411,984 | 464,158 |
| Other operating income | 1,705 | 2,219 | - | - | 1,705 | 2,219 |
| Selling and distribution expenses | (159,416) | (137,488) | - | - | (159,416) | (137,488) |
| Administrative expenses | (82,385) | (74,815) | - | - | (82,385) | (74,815) |
| Other operating expenses | (47,184) | (46,872) | - | - | (47,184) | (46,872) |
| Results from operating activities | 105,767 | 189,732 | 18,937 | 17,470 | 124,704 | 207,202 |
| Finance cost | (4,794) | (6,748) | - | - | (4,794) | (6,748) |
| Finance income | 10,508 | 12,252 | - | - | 10,508 | 12,252 |
| Profit before tax | 111,481 | 195,236 | 18,937 | 17,470 | 130,418 | 212,706 |
| Segment assets | 2,392,009 | 2,389,408 | 23,614 | 26,776 | 2,415,623 | 2,416,184 |
| Segment liabilities | 722,156 | 693,711 | 2,922 | 90 | 725,078 | 693,801 |
| Purchase and construction of PPE* | 32,768 | 44,535 | - | - | 32,768 | 44,535 |
| Depreciation of PPE* | 50,770 | 48,265 | - | - | 50,770 | 48,265 |
| Amortisation / impairment of IA** | 535 | 535 | - | - | 535 | 535 |
| Gratuity provision and related costs | 6,435 | 6,025 | - | - | 6,435 | 6,025 |

*PPE (Property, plant and equipment), **IA (Intangible assets)

Note : All values are in LKR '000s, unless otherwise stated.
Figures in brackets indicate deductions.
The above figures are not audited.

1 CORPORATE INFORMATION

Keells Food Products PLC is a Public Liability Company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange.

2 INTERIM CONDENSED FINANCIAL STATEMENTS

The Financial Statements for the six months ended 30th September 2017, includes "the Company" referring to Keells Food Products PLC., and "the Group" referring to the "Company" and its Subsidiary John Keells Food India (Private) Limited whose accounts have been consolidated thereon.

3 APPROVAL OF FINANCIAL STATEMENTS

The interim condensed Financial Statements of the Group and the Company for six months ended 30th September 2017 were authorised for issue by the Board of Directors on 25th of October 2017.

4 BASIS OF PREPARATION

The interim condensed Financial Statements have been prepared in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting. These interim condensed Financial Statements should be read in conjunction with the annual Financial Statements for the year ended 31st March 2017.

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 year.

The interim condensed Financial Statements are presented in Sri Lankan Rupees (LKR) and all values are rounded to the nearest thousand except when otherwise indicated.

5 OPERATING SEGMENTS

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments as follows:

- Manufacturing
- Trading

6 RELATED PARTY TRANSACTIONS

For the six months ended 30th September
In LKR '000s

| | Group | | Company | |
|---|----------|---------|----------|---------|
| | 2017 | 2016 | 2017 | 2016 |
| Transactions with related parties | | | | |
| Ultimate Parent Company - John Keells Holdings PLC | | | | |
| Receiving of services | (10,189) | (9,490) | (10,189) | (9,490) |
| Subsidiary | - | - | - | - |
| Companies under common control | | | | |
| Sale of Goods | 389,760 | 363,575 | 389,760 | 363,575 |
| Purchase of Goods | (78) | - | (78) | - |
| Receiving of services | (14,180) | (9,623) | (14,180) | (9,623) |
| Purchase of property plant & equipment | (1,054) | (294) | (1,054) | (294) |
| Equity accounted investees of the Parent | | | | |
| Sale of Goods | 2,209 | - | 2,209 | - |
| Receiving of services | (4,984) | (303) | (4,984) | (303) |
| Key management personnel (KMP) | - | - | - | - |
| Close family members of KMP | - | - | - | - |
| Companies controlled/jointly controlled/significantly influenced by KMP and their close family members | - | - | - | - |
| Compensation to key management personnel | | | | |
| Short term employee benefit | 4,961 | 4,480 | 4,961 | 4,480 |
| Post employment benefit plan | | | | |
| Contributions to the provident fund | 2,036 | 2,381 | 2,036 | 2,381 |

7 Share information

7.1 Stated capital

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

| As at | No. of Shares 30-09-2017 | No. of Shares 30-06-2017 | No. of Shares 31-03-2017 |
|-----------------|-----------------------------|-----------------------------|-----------------------------|
| Ordinary shares | 25,500,000 | 25,500,000 | 25,500,000 |

7.2 Net assets per share

Net assets per share have been calculated, for all periods, based on the number of shares in issue as at 30th September 2017.

7.3 Market price per share

| For the quarter ended | 30-09-2017 LKR | 30-06-2017 LKR |
|-----------------------|-------------------|-------------------|
| Highest | 162.80 | 162.00 |
| Lowest | 130.00 | 140.10 |
| Last traded | 135.90 | 140.40 |

7.4 Public share holdings

The percentage of shares held by the public as at 30th September 2017 was 10% (30th June 2017 – 10%).

The number of public shareholders as at 30th September 2017 was 1176 (30th June 2017 – 1,174).

7.5 Directors' share holdings

The number of shares held by the Board of Directors (including their spouses) are as follows:

| As at | 30-09-2017 No. of Shares | 30-06-2017 No. of Shares |
|--------------------------|-----------------------------|-----------------------------|
| S C Ratnayake – Chairman | 12,750 | 12,750 |
| A D Gunewardene | - | - |
| J R F Peiris | - | - |
| J R Gunaratne | - | - |
| P D Samarasinghe | - | - |
| S De Silva (Ms.) | - | - |
| A E H Sanderatne | - | - |
| I Samarajiva | - | - |

7.6 Twenty largest shareholders of the Company are as follows:

| | 30-09-2017 | | 30-06-2017 | |
|--|------------------|--------|------------------|--------|
| | Number of shares | % | Number of shares | % |
| John Keells Holdings PLC | 19,110,399 | 74.94% | 19,110,399 | 74.94% |
| John Keells PLC | 2,573,196 | 10.09% | 2,573,196 | 10.09% |
| Walkers Tours Limited | 1,239,647 | 4.86% | 1,239,647 | 4.86% |
| People's Leasing and Finance PLC/ Mr. Chamil A Damion Kohobanwickramage | 384,557 | 1.51% | 384,047 | 1.51% |
| People's Leasing and Finance PLC/ Mr. L.P. Hapangama | 235,283 | 0.92% | 235,120 | 0.92% |
| Mr. A.H Udeshi | 150,000 | 0.59% | 150,000 | 0.59% |
| People's Leasing and Finance PLC/ Mr.L.H.L.M.P Haradasa | 147,952 | 0.58% | 147,952 | 0.58% |
| Mr. J.B. Hirdaramani | 104,720 | 0.41% | 104,720 | 0.41% |
| Mr. D.J.M. Blackler | 90,000 | 0.35% | 90,000 | 0.35% |
| Mr.P.H.D Waidyathilaka | 61,000 | 0.24% | 61,000 | 0.24% |
| Mr.J.G.de Mel | 51,335 | 0.20% | 51,335 | 0.20% |
| Mr.R.Vasudevan | 46,000 | 0.18% | 44,300 | 0.17% |
| HSBC International Nominee Ltd-SSBT Deutsche Bank | 42,788 | 0.17% | 32,788 | 0.13% |
| Ms.N.Harnam | 41,710 | 0.16% | 36,710 | 0.14% |
| Deutsche Bank AG-Trustee to Capital Alliance Quantitative Equity Fund | 39,503 | 0.15% | 60,848 | 0.24% |
| People's Leasing and Finance PLC/ L.H.L Noris de Silva and Son (Pvt) Ltd | 33,273 | 0.13% | 33,273 | 0.13% |
| Mrs.G.J.E.S De Fonseka | 33,240 | 0.13% | 33,240 | 0.13% |
| Mr.D.H.N Kandamudali | 31,500 | 0.12% | 31,500 | 0.12% |
| T R L Holdings (Pvt) Limited | 30,000 | 0.12% | 15,000 | 0.06% |
| Merchant Bank of Sri Lanka A/C No.1 | 27,672 | 0.11% | 27,672 | 0.11% |

8 Dividends paid

A final dividend of Rs.3.00 per share was paid on the 30th of May 2017 for the financial year ended 31st March 2017.

9 Contingencies, capital and other commitments

There has been no significant change in the nature of the contingencies and other commitments, which were discussed in the annual report for the year ended 31st March 2017.

10 Events after the reporting period

There have been no events subsequent to the reporting date, which require disclosure in the interim condensed Financial Statements