

# PROVISIONAL FINANCIAL STATEMENTS

QUARTER ENDED | 30 SEPTEMBER 2018



**DUNAMIS CAPITAL PLC**  
*Igniting value*

## REVIEW OF OPERATIONS

Dunamis Capital PLC recorded a Consolidated Loss after Tax of Rs. 561Mn for the 1<sup>st</sup> half of 2018/19 compared to a Profit after Tax Rs.830Mn in the corresponding period of the previous year.

First Capital reported a Consolidated Loss after Tax of Rs. 65Mn compared to a Profit after Tax of Rs. 731Mn in the corresponding period of the previous year. The decrease in profit is mainly attributable to fair valuation loss on Government Securities - Held for Trading in First Capital Treasuries PLC.

Kelsey Developments PLC reported a Consolidated Loss after Tax of Rs.84Mn (2017/18 – Rs. 52 Mn). During the 1st half of 2018/19, total revenue recognised was Rs. 88Mn and total expected sales value of the reservations made was Rs. 208 Mn. Sales and reservations for the period were mainly driven from the Verdant Villas project in Negombo. The Company is currently working on new projects and focusing its efforts on the sales of its existing projects in Negombo and Wattala.

At Company level, Dunamis Capital PLC recorded a Loss after Tax of Rs. 412Mn compared to a Loss after Tax of Rs. 142Mn in 2017/18. This is mainly on account of fair valuation loss on financial investments-held for trading and increased finance costs.

**(Sgd.)**

Dinesh Schaffter

**Managing Director**

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period	Group			
	July ~ September 2018 Unaudited	2017 Unaudited	April ~ September 2018 Unaudited	2017 Unaudited
Revenue	634,732	1,301,939	2,254,068	2,864,338
Cost of sales	(504,058)	(834,465)	(1,722,206)	(2,140,709)
<b>Gross profit</b>	<b>130,674</b>	<b>467,474</b>	<b>531,862</b>	<b>723,629</b>
Gain on disposal of subsidiary companies	5,994	480,087	5,994	480,087
Other operating income	34,758	6,480	55,551	58,683
Gain/(loss) on fair value of financial investments - held for trading	(325,311)	934	(589,940)	292,714
<b>Less:</b>				
Administrative expenses	(119,979)	(171,257)	(257,659)	(325,202)
Sales and distribution expenses	(15,477)	(11,238)	(21,949)	(26,097)
Other operating expenses	(8,046)	(56,040)	(19,365)	(87,437)
<b>Profit/(loss) from operations</b>	<b>(297,387)</b>	<b>716,440</b>	<b>(295,506)</b>	<b>1,116,377</b>
Finance income	26,675	451	34,644	1,354
Finance expenses	(144,390)	(120,549)	(280,197)	(234,173)
<b>Profit/(loss) before tax</b>	<b>(415,102)</b>	<b>596,342</b>	<b>(541,059)</b>	<b>883,558</b>
Income tax expenses	39,333	(23,682)	(19,994)	(53,446)
<b>Profit/(loss) for the period</b>	<b>(375,769)</b>	<b>572,660</b>	<b>(561,053)</b>	<b>830,112</b>
<b>Other comprehensive income</b>				
<i>Items that are or may be reclassified subsequently to profit or loss</i>				
Available-for-sale financial assets – net change in fair value	5,155	-	6,631	(90,053)
Other comprehensive income, net of tax	5,155	-	6,631	(90,053)
<b>Total comprehensive income for the period</b>	<b>(370,614)</b>	<b>572,660</b>	<b>(554,422)</b>	<b>740,059</b>
<b>Profit/(loss) attributable to:</b>				
Equity-holders of the parent	(328,736)	493,776	(529,862)	657,518
Non-controlling interests	(47,033)	78,433	(31,191)	172,594
	<b>(375,769)</b>	<b>572,209</b>	<b>(561,053)</b>	<b>830,112</b>
<b>Total comprehensive income attributable to:</b>				
Equity-holders of the parent	(323,581)	493,776	(523,231)	587,148
Non-controlling interests	(47,033)	78,433	(31,191)	152,911
	<b>(370,614)</b>	<b>572,209</b>	<b>(554,422)</b>	<b>740,059</b>
<b>Basic earnings/(loss) per share (Rs.)</b>	<b>(2.67)</b>	<b>4.01</b>	<b>(4.31)</b>	<b>5.35</b>

Figures in brackets indicate negative balances.

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

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period	Company			
	July ~ September 2018 Unaudited	2017 Unaudited	April ~ September 2018 Unaudited	2017 Unaudited
<b>Revenue</b>	<b>1,103</b>	14,816	<b>1,103</b>	15,539
Cost of sales	-	-	-	-
<b>Gross profit</b>	<b>1,103</b>	14,816	<b>1,103</b>	15,539
Gain on disposal of subsidiary companies	-	60,693	-	60,693
Other operating income	<b>3,863</b>	1,230	<b>7,345</b>	9,581
Gain/(Loss) on fair value of financial investments - held for trading	<b>(43,778)</b>	(27,420)	<b>(133,806)</b>	16,891
<b>Less:</b>				
Administrative expenses	<b>(12,799)</b>	(11,011)	<b>(27,004)</b>	(27,648)
Sales and distribution expenses	<b>(4,502)</b>	-	<b>(4,502)</b>	-
Other operating expenses	<b>(2,541)</b>	(4,866)	<b>(3,370)</b>	(6,476)
<b>Profit/(loss) from operations</b>	<b>(58,654)</b>	33,442	<b>(160,234)</b>	68,580
Finance income	<b>33,571</b>	131	<b>49,872</b>	915
Finance expenses	<b>(157,091)</b>	(109,518)	<b>(296,309)</b>	(211,399)
<b>Profit/ (loss) before tax</b>	<b>(182,174)</b>	(75,945)	<b>(406,671)</b>	(141,904)
Income tax expenses	-	-	<b>(5,038)</b>	(468)
<b>Profit/(loss) for the period</b>	<b>(182,174)</b>	(75,945)	<b>(411,709)</b>	(142,372)
Other comprehensive income, net of tax				
Items that are or may be reclassified subsequently to profit or loss				
Available-for-sale financial assets – net change in fair value	<b>(159,222)</b>	226,662	<b>(187,052)</b>	1,206,490
<b>Total comprehensive income for the period</b>	<b>(341,396)</b>	150,717	<b>(598,761)</b>	1,064,118
<b>Basic loss per share (Rs.)</b>	<b>(1.48)</b>	(0.62)	<b>(3.35)</b>	(1.16)

Figures in brackets indicate negative balances.

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

## STATEMENT OF FINANCIAL POSITION

As at	Group			Company		
	30 Sep 2018 Unaudited	30 Sep 2017 Unaudited	31 Mar 2018 Audited	30 Sep 2018 Unaudited	30 Sep 2017 Unaudited	31 Mar 2018 Audited
<b>ASSETS</b>						
<b>Non-current assets</b>						
Property, plant and equipment	60,638	151,445	47,638	1,905	1,489	1,813
Investments in subsidiaries	-	-	-	2,627,645	3,496,963	2,821,328
Long term investments	426,242	518,305	419,610	183,492	275,555	176,860
Investment property	2,500,000	1,543,314	2,500,000	2,500,000	1,697,222	2,500,000
Deferred tax assets	943,069	29,628	976,823	1,412	-	1,412
Intangible assets	216,457	205,902	225,241	-	-	-
	4,146,406	2,448,594	4,169,312	5,314,454	5,471,229	5,501,413
<b>Current assets</b>						
Inventories	1,323,937	1,513,600	1,498,316	-	-	-
Trade and other receivables	516,613	548,287	1,009,927	79,644	4,800	86,280
Related party receivables	107,935	22,340	23,412	233,101	23,068	287,624
Financial investments - Held for trading	31,226,009	18,755,997	26,458,019	400,086	524,574	528,108
Financial investments - Loans and receivables	6,461,112	4,820,792	5,376,918	1,320,401	-	200,180
Derivative financial instruments	6,313	7,100	47,868	-	-	-
Cash and cash equivalents	45,274	385,921	337,650	2,113	332,331	1,849
	39,687,193	26,054,037	34,752,110	2,035,345	884,773	1,104,041
Non-current assets held for sale	42,416	42,416	42,416	-	-	-
<b>Total assets</b>	43,876,015	28,545,047	38,963,838	7,349,799	6,356,002	6,605,454
<b>EQUITY AND LIABILITIES</b>						
<b>Capital and reserves</b>						
Stated capital	445,994	445,994	445,994	445,994	445,994	445,994
Capital reserve	22,500	22,500	22,500	-	-	-
Risk reserve	765,666	682,122	765,666	-	-	-
Fair valuation reserve	(62,292)	(70,370)	(68,923)	1,157,580	2,018,962	1,344,632
Retained earnings/(losses)	1,079,548	(130,273)	1,609,410	92,793	(483,124)	504,502
<b>Equity attributable to the equity holders of the parent</b>	2,251,416	949,973	2,774,647	1,696,367	1,981,832	2,295,128
Non-controlling interests	762,579	508,067	790,515	-	-	-
<b>Total equity</b>	3,013,995	1,458,040	3,565,162	1,696,367	1,981,832	2,295,128
<b>Non-current liabilities</b>						
Deferred tax liabilities	-	858	-	-	-	-
Retirement benefit obligations	39,581	38,102	41,334	4,962	5,189	5,507
Borrowings on debentures	966,098	1,877,615	1,865,347	1,028,990	2,114,288	2,053,731
Interest bearing borrowings	744,916	1,130,528	902,474	200,000	275,000	275,000
	1,750,595	3,047,103	2,809,155	1,233,952	2,394,477	2,334,238
<b>Current liabilities</b>						
Trade and other payables	391,145	570,987	747,348	12,544	76,207	8,374
Interest bearing borrowings	11,103,245	6,116,107	7,904,827	2,567,765	1,780,641	1,363,646
Related party payables	12,277	12,314	2,816	517,058	6,571	401,081
Securities sold under re-purchase agreements	25,203,814	16,569,988	23,412,237	-	-	-
Borrowings on debentures - current portion	967,827	191,607	-	1,090,157	-	-
Derivative financial instruments	1,025	10,714	21,659	-	-	-
Bank overdrafts	1,432,092	568,187	500,634	231,956	116,274	202,987
	39,111,425	24,039,904	32,589,521	4,419,480	1,979,693	1,976,088
<b>Total equity and liabilities</b>	43,876,015	28,545,047	38,963,838	7,349,799	6,356,002	6,605,454

Note: All values are in rupees '000 unless otherwise stated.  
Figures in brackets indicate negative balances.

These financial statements are in compliance with the requirements of the Companies Act No. 07 of 2007.

(Sgd.)  
Himal Akalanka  
Finance Manager

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

(Sgd.)  
A.D.E.I. Perera  
Chairman

(Sgd.)  
Dinesh Schaffter  
Managing Director

14 November 2018  
Colombo

## STATEMENT OF CHANGES IN EQUITY

### GROUP

	Attributable to equity holders of parent							
	Stated Capital	Capital Reserve	Risk Reserve	Fair Valuation Reserve	Retained Earnings /(Losses)	Total	Non-Controlling Interests	Total Equity
<b>Balance as at 1 April 2017 (Audited)</b>	<b>445,994</b>	<b>22,500</b>	<b>642,437</b>	<b>-</b>	<b>(752,794)</b>	<b>358,137</b>	<b>368,881</b>	<b>727,018</b>
<b>Total comprehensive income for the period</b>								
Profit for the period	-	-	-	-	657,518	657,518	172,594	830,112
Other comprehensive income, net of tax	-	-	-	(70,370)	-	(70,370)	(19,683)	(90,053)
<b>Total Comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(70,370)</b>	<b>657,518</b>	<b>587,148</b>	<b>152,911</b>	<b>740,059</b>
<b>Transactions with equity holders</b>								
Transfer to risk reserves	-	-	39,685	-	(39,685)	-	-	-
Dividends	-	-	-	-	-	-	(3,503)	(3,503)
<b>Total transactions with equity holders</b>	<b>-</b>	<b>-</b>	<b>39,685</b>	<b>-</b>	<b>(39,685)</b>	<b>-</b>	<b>(3,503)</b>	<b>(3,503)</b>
<b>Change in ownership interests</b>								
Change in ownership interests without change in control	-	-	-	-	4,689	4,689	(10,222)	(5,533)
<b>Total Change in ownership interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,689</b>	<b>4,689</b>	<b>(10,222)</b>	<b>(5,533)</b>
<b>As at 30 September 2017</b>	<b>445,994</b>	<b>22,500</b>	<b>682,122</b>	<b>(70,370)</b>	<b>(130,273)</b>	<b>949,973</b>	<b>508,067</b>	<b>1,458,040</b>
<b>Balance as at 1 April 2018 (Audited)</b>	<b>445,994</b>	<b>22,500</b>	<b>765,666</b>	<b>(68,923)</b>	<b>1,609,410</b>	<b>2,774,647</b>	<b>790,515</b>	<b>3,565,162</b>
<b>Total comprehensive income for the period</b>								
Loss for the period	-	-	-	-	(529,862)	(529,862)	(31,191)	(561,053)
Other comprehensive income, net of tax	-	-	-	6,631	-	6,631	-	6,631
<b>Total Comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,631</b>	<b>(529,862)</b>	<b>(523,231)</b>	<b>(31,191)</b>	<b>(554,422)</b>
<b>Change in ownership interests</b>								
Disposal of subsidiary	-	-	-	-	-	-	3,255	3,255
<b>Total Change in ownership interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,255</b>	<b>3,255</b>
<b>As at 30 September 2018</b>	<b>445,994</b>	<b>22,500</b>	<b>765,666</b>	<b>(62,292)</b>	<b>1,079,548</b>	<b>2,251,416</b>	<b>762,579</b>	<b>3,013,995</b>

Figures in brackets indicate negative balances.

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

## STATEMENT OF CHANGES IN EQUITY

### COMPANY

	Stated Capital	Fair value reserve	Retained Earnings/(Losses)	Total Equity
Balance as at 01 April 2017 (Audited)	445,994	812,472	(340,752)	917,714
<b>Total comprehensive income for the period</b>				
Loss for the period	-	-	(142,372)	(142,372)
Other comprehensive income, net of tax	-	1,206,490	-	1,206,490
<b>Total Comprehensive income</b>	-	1,206,490	(142,372)	1,064,118
<b>As at 30 September 2017</b>	<b>445,994</b>	<b>2,018,962</b>	<b>(483,124)</b>	<b>1,981,832</b>
Balance as at 01 April 2018 (Audited)	445,994	1,344,632	504,502	2,295,128
<b>Total comprehensive income for the period</b>				
Loss for the period	-	-	(411,709)	(411,709)
Other comprehensive income, net of tax	-	(187,052)	-	(187,052)
<b>Total Comprehensive income</b>	-	(187,052)	(411,709)	(598,761)
<b>As at 30 September 2018</b>	<b>445,994</b>	<b>1,157,580</b>	<b>92,793</b>	<b>1,696,367</b>

### SEGMENT INFORMATION

For the period ended 30 September 2018

	Financial Services Rs.	Property Development Rs.	Investment Holdings Rs.	Others Rs.	Group Adjustments Rs.	Group Rs.
Total revenue	2,224,832	263,312	1,103	2,621	(113,021)	2,378,847
Profit / (loss) from operations	(49,905)	22,069	(160,234)	(1,720)	(105,715)	(295,506)
Finance income	-	3,415	49,872	-	(9,304)	43,983
Finance expenses	-	(109,037)	(296,309)	-	115,810	(289,536)
Profit / (loss) before tax	(49,905)	(83,553)	(406,671)	(1,720)	791	(541,059)
Taxation	(14,956)	-	(5,038)	-	-	(19,994)
Profit / (loss) for the period	(64,861)	(83,553)	(411,709)	(1,720)	791	(561,053)

Figures in brackets indicate deductions.

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

## STATEMENT OF CASH FLOWS

For the six months ended

### Cash flows from operating activities

Profit/(loss) before taxation

### Adjustments for:

Depreciation and Amortisation

Interest expense

Finance income

Gain on disposal of subsidiary companies

Gain on fair valuation of financial instruments-held for trading

Gain on disposal of Property, Plant and Equipment

Gain on repurchase of shares

Impairment provision for Goodwill

Provision for retirement benefit obligations

### Operating profit/(loss) before working capital changes

Change in inventories

Change in trade & other receivables

Change in related party receivables

Change in Financial investments - Held for trading

Change in Financial investments - Loans and receivables

Change in trade & other payables

Change in securities purchased under re-purchases agreements

Change in related party payables

### Cash generated from/(used in) operations

Interest paid

Change in amortised interest and transaction costs of debentures

Tax paid

Gratuity paid

### Net cash generated from/(used in) in operations

### Cash flows from investing activities

Investment in subsidiaries, net of cash acquired

Acquisition of investment properties

Investment in shares

Investment in fixed deposits

Acquisition of property, plant & equipment & intangible assets

Proceeds from disposal of property, plant and equipment

Proceeds from disposal of Investment in subsidiaries - net of cash disposed

Finance income received

### Net cash flows generated from/(used in) investing activities

### Cash flows from financing activities

Net change in interest bearing loans and borrowings

Dividend paid

### Net cash flows generated from/(used in) financing activities

### Net change in cash & cash equivalents

Cash & cash equivalent at the beginning of the period

Cash & cash equivalent at the end of the period (Note A)

### Note A

Cash in hand and at bank

Bank overdraft

Cash & cash equivalents as at 30 September

	Group		Company	
	30 Sep 2018	30 Sep 2017	30 Sep 2018	30 Sep 2017
<b>Cash flows from operating activities</b>				
Profit/(loss) before taxation	(541,059)	883,558	(406,671)	(141,904)
<b>Adjustments for:</b>				
Depreciation and Amortisation	15,696	22,992	245	261
Interest expense	280,197	234,173	296,309	211,399
Finance income	(34,644)	-	(49,872)	(915)
Gain on disposal of subsidiary companies	(5,994)	(480,087)	-	(60,693)
Gain on fair valuation of financial instruments-held for trading	20,921	(292,714)	133,806	(16,891)
Gain on disposal of Property, Plant and Equipment	(3,147)	(555)	-	(15)
Gain on repurchase of shares	-	-	-	(5,929)
Impairment provision for Goodwill	-	13,763	-	-
Provision for retirement benefit obligations	2,311	4,296	397	437
<b>Operating profit/(loss) before working capital changes</b>	<b>(265,719)</b>	<b>385,426</b>	<b>(25,786)</b>	<b>(14,250)</b>
Change in inventories	164,819	257,021	-	-
Change in trade & other receivables	482,319	74,306	6,635	18,195
Change in related party receivables	(1,941)	(22,340)	54,523	593,307
Change in Financial investments - Held for trading	(4,767,990)	5,265,702	(5,784)	3,305
Change in Financial investments - Loans and receivables	(1,084,194)	676,295	(1,120,221)	-
Change in trade & other payables	(250,477)	(275,406)	4,170	63,148
Change in securities purchased under re-purchases agreements	1,791,577	(4,532,909)	-	-
Change in related party payables	(1,743)	911,444	115,977	(479,791)
<b>Cash generated from/(used in) operations</b>	<b>(3,933,349)</b>	<b>2,739,539</b>	<b>(970,486)</b>	<b>183,914</b>
Interest paid	(280,197)	(234,173)	(296,309)	(211,399)
Change in amortised interest and transaction costs of debentures	68,578	97,078	65,416	65,136
Tax paid	(60,025)	(30,814)	(5,038)	(468)
Gratuity paid	(3,171)	(6,001)	(942)	(5,720)
<b>Net cash generated from/(used in) in operations</b>	<b>(4,208,164)</b>	<b>2,565,629</b>	<b>(1,207,359)</b>	<b>31,463</b>
<b>Cash flows from investing activities</b>				
Investment in subsidiaries, net of cash acquired	-	(15,000)	-	-
Acquisition of investment properties	-	(372,550)	-	(391,853)
Investment in shares	-	(19,147)	-	(19,147)
Investment in fixed deposits	(26,925)	-	-	-
Acquisition of property, plant & equipment & intangible assets	(28,537)	(27,325)	(337)	(262)
Proceeds from disposal of property, plant and equipment	3,321	555	-	85
Proceeds from disposal of Investment in subsidiaries - net of cash disposed	4,962	395,344	-	300,000
Finance income received	34,644	-	49,872	915
<b>Net cash flows generated from/(used in) investing activities</b>	<b>(12,535)</b>	<b>(38,123)</b>	<b>49,535</b>	<b>(110,262)</b>
<b>Cash flows from financing activities</b>				
Net change in interest bearing loans and borrowings	3,041,125	(2,130,163)	1,129,119	556,072
Dividend paid	(44,260)	(3,503)	-	-
<b>Net cash flows generated from/(used in) financing activities</b>	<b>2,996,865</b>	<b>(2,133,666)</b>	<b>1,129,119</b>	<b>556,072</b>
<b>Net change in cash &amp; cash equivalents</b>	<b>(1,223,834)</b>	<b>393,840</b>	<b>(28,705)</b>	<b>477,273</b>
Cash & cash equivalent at the beginning of the period	(162,984)	(576,106)	(201,138)	(261,216)
Cash & cash equivalent at the end of the period (Note A)	<b>(1,386,818)</b>	<b>(182,266)</b>	<b>(229,843)</b>	<b>216,057</b>
<b>Note A</b>				
Cash in hand and at bank	45,274	385,921	2,113	332,331
Bank overdraft	(1,432,092)	(568,187)	(231,956)	(116,274)
Cash & cash equivalents as at 30 September	<b>(1,386,818)</b>	<b>(182,266)</b>	<b>(229,843)</b>	<b>216,057</b>

Note: All values are in rupees '000s unless otherwise stated.  
Figures in brackets indicate negative balances.



## NOTES TO THE FINANCIAL STATEMENTS

**1. Net assets per share  
As at 30 September**

Group		Company	
2018	2017	2018	2017
Rs.	Rs.	Rs.	Rs.
18.30	7.72	13.79	16.11

**2. Market price per share  
For the period ended**

Highest market price recorded  
Lowest market price recorded  
Closing market price recorded

30-Sep-18	30-Sep-17
Rs.	Rs.
35.30	28.50
17.00	22.70
34.50	24.20

**3. The Interim Condensed Financial Statements for the six months ended 30 September 2018 have been prepared in accordance with LKAS 34 Interim Financial Reporting.**

The Interim Condensed Financial Statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's Annual Financial Statements for the year ended 31 March 2018.

SLFRS 9 – “Financial Instruments” is applicable for financial periods beginning on or after 1 January 2018. This standard replaces LKAS 39 – “Financial Instruments: Recognition and Measurement”. However, the Institute of Chartered Accountants of Sri Lanka has granted an option to prepare interim financial statements continuing the application of LKAS 39 during the financial year commencing on or after 1 January 2018, through “Statement of Alternative Treatment (SOAT) on the Figures in the Interim Financial Statements”. Accordingly, these financial statements have been prepared by applying LKAS 39 in accordance with the said option granted.

The Group assessed the impact on transition based on gap analysis and quantifications performed on its Financial Statements as at 31 March 2017 on adoption of SLFRS 9 with the assistance of an external consultant. Further, the Group is currently in the process of quantifying the impact on adoption of SLFRS 9 as at 1 April 2018.

- The presentation and classification of figures for the corresponding period of the previous year/previous quarter of the current year have been reclassified to be comparable with those of the current year/current quarter where necessary.
- The number of shares represented by stated capital as at 31st March 2018 is 122,997,050 shares (as at 30 September 2018 - 122,997,050 shares).
- On 31 July 2018, Kelsey Developments PLC (subsidiary company) disposed its fully owned subsidiary, Pre Fab Engineering Projects (Pvt) Limited for a consideration of Rs. 105Mn to Nextventures Limited (related party company).
- There have been no significant changes in the nature of the contingent liabilities which were disclosed in the Annual Report for the year ended 31 March 2018 other than following,

**Group**

- In August 2018, First Capital Treasuries PLC filed a written submission against letter of intimation on income tax return of 2015/16 issued by the Department of Inland Revenue. However, the related assessment has not been issued yet.
- In September 2018, the Commissioner General of Inland Revenue determined First Capital Treasuries PLC's assessment on Financial VAT - 2013/14 of amounting to Rs. 60.8Mn in favour of the Department.
- In October 2018, the Commissioner General of Inland Revenue determined First Capital Limited's assessment on Financial VAT - 2013/14 reducing the liability to Rs. 45.6Mn (previously – Rs. 46.2Mn) in favor of the Department.

The required appeals against the said determinations are in the process of filing with the Tax Appeals Commission. Based on tax consultant's opinion, the Board of Directors of the Company is of the view that no liability would arise since the said determinations are outside the scope of chargeability of Financial VAT.

- There have been no material events subsequent to the reporting date which require disclosures/adjustments in the interim financial statements for the period ended 30 September 2018.
- Disclosure in accordance with the section 7.4 (b) (ii) - Appendix 7B (a) (Item 4) of CSE Listing Rules ;

Float adjusted market capitalisation	457,013,989
Public holding percentage	10.77%
Number of public share holders	2,194

Company is not complied with the Minimum Public Holding requirement in terms of the section 7.13.1 (a) of CSE Listing rules.

## NOTES TO THE FINANCIAL STATEMENTS

### 10. Information on Listed Debentures

#### (a) Debt Ratios (Group)

	As at 30-Sep-18	As at 30-Sep-17
Debt/equity ratio (times)	13.09	18.01
Quick asset ratio (times)	0.98	1.02
Interest cover (times)	-	4.77

#### Debt Ratios (Company)

	As at 30-Sep-18	As at 30-Sep-17
Debt/equity ratio (times)	2.37	2.16
Quick asset ratio (times)	0.46	0.45
Interest cover (times)	-	0.32

#### (b) Market value per Debenture

	As at 30-Sep-18 Rs.	As at 30-Sep-17 Rs.
<b><u>Debenture issued by Dunamis Capital PLC</u></b>		
<b>05 year fixed rate (12.5 % p.a. payable annually) - 2014/2019</b>		
Highest price	-	99.97
Lowest price	-	99.97
Last trade price	-	99.97

There were no trading on the "05 year fixed rate - 2014/2019" debenture during the quarter ended 30 September 2018.

#### **05 year fixed rate (10.5 % p.a. payable semi-annually) - 2015/2020**

Highest price	-	94.67
Lowest price	-	94.67
Last trade price	-	94.67

#### **05 year variable rate (6 months Net T-Bill rate plus 2.50% p.a. payable semi-annually) - 2015/2020**

There were no trading on the "05 year fixed and variable rate - 2015/2020" debentures during the quarter ended 30 September 2018.

#### **Debenture issued by First Capital Holdings PLC**

Debentures with 5 year maturity have not been traded during the quarter ended 30 September 2018.

#### **Debenture issued by First Capital Treasuries PLC**

Debentures with 5 year maturity have not been traded during the quarter ended 30 September 2018.

## NOTES TO THE FINANCIAL STATEMENTS

### (c) Debenture interest yield

	As at 30-Sep-18	As at 30-Sep-17
<b><u>Debenture issued by Dunamis Capital PLC</u></b>		
05 Year fixed rate ( 12.5% p.a. payable annually) - 2014/2019	12.50%	12.50%
05 year fixed rate (10.5 % p.a. payable semi-annually) - 2015/2020	10.50%	11.10%
05 year variable rate (6 months Net T-Bill rate plus 2.50% p.a. payable semi-annually) - 2015/2020	11.10%	11.42%

	As at 30-Sep-18	As at 30-Sep-17
<b><u>Debenture issued by First Capital Holdings PLC</u></b>		
5 year fixed rate (14.00 % p.a. payable annually )	14.00%	14.00%
<b><u>Debenture issued by First Capital Treasuries PLC</u></b>		
05 Year fixed rate ( 9.50% p.a. payable annually)	9.50%	9.50%

### (d) Yield of comparable Government Securities

	As at 30-Sep-18	As at 30-Sep-17
<b><u>Debentures issued by Dunamis Capital PLC</u></b>		
05 year fixed rate ( 12.5% p.a. payable annually) - 2014/2019	9.45%	9.42%
05 year fixed rate (10.5 % p.a. payable semi-annually) - 2015/2020	9.85%	9.74%
05 year variable rate (6 months Net T-Bill rate plus 2.50% p.a. payable semi-annually) - 2015/2020	9.85%	9.74%
<b><u>Debentures issued by First Capital PLC</u></b>		
5 year treasury bond	10.60%	9.38%
<b><u>Debenture issued by First Capital Treasuries PLC</u></b>		
5 year treasury bond	9.88%	9.63%

### (e) Yield to maturity on trades done for the quarter ended 30 September 2018

<b><u>Debentures issued by Dunamis Capital PLC</u></b>		
05 Year fixed rate ( 12.50% p.a. payable annually) - 2014/2019	-	12.43%
05 year fixed rate (10.50 % p.a. payable semi-annually) - 2015/2020	-	12.23%

There were no trading on the above debentures issued by Dunamis Capital PLC during the quarter ended 30 September 2018. Hence, Yield to maturity on trade done is not applicable.

#### **Debentures issued by First Capital Holdings PLC**

There were no trading on the above debenture issued by First Capital Holdings PLC during the quarter ended 30 September 2018. Hence, Yield to maturity on trade done is not applicable.

#### **Debenture issued by First Capital Treasuries PLC**

There were no trading on the above debenture issued by First Capital Treasuries PLC during the quarter ended 30 September 2018. Hence, Yield to maturity on trade done is not applicable.

## INVESTOR INFORMATION

### 11. List of twenty major shareholders as at 30 September 2018

Name of the shareholder	No of shares	Holding %
1 1.1 Commercial Bank of Ceylon PLC/Janashakthi PLC	25,444,562	20.69
1.2 Seylan Bank PLC./Janashakthi PLC	20,949,000	17.03
1.3 Janashakthi PLC Account No. 1	4,202,174	3.42
2 Seylan Bank PLC/Mr. D. Schaffter	32,286,517	26.25
3 Pan Asia Banking Corporation PLC /Ms. M. Mathews	26,564,398	21.60
4 HSBC International Nominees Ltd.- ssbt-Deutsche Bank AG Singapore A/C 01	3,288,026	2.67
5 Ms. R.S.L. de Mel	2,000,000	1.63
6 Seylan Bank PLC/W.D.N.H Perera	658,817	0.54
7 Hatton National Bank PLC/Sanka Ramoorthy Nadaraj Kumar	374,865	0.30
8 Dr. R.M.S. Fernando	304,800	0.25
9 Mr. C.L. de Silva	300,000	0.24
10 Aruna Enterprises (Pvt) Limited	260,345	0.21
11 Mr. A.D. Edussuriya	250,000	0.20
12 Mr. A.H. Munasinghe	243,727	0.20
13 Hatton National Bank PLC/Arunasalam Sithampalam	225,635	0.18
14 Mrs. W.A.D.S. Wijesooriya	221,600	0.18
15 Deutsche Bank AG AS Trustee to Capital Alliance Quantitative Equity Fund	200,000	0.16
16 Monad (Private) Limited	150,000	0.12
17 Mr. S. Abishek	133,602	0.11
18 Seylan Bank PLC/S.R. Fernando	116,840	0.95
19 Mr. S Vasudevan	100,000	0.08
20 Commercial Bank of Ceylon PLC/ M R H Galappatti	98,817	0.08

The percentage of shares held by the public, as defined under the Colombo Stock Exchange regulation, was 10.77% and the number of shareholders was 2,194 as at 30 September 2018.

The number of shares held by the members of the Board of Directors are as follows:

Name	No.of shares	Holding %
Mr. A.D.E.I. Perera	-	-
Mr. D. Schaffter	32,286,517	26.25
Mr. C. L. de Silva	300,000	0.00
Mr. R. S. A. W. Wickramasuriya	-	-
Mr. P. Sivagananathan	-	-