

PROVISIONAL FINANCIAL STATEMENTS

QUARTER ENDED | 31 MARCH 2019



DUNAMIS CAPITAL PLC
Igniting value

REVIEW OF OPERATIONS

Dunamis Capital PLC recorded a Consolidated Loss after Tax of Rs. 903Mn for the year ended 31 March 2019 compared to a Profit after Tax Rs.2,996Mn in the previous year. The previous year results include a recognition of deferred tax assets amounting to Rs. 948Mn, fair value gain on investment properties amounting to Rs.933Mn and realised gains of Rs.480Mn arising from the disposal of two of its subsidiaries.

First Capital reported a Consolidated Profit after Tax of Rs. 12Mn compared to a Profit after Tax of Rs. 1,966Mn in the previous year. Previous year results included a recognition of deferred tax asset of LKR 902Mn. The performance was below expectations, mainly as a result of lower contribution from First Capital Treasuries PLC, the Company's primary dealing arm. The decline in performance is mainly due to the incline in market interest yield toward end of year 2018 due to political uncertainty and subsequent monetary policy tightening. However, during the quarter under review, First Capital recorded Consolidated profit after tax of R.367Mn to reverse the losses incurred in previous three quarters.

Kelsey Developments PLC reported a Consolidated Loss after Tax of Rs.223Mn (2017/18 – Rs. 96Mn). During the year ended 31 March 2019, total revenue recognised was Rs. 252Mn and total expected sales value of the reservations made was Rs. 575Mn. Sales and reservations for the period were driven by the projects in Negombo, Kottawa, Bollegala and Wattala. During the quarter, Dunamis Capital PLC invested Rs. 300Mn in preference shares of Kelsey Homes (Pvt) Limited with the intention of increasing the capital employed of the Company to increase business volume. The Company is focusing its efforts on the sales of its existing projects.

At Company level, Dunamis Capital PLC recorded a Loss after Tax of Rs. 663Mn compared to a Profit after Tax of Rs. 845Mn in 2017/18. Previous year results included a recognition of fair value gain on investment properties amounting to Rs.786Mn. Increased finance costs and fair valuation loss on financial assets - fair value through profit or loss have contributed to the increased losses during the year under review. At present, Company concentrating on shedding its non-core assets to relieve the pressure on gearing.

(Sgd.)

Ramesh Schaffter

Managing Director

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Group					
For the period	Note	January ~ March		April ~ March	
		2019 Unaudited	2018 Audited	2019 Unaudited	2018 Audited
Continuing operations					
Revenue		975,990	1,164,586	4,147,556	4,710,505
Cost of sales		(967,380)	(873,798)	(3,742,271)	(3,410,888)
Gross profit		8,610	290,788	405,285	1,299,617
Other operating income	1	(9,277)	1,365,948	82,980	1,610,288
Gain/(loss) on fair value of Financial assets - FVTPL		346,897	(64,344)	(236,308)	366,128
Less:					
Administrative expenses		(110,328)	(140,315)	(494,095)	(549,342)
Sales and marketing expenses		(31,616)	(10,049)	(63,577)	(36,479)
Reversal of impairment of financial assets at amortised costs		8,828	-	8,828	-
Other operating expenses		(12,882)	(116,413)	(41,866)	(193,634)
Profit/(loss) from operations		200,232	1,325,615	(338,753)	2,496,578
Finance income		64,318	744	143,743	1,780
Finance expenses		(181,173)	(135,383)	(613,460)	(442,942)
Profit/(loss) before tax from continuing operation		83,377	1,190,976	(808,470)	2,055,416
Discontinued operation					
Profit/(loss) from discontinued operation		-	-	-	82,397
Profit/(loss) before taxation for the period		83,377	1,190,976	(808,470)	2,137,813
Income tax expenses		(65,954)	918,153	(94,952)	858,018
Profit/(loss) for the period		17,423	2,109,129	(903,422)	2,995,831
Other comprehensive income					
Actuarial gain/(loss) on defined benefit plans, net of taxes		(717)	726	(717)	1,318
Financial assets - fair value through OCI – net change in fair value		(24,830)	-	(24,830)	(88,613)
Other comprehensive income, net of taxes		(25,547)	726	(25,547)	(87,295)
Total comprehensive income for the period		(8,124)	2,109,855	(928,969)	2,908,536
Profit/(loss) attributable to:					
Equity-holders of the parent		(68,026)	1,835,043	(860,788)	2,482,366
Non-controlling interests		85,449	274,086	(42,634)	513,465
		17,423	2,109,129	(903,422)	2,995,831
Total comprehensive income attributable to:					
Equity-holders of the parent		(87,717)	1,835,686	(880,479)	2,414,620
Non-controlling interests		79,593	274,169	(48,490)	493,916
		(8,124)	2,109,855	(928,969)	2,908,536
Basic earnings/(loss) per share (Rs.)		(0.55)	14.92	(7.00)	20.18

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

		Company			
		January ~ March 2019		April ~ March 2019	
For the period	Note	Unaudited	2018 Audited	Unaudited	2018 Audited
Revenue		6,106	160,729	7,209	182,280
Cost of sales		-	-	-	-
Gross profit		6,106	160,729	7,209	182,280
Other operating income	1	(163)	1,168,293	23,164	1,120,476
Gain/(loss) on fair value of Financial assets - FVTPL		(71,251)	(16,798)	(96,200)	81,511
Less:					
Administrative expenses		(14,213)	(12,005)	(57,784)	(50,628)
Sales and marketing expenses		(220)	-	(4,762)	-
Reversal of impairment of financial assets at amortised costs		183	-	183	-
Other operating expenses		(2,242)	(5,543)	(6,207)	(106,111)
Profit/(loss) from operations		(81,800)	1,294,676	(134,397)	1,227,528
Finance income		65,951	5,948	178,030	9,715
Finance expenses		(211,208)	(140,903)	(701,459)	(452,712)
Profit/(loss) before tax from continuing operation		(227,057)	1,159,721	(657,826)	784,531
Discontinued operation					
Profit/(loss) from discontinued operation		-	-	-	60,693
Profit/(loss) before taxation for the period		(227,057)	1,159,721	(657,826)	845,224
Income tax expenses		21	(1,520)	(5,112)	(543)
Profit/(loss) for the period		(227,036)	1,158,201	(662,938)	844,681
Other comprehensive income, net of tax					
Actuarial gains on defined benefit plans, net of taxes		121	350	121	573
Financial assets - fair value through OCI – net change in fair value		(527,790)	(238,501)	(643,117)	532,160
Total comprehensive income for the period		(754,705)	920,050	(1,305,934)	1,377,414
Basic earnings/(loss) per share (Rs.)		(1.85)	9.42	(5.39)	6.87

Figures in brackets indicate negative balances.

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

STATEMENT OF FINANCIAL POSITION

As at	Group		Company	
	31 Mar 2019 Unaudited	31 Mar 2018 Audited	31 Mar 2019 Unaudited	31 Mar 2018 Audited
ASSETS				
Non-current assets				
Property, plant and equipment	57,791	47,638	1,715	1,813
Investments in subsidiaries	-	-	2,478,210	2,821,328
Financial assets - fair value through OCI	405,003	419,610	187,083	176,860
Investment property	2,500,000	2,500,000	2,500,000	2,500,000
Deferred tax assets	878,560	976,823	1,597	1,412
Intangible assets	216,242	225,241	-	-
	4,057,596	4,169,312	5,168,605	5,501,413
Current assets				
Inventories	1,520,227	1,498,316	-	-
Trade and other receivables and advances	565,119	1,009,927	104,030	86,280
Related party receivables	106,248	23,412	43,958	287,624
Financial assets - fair value through profit or loss	32,239,083	26,458,019	435,789	528,108
Financial assets at amortised cost	7,653,884	5,376,918	1,201,065	200,180
Derivative financial instruments	3,454	47,868	-	-
Cash and cash equivalents	59,761	337,650	2,112	1,849
	42,147,776	34,752,110	1,786,954	1,104,041
Non-current assets held for sale	42,416	42,416	-	-
Total assets	46,247,788	38,963,838	6,955,559	6,605,454
EQUITY AND LIABILITIES				
Capital and reserves				
Stated capital	445,994	445,994	445,994	445,994
Capital reserve	22,500	22,500	-	-
Risk reserve	773,306	765,666	-	-
Fair valuation reserve	(89,766)	(68,923)	700,075	1,344,632
Retained earnings/(brought forward losses)	722,543	1,609,410	(177,023)	504,502
Equity attributable to the equity holders of the parent	1,874,577	2,774,647	969,046	2,295,128
Non-controlling interests	742,293	790,515	-	-
Total equity	2,616,870	3,565,162	969,046	2,295,128
Non-current liabilities				
Retirement benefit obligations	42,869	41,334	6,087	5,507
Borrowings on debentures	1,245,449	1,865,347	1,029,591	2,053,731
Interest bearing borrowings	717,564	902,474	200,000	275,000
	2,005,882	2,809,155	1,235,678	2,334,238
Current liabilities				
Trade and other payables	538,382	747,348	19,430	8,374
Interest bearing borrowings	9,738,582	7,904,827	2,787,572	1,363,646
Related party payables	8,222	2,816	622,820	401,081
Securities sold under re-purchase agreements	29,204,828	23,412,237	-	-
Borrowings on debentures - current portion	844,319	-	1,029,281	-
Derivative financial instruments	2,878	21,659	-	-
Bank overdrafts	1,287,825	500,634	291,732	202,987
	41,625,036	32,589,521	4,750,835	1,976,088
Total equity and liabilities	46,247,788	38,963,838	6,955,559	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
Senior Manager -Finance

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

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

30 May 2019
Colombo

(Sgd.)
Dinesh Schaffter
Director

STATEMENT OF CHANGES IN EQUITY

GROUP

	Attributable to equity holders of parent						Non-Controlling Interests	Total Equity
	Stated Capital	Capital Reserve	Risk Reserve	Fair Valuation Reserve	Retained Earnings /(Losses)	Total		
Balance as at 1 April 2017 (Audited)	445,994	22,500	642,437	-	(753,691)	357,240	378,122	735,362
Total comprehensive income for the period								
Profit for the year	-	-	-	-	2,482,366	2,482,366	513,465	2,995,831
Other comprehensive income, net of tax	-	-	-	(68,923)	1,177	(67,746)	(19,549)	(87,295)
Total comprehensive income	-	-	-	(68,923)	2,483,543	2,414,620	493,916	2,908,536
Transactions with equity holders								
Transfer to risk reserves	-	-	123,229	-	(123,229)	-	-	-
Dividends	-	-	-	-	-	-	(58,878)	(58,878)
Total transactions with equity holders	-	-	123,229	-	(123,229)	-	(58,878)	(58,878)
Change in ownership interests								
Change in ownership interests without change in control	-	-	-	-	2,787	2,787	(22,645)	(19,858)
Total change in ownership interests	-	-	-	-	2,787	2,787	(22,645)	(19,858)
As at 31 March 2018	445,994	22,500	765,666	(68,923)	1,609,410	2,774,647	790,515	3,565,162
Balance as at 1 April 2018 (Audited)	445,994	22,500	765,666	(68,923)	1,609,410	2,774,647	790,515	3,565,162
Impact of adoption of SLFRS 9	-	-	-	(1,440)	(18,151)	(19,591)	(2,987)	(22,578)
Adjusted Balance as at 1 April 2018	445,994	22,500	765,666	(70,363)	1,591,259	2,755,056	787,528	3,542,584
Total comprehensive income for the period								
Loss for the year	-	-	-	-	(860,788)	(860,788)	(42,634)	(903,422)
Other comprehensive income, net of tax	-	-	-	(19,403)	(288)	(19,691)	(5,856)	(25,547)
Total comprehensive income	-	-	-	(19,403)	(861,077)	(880,480)	(48,490)	(928,969)
Transactions with equity holders								
Transfer to risk reserves	-	-	7,640	-	(7,640)	-	-	-
Total transactions with equity holders	-	-	7,640	-	(7,640)	-	-	-
Change in ownership interests								
Disposal of subsidiary	-	-	-	-	-	-	3,255	3,255
Total change in ownership interests	-	-	-	-	-	-	3,255	3,255
As at 31 March 2019	445,994	22,500	773,306	(89,766)	722,543	1,874,577	742,293	2,616,870

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
Total comprehensive income for the period				
Profit for the year	-	-	844,681	844,681
Other comprehensive income, net of tax	-	532,160	573	532,733
Total comprehensive income	-	532,160	845,254	1,377,414
As at 31 March 2018	445,994	1,344,632	504,502	2,295,128
Balance as at 01 April 2018 (Audited)	445,994	1,344,632	504,502	2,295,128
Impact of adoption of SLFRS 9	-	(1,440)	(18,708)	(20,148)
Adjusted Balance as at 1 April 2018	445,994	1,343,192	485,794	2,274,980
Total comprehensive income for the period				
Loss for the year	-	-	(662,938)	(662,938)
Other comprehensive income, net of tax	-	(643,117)	121	(642,996)
Total comprehensive income	-	(643,117)	(662,817)	(1,305,934)
As at 31 March 2019	445,994	700,075	(177,023)	969,046

SEGMENT INFORMATION For the year ended 31 March 2019

	Financial Services Rs.	Property Development Rs.	Investment Holdings Rs.	Others Rs.	Group Adjustments Rs.	Group Rs.
Continuing operation						
Total revenue	4,149,118	252,012	7,209	6,338	(267,121)	4,147,556
Cost of sales	(3,570,204)	(190,948)	-	-	18,881	(3,742,271)
Gross Profit / (loss)	578,914	61,064	7,209	6,338	(248,240)	405,285
Gain / (loss) on Fair value of Held for trading	(139,330)	-	(96,200)	-	(779)	(236,308)
Profit / (loss) from operations	92,532	(17,609)	(134,397)	(3,212)	(276,067)	(338,753)
Finance income	-	11,666	178,030	-	(45,953)	143,743
Finance expenses	-	(213,282)	(701,459)	-	301,281	(613,460)
Profit / (loss) before tax	92,532	(219,225)	(657,826)	(3,212)	(20,739)	(808,470)
Taxation	(80,709)	(4,027)	(5,112)	-	(5,104)	(94,952)
Profit / (loss) for the period	11,823	(223,252)	(662,938)	(3,212)	(25,843)	(903,422)

Figures in brackets indicate deductions.

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

STATEMENT OF CASH FLOWS

	Group		Company	
	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018
For the year ended				
Cash flows from operating activities				
Profit/(loss) before taxation	(808,470)	2,137,813	(657,826)	845,224
Adjustments for:				
Depreciation and Amortization	21,143	34,775	592	552
Interest Expense	613,460	442,942	701,459	452,712
Finance income	(143,743)	(1,780)	(178,030)	(9,715)
Exchange gain	(10,650)	-	(10,223)	-
Change in fair value of investment property	-	(933,536)	-	(786,456)
Gain on disposal of subsidiary companies	(5,994)	(480,062)	-	(60,693)
Gain on disposal of investments	-	(311,679)	-	(293,546)
(Gain)/Loss on fair valuation of financial instruments-held for trading	236,308	(366,128)	96,200	(81,511)
Gain on disposal of an investment property	-	(26,370)	-	(26,370)
Gain on disposal of Property, Plant and Equipment	(13,147)	(7,825)	(2,000)	(6,650)
(Reversal)/charge of Impairment provision	(8,828)	100,000	(183)	100,000
Provision for retirement benefit obligations	14,905	10,222	1,643	1,550
Operating Profit/(loss) before working capital changes	(105,016)	598,372	(48,368)	135,097
Change in inventories	(31,471)	272,407	-	-
Change in trade & other receivables and advances	434,240	(392,426)	(17,750)	(64,389)
Change in related party receivables	(254)	683,635	(64,032)	328,751
Change in Financial investments - FVTPL	(5,581,918)	(2,044,696)	(3,881)	352,008
Change in Financial investments - amortised cost	(2,290,716)	246,674	(1,005,364)	(200,180)
Change in trade & other payables	(44,258)	(119,245)	3,268	(4,729)
Change in securities purchased under re-purchases agreements	5,792,591	2,309,340	-	-
Change in related party payables	(5,798)	40,727	221,739	(85,280)
Cash generated from/(used in) operations	(1,832,600)	1,594,788	(914,388)	461,278
Interest paid	(613,460)	(578,980)	(701,459)	(582,703)
Tax paid	(130,173)	(59,616)	(5,296)	(1,431)
Gratuity paid	(12,477)	(6,864)	(942)	(5,719)
Net cash generated from/(used in) in operations	(2,588,709)	949,329	(1,622,085)	(128,575)
Cash flows from investing activities				
Investment in subsidiaries, net of cash acquired	-	(8,989)	-	-
Acquisition of investment properties	-	(311,235)	-	(311,235)
Investment in subsidiaries	-	(19,858)	-	-
Investment in long term investments	-	(19,147)	-	(19,147)
Investment in fixed deposits	(26,925)	-	-	-
Acquisition of property, plant & equipment & intangible assets	(30,922)	(41,833)	(494)	(877)
Proceeds from disposal of property, plant and equipment	13,321	116,647	2,000	6,720
Proceeds from disposal of investment property	-	64,000	-	64,000
Proceeds from disposal of Investment in subsidiaries - net of cash disposed	4,962	395,744	-	300,400
Finance income received	143,743	1,780	178,030	9,715
Net cash flows generated from investing activities	104,179	177,109	179,536	49,576
Cash flows from financing activities				
Net change in interest bearing loans and borrowings	1,649,110	(569,497)	1,354,067	139,077
Redemption of debentures	(185,400)	(129,200)	-	-
Dividend paid	(44,260)	(14,618)	-	-
Net cash flows generated from financing activities	1,419,450	(713,315)	1,354,067	139,077
Net change in cash & cash equivalents	(1,065,080)	413,122	(88,482)	60,078
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)	(1,228,064)	(162,984)	(289,620)	(201,138)
Note A				
Cash in hand and at bank	59,761	337,650	2,112	1,849
Bank overdraft	(1,287,825)	(500,634)	(291,732)	(202,987)
Cash & cash equivalents as at 31 March	(1,228,064)	(162,984)	(289,620)	(201,138)

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

NOTES TO THE FINANCIAL STATEMENTS

1. Other income (Group) For the period

Gain on disposal of subsidiary company
Gain on disposal of financial assets/FVTPL
Change in fair value of investment property
Gain on disposal of motor vehicles
Exchange gain/(loss)
Gain on disposal of investment property
Other operating income

	January ~ March		April ~ March	
	2019 Unaudited Rs. 000	2018 Audited Rs. 000	2019 Unaudited Rs. 000	2018 Audited Rs. 000
	-	-	5,994	318,129
	-	402,540	-	311,679
	-	933,274	-	933,536
	2,000	-	13,147	7,825
	(15,551)	-	10,650	-
	-	-	-	26,370
	4,274	30,134	53,189	12,749
	(9,277)	1,365,948	82,980	1,610,288
Other income (Company)				
	-	-	-	-
	-	353,524	-	293,546
	-	786,194	-	786,456
	2,000	-	2,000	6,650
	(3,277)	-	10,223	-
	-	-	-	26,370
	1,114	28,575	10,941	7,454
	(163)	1,168,293	23,164	1,120,476

2. Net assets per share As at 31 March

Group		Company	
2019 Rs.	2018 Rs.	2019 Rs.	2018 Rs.
15.24	22.56	7.88	18.66

3. Market price per share For the period ended

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

31-Mar-19 Rs.	31-Mar-18 Rs.
40.00	28.80
28.50	22.00
30.30	23.00

4. The Interim Condensed Financial Statements for the year ended 31 March 2019 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.

5. Sri Lanka Accounting Standard - SLFRS 9 on "Financial Instruments"

The Sri Lanka Accounting Standard – SLFRS 9 on "Financial Instruments", which replaced the previous guidance on LKAS 39 on "Financial Instruments: Recognition and Measurement" became effective for annual reporting periods beginning on or after 1st January 2018. SLFRS 9 replaced the "Incurred Loss Model" in LKAS 39 with forward looking "Expected Loss Model ("ECL") which requires considerable judgement over how changes in economic factors affect ECL, which in turn is to be determined on a probability weighted basis. SLFRS 9 also contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed based on their cash flow characteristics.

Based on the "Statement of Alternative Treatment (SoAT)" issued by The Institute of Chartered Accountants of Sri Lanka on the Figures in the Interim Financial Statements", the Group continued to prepare the interim financial statements for the first three quarters of the year 2018/19 with the application of LKAS 39 (Financial Instruments: Recognition and Measurement). However, SLFRS 9 has been applied for interim financial statements for the fourth quarter ended 31st March 2019.

NOTES TO THE FINANCIAL STATEMENTS

5.1 The company assessed the impact on transition based on gap analysis and quantifications performed on its financial statements. The summary of the impact to the company is presented in the table below.

Scope	LKAS 39 Requirement	SLFRS 9 Requirement	Impact to the Company	Impact to the Group
Financial asset classification and measurement	Four categories (HTM, L&R, FVTPL and AFS) . Classification is based on ability and intention to hold and the marketability of the instrument	Three categories (Amortised cost, FVTPL and FVTOCI). Classification is based on characteristics of financial instruments and the business model of the portfolio	No impact.	No impact.
Financial liabilities	Two categories – FVTPL and amortised cost	Two categories – FVTPL and amortised cost	No change.	No change.
Impairment	Incurred loss approach	Expected loss approach	Provision for Financial investments at amortised cost as at 31st March 2018 is LKR 20.15 Mn incorporating forward looking information/ macroeconomic factors	Provision for Financial investments at amortised cost as at 31st March 2018 is LKR 27.88 Mn incorporating forward looking information/ macroeconomic factors
Hedge accounting	<p>*Hedging relationship consists only of eligible hedging instruments and eligible hedged items.</p> <p>*Hedge effectiveness requirements:</p> <ul style="list-style-type: none"> - Effectiveness can be reliably measured - Hedge is expected to be highly effective - Hedge is assessed on an on-going basis <p>*Voluntary discontinuation of hedge accounting is allowed.</p>	<p>* The general requirement remains unchanged. However, certain items that were not eligible as hedged items or hedging instruments under LKAS 39 are now eligible under SLFRS 9.</p> <p>*Hedge effectiveness requirements:</p> <ul style="list-style-type: none"> - Economic relationship exists - Credit risk does not dominate value changes - Designated hedge ratio is consistent with risk management strategy <p>*Discontinuation of hedge accounting only under specified circumstances</p>	No impact.	No impact.

HTM - Held to maturity
L&R - Loans and receivables
FVTPL - Fair value through profit or loss

FVTOCI - Fair value through other comprehensive income
AFS - Available for sale

The total impairment provision arising from SLFRS 9 as at 1st April 2018 has been adjusted to the retained earnings as at 1st April 2018 and the total impact on applying SLFRS 9 for the year 2018/19 has been adjusted entirety in the 4th quarter of 2018/19.

NOTES TO THE FINANCIAL STATEMENTS

5.2 Impact to the Statement of Financial Position on adoption of SLFRS 9 as at 1st April 2018 is shown below. However, the reported balances as at 31st March 2018 have not been restated.

Rs.'000

Group	Assets			Equity		
	Financial assets at amortised cost	Deferred tax assets	Related party receivables	Fair valuation reserves	Non-controlling interests	Retained earnings
Balances as at 31/03/2018 previously reported (Audited)	5,376,918	976,823	23,412	(68,923)	790,515	1,609,410
Impact of adoption SLFRS 9	(23,609)	5,305	(4,274)	(1,440)	(2,987)	(18,151)
Adjusted Balances as at 01/04/2018	5,353,309	982,128	19,138	(70,363)	787,528	1,591,259

Rs.'000

Company	Assets		Liability	Equity	
	Financial assets at amortised cost	Related party receivables	Trade and other payables (corporate guarantee liability)	Fair valuation reserves	Brought forward losses
Balances as at 31/03/2018 previously reported (Audited)	1,201,065	43,958	19,430	1,344,632	(177,023)
Impact of adoption SLFRS 9	(4,662)	(7,968)	7,788	(1,440)	(18,708)
Adjusted Balances as at 01/04/2018	1,196,403	35,990	27,218	1,343,192	(195,731)

- The above figures are provisional and subject to audit. The same accounting policies as in the Annual Report for the year ended 31st March 2018 have been followed in the preparation of the above provisional financial statements, other than the adoption of SLFRS 9 as described above.
- 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 31 March 2019 is 122,997,050 shares (as at 31 March 2018 - 122,997,050 shares).
- 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

a) 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.

b) In September 2018, the Commissioner General of Inland Revenue determined First Capital Treasuries PLC's appeal on Financial VAT - 2013/14 amounting to Rs. 60.8Mn in favour of the Inland Revenue. Whereas appeal on Financial VAT - 2013/14 of First Capital Limited was determined with a reduced liability of Rs. 45.6Mn (previously - Rs. 46.2Mn) in October 2018. The appeal against the said determination is being filed with the Tax Appeals Commission.

c) The Inland Revenue issued an assessment on financial VAT amounting to Rs.47.1Mn for First Capital Treasuries PLC (2016/17) and an assessment on income tax amounting to Rs.101.4Mn for First Capital Limited (2016/17). Appeals against the said assessments were submitted to the Commissioner General of Inland Revenue.

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 intimation/assessments 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 31 March 2019.
- Disclosure in accordance with the section 7.4 (b) (ii) - Appendix 7B (a) (Item 4) of CSE Listing Rules ;

Float adjusted market capitalisation	71,554,764
Public holding percentage	1.92%
Number of public share holders	1,895

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

12. Information on Listed Debentures

(a) Debt Ratios (Group)

	As at 31-Mar-19	As at 31-Mar-18
Debt/equity ratio (times)	16.12	9.70
Quick asset ratio (times)	0.98	1.02
Interest cover (times)	-	8.46

Debt Ratios (Company)

	As at 31-Mar-19	As at 31-Mar-18
Debt/equity ratio (times)	4.45	1.70
Quick asset ratio (times)	0.38	0.56
Interest cover (times)	0.06	4.75

(b) Market value per Debenture

Debenture issued by Dunamis Capital PLC

05 year fixed rate (12.5 % p.a. payable annually) - 2014/2019

	Rs.	Rs.
Highest price	99.87	-
Lowest price	99.87	-
Last trade price	99.87	-

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

Highest price	96.99	95.24
Lowest price	96.99	95.24
Last trade price	96.99	95.24

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 31 March 2019.

Debenture issued by First Capital Holdings PLC

Debentures with 5 year maturity were matured during the quarter ended 31 March 2019. Hence, there are no any debentures outstanding as at 31 March 2019.

Debenture issued by First Capital Treasuries PLC

Debentures with 5 year maturity have not been traded during the quarter ended 31 March 2019.

(c) Debenture Interest yield

	As at 31-Mar-19	As at 31-Mar-18
<u>Debenture issued by Dunamis Capital PLC</u>		
05 Year fixed rate (12.5% p.a. payable annually) - 2014/2019	12.52%	12.50%
05 year fixed rate (10.5 % p.a. payable semi-annually) - 2015/2020	10.83%	11.02%
05 year variable rate (6 months Net T-Bill rate plus 2.50% p.a. payable semi-annually) - 2015/2020	12.17%	12.00%

	As at 31-Mar-19	As at 31-Mar-18
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Debenture issued by First Capital Holdings PLC

5 year fixed rate (14.00 % p.a. payable annually)	N/A	14.00%
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Debenture issued by First Capital Treasuries PLC

05 Year fixed rate (9.50% p.a. payable annually)	9.50%	9.50%
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NOTES TO THE FINANCIAL STATEMENTS

(d) Yield of comparable Government Securities

	As at 31-Mar-19	As at 31-Mar-18
<u>Debentures issued by Dunamis Capital PLC</u>		
05 year fixed rate (12.5% p.a. payable annually) - 2014/2019	9.69%	9.68%
05 year fixed rate (10.5 % p.a. payable semi-annually) - 2015/2020	10.40%	9.86%
05 year variable rate (6 months Net T-Bill rate plus 2.50% p.a. payable semi-annually) - 2015/2020	10.40%	9.86%
<u>Debentures issued by First Capital Holdings PLC</u>		
5 year treasury bond	N/A	9.51%
<u>Debenture issued by First Capital Treasuries PLC</u>		
5 year treasury bond	9.99%	9.75%

(e) Yield to maturity on trades done for the quarter ended 31 December 2018

Debentures issued by Dunamis Capital PLC

05 Year fixed rate (12.50% p.a. payable annually) - 2014/2019	11.46%	-
05 year fixed rate (10.5 % p.a. payable semi-annually) - 2015/2020	12.48%	12.45%
05 year variable rate (6 months Net T-Bill rate plus 2.50% p.a. payable semi-annually) - 2015/2020	-	-

Debentures issued by First Capital Holdings PLC

Debentures with 5 year maturity were matured during the quarter ended 31 March 2019. 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 31 March 2019. Hence, Yield to maturity on trade done is not applicable.

INVESTOR INFORMATION

13. List of twenty major shareholders as at 31 March 2019

Name of the shareholder	No of shares	Holding %
1 Janashakthi PLC	120,624,571	98.080%
2 Monad (Private)Limited	80,000	0.0650%
3 Union Investments Private Limited	60,875	0.0495%
4 Tranz Dominion L.L.C	60,000	0.0488%
5 Mr. H.A Pieris	55,800	0.0454%
6 MR. A.K.D Edirappuli	54,000	0.0439%
7 Mr. U.C Bandaranayake	52,135	0.0424%
8 Mr. B.U Hettiarachchi	41,450	0.0337%
9 Mr. M.A.F.R Perera	36,600	0.0298%
10 Mr. O.D Liyanage	32,700	0.0266%
11 Mr. M.Subramaniam	30,400	0.0247%
12 Mr. L.G.G Chandrasekara	30,069	0.0244%
13 Sundaragama Thrift And Credit Cooperative Society Limited	28,185	0.0229%
14 Mr. C.I Abeywickrama	27,520	0.0224%
15 Mr. R.M Rodrigo	25,600	0.0208%
16 Mr. H.P.E Silva	25,000	0.0203%
17 Mr. M. Mohamed Mohideen	22,973	0.0187%
18 Ms. R.D Michel	21,302	0.0173%
19 Mrs. N.Gunatilleke	20,995	0.0171%
20 Mr. G.C.W De Silva (Deceased)	20,499	0.0167%

The percentage of shares held by the public, as defined under the Colombo Stock Exchange regulation, was 1.92% and the number of shareholders was 1,895 as at 31 March 2019.

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. R. Schaffter	-	-
Mr. P. Schaffter	-	-
Mr. D. Schaffter	-	-
Mr. C. L. de Silva	-	-
Mr. R. S. A. W. Wickramasuriya	-	-
Mr. P. Sivagananathan	-	-