



CITY HOUSING AND REAL ESTATE COMPANY PLC
Condensed Interim Financial Statements
Period Ended 31st March 2019

Statements of Profit or Loss and Other Comprehensive Income

| | Group | | | | | |
|--|---|--------------------|--------------|--|-------------------|--------------|
| | For the three months ended 31 st March | | | For the twelve months ended 31 st March | | |
| | 2019 | 2018 | Variance | 2019 | 2018 | Variance |
| | RS. | RS. | % | RS. | RS. | % |
| Revenue | - | 17,500,000 | -100% | - | 17,500,000 | -100% |
| Cost of sales | - | (12,105,778) | -100% | - | (12,105,778) | -100% |
| Gross profit | - | 5,394,222 | | - | 5,394,222 | |
| Net Service charge income/(Loss) | - | 201,426 | -100% | 274,650 | 141,113 | 49% |
| Other income | 8,122,500 | - | 100% | 12,809,610 | 35,877,087 | -180% |
| Administrative expenses | (6,856,632) | (6,596,177) | | (21,806,253) | (36,369,915) | -67% |
| Distribution expenses | - | - | | (147,441) | (11,204) | 92% |
| Results from operating activities | 1,265,868 | (1,000,529) | -227% | (8,869,434) | 5,031,303 | -276% |
| Net finance income/(costs) | 22,728 | 2,974,262 | -99% | 2,646,152 | 5,005,040 | -47% |
| Share of loss of equity accounted investees | - | - | | - | - | |
| Profit before taxation | 1,288,596 | 1,973,733 | -35% | (6,223,282) | 10,036,343 | -162% |
| Income tax expense | - | - | | - | (3,973,125) | |
| Profit for the period | 1,288,596 | 1,973,733 | -35% | (6,223,282) | 6,063,218 | -203% |
| Other comprehensive income (OCI) | | | | | | |
| Net gain/(loss) on available-for-sale investments | - | - | | - | - | |
| Actuarial gain/(Loss) on employee benefits | - | - | | - | - | |
| Other comprehensive income for the period, net of tax | - | - | | - | - | |
| Total comprehensive income for the period | 1,288,596 | 1,973,733 | | (6,223,282) | 6,063,218 | |
| Profit attributable to: | | | | | | |
| Equity shareholders of the parent | 1,288,596 | 1,973,733 | | (6,223,282) | 6,063,218 | |
| Non controlling interest | - | - | | - | - | |
| Profit for the year | 1,288,596 | 1,973,733 | | (6,223,282) | 6,063,218 | |
| Total comprehensive income attributable to: | | | | | | |
| Equity shareholders of the parent | 1,288,596 | 1,973,733 | | (6,223,282) | 6,063,218 | |
| Non controlling interest | - | - | | - | - | |
| Total comprehensive income for the period | 1,288,596 | 1,973,733 | | (6,223,282) | 6,063,218 | |
| Earnings Per Share (Rs.) | 0.10 | 0.15 | | (0.47) | 0.45 | |

Explanatory notes are given on page 7

Statement of Financial Position

| As at | Group | | Company | |
|---|------------------------------------|---|------------------------------------|---|
| | 31 st March 2019 Rs. | 31 st March 2018 Rs. (Audited) | 31 st March 2019 Rs. | 31 st March 2018 Rs. (Audited) |
| ASSETS | | | | |
| Non - current assets | | | | |
| Property, plant and equipment | 38,573,509 | 46,207,319 | 38,355,199 | 45,914,279 |
| Investment in Subsidiary | - | - | 20,000,000 | 20,000,000 |
| Investment in Associate | - | - | - | - |
| Available for Sale-Investments | 11,922,979 | 20,407,706 | 11,610,479 | 20,095,206 |
| Employee Benefits Plan | 46,000 | - | 46,000 | - |
| Deferred Tax Asset | 2,120,056 | 2,120,056 | 1,850,166 | 1,850,166 |
| Total Non Current Assets | 52,662,544 | 68,735,081 | 71,861,844 | 87,859,651 |
| Current assets | | | | |
| Trade and Other Receivables | 64,941,718 | 72,252,253 | 25,795,315 | 29,765,850 |
| Inventories | 138,433,315 | 107,534,206 | 138,433,315 | 107,534,206 |
| Amounts Due from Related Parties | 54,984,371 | 54,921,871 | 14,421,871 | 14,421,871 |
| Cash and cash equivalents | 7,572,904 | 23,980,312 | 2,870,680 | 11,217,067 |
| Total Current Assets | 265,932,308 | 258,688,643 | 181,521,181 | 162,938,995 |
| Total Assets | 318,594,851 | 327,423,724 | 253,383,025 | 250,798,646 |
| EQUITY | | | | |
| Stated Capital | 133,798,500 | 133,798,500 | 133,798,500 | 133,798,500 |
| Reserves | 30,279,447 | 30,279,447 | 30,279,447 | 30,279,447 |
| Retained Earnings | (72,791,596) | (66,568,462) | (95,403,446) | (94,450,628) |
| Total equity attributable to equity holders of the company | 91,286,349 | 97,509,485 | 68,674,501 | 69,627,319 |
| Non controlling interest | 700 | 700 | - | - |
| Total equity | 91,287,049 | 97,510,185 | 68,674,501 | 69,627,319 |
| LIABILITIES | | | | |
| Non - current liabilities | | | | |
| Interest Bearing Borrowings | 569,573 | 1,048,435 | 569,573 | 1,048,435 |
| Retirement Benefit Obligation | 14,810,175 | 14,619,799 | 13,635,175 | 13,519,800 |
| Total Non-current liabilities | 15,379,748 | 15,668,234 | 14,204,748 | 14,568,235 |
| Current liabilities | | | | |
| Interest Bearing Borrowings | - | 610,618 | - | 610,618 |
| Other Borrowings | 15,000,000 | 15,000,000 | 15,000,000 | 15,000,000 |
| Amount due to Related companies | - | - | 88,697,858 | 83,207,758 |
| Trade and Other Payables | 194,713,038 | 194,423,380 | 65,390,681 | 64,904,000 |
| Current tax liability | 2,215,016 | 2,215,015 | 1,415,237 | 1,415,237 |
| Bank Balances Overdrawn | - | 1,996,291 | - | 1,465,478 |
| Total Current liabilities | 211,928,054 | 214,245,304 | 170,503,776 | 166,603,091 |
| Total liabilities | 227,307,802 | 229,913,539 | 184,708,524 | 181,171,326 |
| Total equity and liabilities | 318,594,851 | 327,423,723 | 253,383,024 | 250,798,645 |

Net Asset Value Per Share (Rs.) 6.82 7.29 5.13 5.20

Explanatory notes are given on page 7

Accountant certified that these condensed financial

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

Signed on behalf of the Board

.....

(Signed)

Janaka Ratnayake
(Chairman)

.....
(Signed)
(Accountant)

Date : 30th May 2019

Statement of Changes in Equity

| Group | Stated capital | Revaluation Reserve | Available for sales reserve | Retained Earnings | Non Controlling Interest | Total |
|--|----------------|---------------------|-----------------------------|-------------------|--------------------------|-------------|
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. |
| Balance as at 1 st -April 2017 | 133,798,500 | 30,279,447 | - | (72,921,994) | 700 | 91,156,653 |
| Net profit for the period | | | | 6,063,217 | | 6,063,217 |
| Other comprehensive income | | | | 290,314 | | 290,314 |
| Total comprehensive income | 133,798,500 | 30,279,447 | - | (66,568,463) | 700 | 97,510,184 |
| Transactions with owners of the company, recognised directly in equity | - | - | - | - | - | - |
| Balance as at 31st March 2018 | 133,798,500 | 30,279,447 | - | (66,568,463) | 700 | 97,510,184 |
| Balance as at 1 st -April 2018 | 133,798,500 | 30,279,447 | - | (66,568,463) | 700 | 97,510,183 |
| Net profit for the period | - | - | - | (6,223,282) | - | (6,223,282) |
| Other comprehensive income | - | - | - | - | - | - |
| Total comprehensive income | 133,798,500 | 30,279,447 | - | (72,791,596) | 700 | 91,287,049 |
| Transactions with owners of the company, recognised directly in equity | - | - | - | - | - | - |
| Balance as at 31st March 2019 | 133,798,500 | 30,279,447 | - | (72,791,596) | 700 | 91,287,049 |

| Company | Stated capital | Revaluation Reserve | Available for sales reserve | Retained Earnings | Non Controlling Interest | Total |
|--|----------------|---------------------|-----------------------------|-------------------|--------------------------|-------------|
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. |
| Balance as at 1 st -April 2017 | 133,798,500 | 30,279,447 | | (89,362,854) | | 74,715,093 |
| Net profit for the period | | | | (5,378,088) | | (5,378,088) |
| Other comprehensive income | | | | 290,314 | | 290,314 |
| Total comprehensive income | 133,798,500 | 30,279,447 | - | (94,450,628) | - | 69,627,319 |
| Transactions with owners of the company, recognised directly in equity | - | - | - | - | - | - |
| Balance as at 31st March 2018 | 133,798,500 | 30,279,447 | - | (94,450,628) | - | 69,627,319 |
| Balance as at 1 st -April 2018 | 133,798,500 | 30,279,447 | - | (94,450,628) | - | 69,627,319 |
| Net profit for the period | | | | (952,818) | | (952,818) |
| Other comprehensive income | | | | - | | - |
| Total comprehensive income | 133,798,500 | 30,279,447 | - | (95,403,446) | - | 68,674,501 |
| Transactions with owners of the company, recognised directly in equity | - | - | - | - | - | - |
| Balance as at 31st March 2019 | 133,798,500 | 30,279,447 | - | (95,403,446) | - | 68,674,501 |

Explanatory notes are given on page 7

Statements of Profit or Loss and Other Comprehensive Income

| | Company | | | | | |
|--|---|------------------|---------------|--|--------------------|---------------|
| | For the three months ended 31 st March | | | For the twelve months ended 31 st March | | |
| | 2019 Rs. | 2018 Rs. | Variance % | 2019 Rs. | 2018 Rs. | Variance % |
| Revenue | - | 17,500,000 | -100% | - | 17,500,000 | -100% |
| Cost of sales | - | (12,105,778) | -100% | - | (12,105,778) | -100% |
| Gross profit | - | 5,394,222 | -100% | - | 5,394,222 | -100% |
| Net Service charge income/(Loss) | - | 141,426 | | 234,650 | 141,113 | 40% |
| Other income | 8,060,000 | - | | 12,259,550 | 17,125,301 | -40% |
| Administrative expenses | (5,352,826) | (5,277,368) | 1% | (15,849,024) | (27,612,106) | -74% |
| Distribution expenses | | | | 8,355 | (11,204) | 234% |
| Results from operating activities | 2,707,174 | 258,280 | 90% | (3,346,469) | (4,962,674) | -48% |
| Net finance income/(costs) | (30,015) | 351,292 | 1270% | 2,393,651 | 2,303,146 | 4% |
| Share of loss of equity accounted investees | | - | | - | - | |
| Profit before taxation | 2,677,159 | 609,572 | 77% | (952,818) | (2,659,528) | -179% |
| Income tax expense | - | | | - | (2,718,560) | |
| Profit for the period | 2,677,159 | 609,572 | 77% | (952,818) | (5,378,088) | -464% |
| Other comprehensive income (OCI) | | | | | | |
| Net gain/(loss) on available-for-sale investments | - | | | - | - | |
| Actuarial Gain/(Loss) on employee benefits | | - | | - | - | |
| Other comprehensive income for the period, net of tax | - | - | | - | - | |
| Total comprehensive income for the period | 2,677,159 | 609,572 | | (952,818) | (5,378,088) | |
| Earnings Per Share (Rs.) | 0.20 | 0.05 | | (0.07) | (0.40) | |

Statement of Cash Flow

| For the period Ended 31 st March | Group | | Compnay | |
|---|---------------------|---------------------|---------------------|---------------------|
| | 2019 Rs. | 2018 Rs. | 2019 Rs. | 2018 Rs. |
| Cash flows from operating activities | | | | |
| Profit before taxation | (6,223,282) | 10,036,342 | (952,818) | (2,659,528) |
| Adjustments for: | | | | |
| Depreciation | 3,633,812 | 3,613,894 | 3,559,081 | 3,504,242 |
| Employee benefits | 144,522 | 1,611,298 | 69,375 | 665,057 |
| Profit on sale of property, plant and equipment | (8,122,500) | (2,085,000) | (8,060,000) | (2,005,000) |
| Interest Cost | (45,313) | 314,754 | (30,015) | 278,634 |
| Interest Income | 476,610 | (5,319,794) | 69,873 | (2,581,779) |
| Investment in Associate | - | 4,799,922 | - | 7,600,000 |
| Written off Investments | - | (7,584,159) | - | 2,784,063 |
| Operating profit before working capital changes | (10,136,150) | 5,387,257 | (5,344,504) | 7,585,689 |
| Changes in working capital | | | | |
| - (Increase) / decrease in inventories | (30,899,109) | (14,243,428) | (30,899,109) | (14,243,428) |
| - (Increase) / decrease in trade and other receivables | 7,310,535 | (3,768,137) | 3,970,535 | 5,450,689 |
| - (Increase) / decrease in related company receivables | (5,552,600) | (3,750,000) | - | (497,019) |
| - Increase/(Decrease) in trade and other payables | 289,657 | (38,541,270) | 486,681 | (34,649,633) |
| - (Increase) / decrease in current tax asset | - | - | - | - |
| - Increase / (decrease) in related company payables | 5,490,100 | - | 5,490,100 | - |
| Cash generated from operations | (33,497,567) | (54,915,578) | (26,296,297) | (36,353,702) |
| Taxes paid | - | (764,209) | - | (362,453) |
| Gratuity Contribution Paid | - | (1,480,000) | - | - |
| Net cash generated from/(used in) operating activities | (33,497,567) | (57,159,787) | (26,296,297) | (36,716,155) |
| Cash flows from investing activities | | | | |
| Addition to property, plant and equipment | - | (16,000) | - | (16,000) |
| Fixed deposit withdrawn | | 26,403,001 | | - |
| Investment withdrawn | | 16,214,940 | | - |
| Employee Plan Asset | - | - | - | 16,214,940 |
| Share (Purchase)/Sold | 8,484,727 | - | 8,484,727 | - |
| Finance income received | (476,610) | 5,319,794 | (69,873) | 2,581,779 |
| Proceeds from disposal of property, plant and equipment | 12,122,500 | 2,085,000 | 12,060,000 | 2,005,000 |
| Net cash generated from / (used in) investing activities | 20,130,617 | 50,006,735 | 20,474,854 | 20,785,719 |
| Cash flows from financing activities | | | | |
| Interest Paid | 45,313 | (314,754) | 30,015 | (278,634) |
| Lease Rental Paid | (303,871) | (1,113,911) | (303,871) | (1,113,910) |
| Net proceeds from / (repayment of) short term borrowings | (785,609) | - | (785,609) | - |
| Net cash generated from / (used in) financing activities | (1,044,167) | (1,428,665) | (1,059,465) | (1,392,544) |
| Increase / (decrease) in cash and cash equivalents | (14,411,117) | (8,581,717) | (6,880,908) | (17,322,980) |
| Movement in cash and cash equivalents | | | | |
| At the beginning of the year | 21,984,021 | 30,565,738 | 9,751,588 | 27,074,568 |
| Movement during the period | (14,411,117) | (8,581,717) | (6,880,908) | (17,322,980) |
| At the end of the period | 7,572,904 | 21,984,021 | 2,870,680 | 9,751,588 |

Explanatory notes are given on page 7

Explanatory Notes

- 1 The result for the period ended 31st March 2019 and the Statement of Financial Position as at 31st March 2019 are provisional and subject to audit.
- 2 The Condensed Interim Financial Statements of the Group and the Company have been prepared in accordance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting. These Condensed Interim Financial Statements should be read in conjunction with the annual financial statements for the year ended 31st March 2019.
- 3 Where appropriate, the previous year's figures have been reclassified to conform to the current classification.
- 4 There have been no significant change in the nature and the value of the contingencies and commitments which were disclosed in the annual report for the year ended 31 March 2019.
- 5 No events have occurred since the Reporting date which would require any adjustments to or disclose in the financial statements.

Investor Relations Supplements**General**

| | |
|-----------------|-----------------------------|
| Stated capital | 133,798,500 |
| Issued shares | 13,379,850 |
| Class of shares | Ordinary shares |
| Voting rights | One vote per ordinary share |

Stock exchange listing

The issued ordinary shares of City Housing & Real Estate Company PLC are listed in the Colombo Stock Exchange.

Share valuation

| | | |
|---|-------------|-------------|
| The market price per share recorded during the quarter ended 31st March 2019. | 2019 | 2018 |
| | Rs. | Rs. |
| Highest | 5.70 | 7.00 |
| Lowest | 3.60 | 5.70 |
| Last Traded price | 3.60 | 5.70 |

Top 20 shareholders

| The holdings of the top 20 shareholders as at | 31-Mar-19 | |
|--|------------------|---------------|
| | Number of shares | % |
| The Finance Company PLC | 3,298,950 | 24.66% |
| Ceylinco Capital Investment Co(Pvt) Ltd | 2,279,826 | 17.04% |
| Mr.J.W.M.J.P.K.Ratnayake | 1,404,609 | 10.50% |
| Mr. J.L.B Kotelawala | 797,634 | 5.96% |
| Mr. J.L.B Kotelawala & S.P.C.Kotelawala (Jointly) | 234,000 | 1.75% |
| Ms S.P.C.Kotelawala | 225,900 | 1.69% |
| Finance And Guarantee Property Developers (Pvt) Ltd. | 117,500 | 0.88% |
| Asha Financial Services Ltd - Mr C.N.Pakistanathan | 103,900 | 0.78% |
| Mr W.L.Gunasena | 82,631 | 0.62% |
| Mr.K. Padmakumara | 75,100 | 0.56% |
| Oxford Garment Industries Ltd | 67,500 | 0.50% |
| Merchant Bank of Sri Lanka Plc/ S M Pathirana | 67,450 | 0.50% |
| K.P Premadasa | 64,524 | 0.48% |
| Mr.Peris | 64,007 | 0.48% |
| Peoples Leasing & Finance PLC-Dr.H.S.D.Soyso/Mrs.G.Soyso | 61,095 | 0.46% |
| Mr.K B R.R Kariyavasam | 60,658 | 0.45% |
| Mrs.Mythily Rasanayagam | 60,100 | 0.45% |
| Peoples Marchant Finance PLC/R.M.Samarakkody | 58,120 | 0.43% |
| New Interiors (Pvt) Ltd | 56,250 | 0.42% |
| Miss M K Nirosha Gayanthi | 54,279 | 0.41% |
| | 9,234,033 | 69.02% |

Float Adjusted Market Capitalization

30,065,459.54

The City Housing & Real Estate Co.PLC is complied at **Option 01** which the company complies with the minimum public holding requirement as required by appendix 7B(a) of the CSE listing rules.

Public holding

The percentage of shares held by the public as at 31st March 2019 is 47.81%

Number of Shareholders representing Public shareholding

| | |
|---|--------------|
| Total number of shareholders as at 31st March 2019 | 1,921 |
| Number of persons holding shares excluded when computing public holding % | 3 |
| Number of shareholders representing the public holding | <u>1,918</u> |

Directors' shareholdings

The Directors' shareholdings in the Company were as follows as at 31st March

| | | 2019 | 2018 |
|---------------------------|----------|------------------|------------------|
| Mr.J.W.M.J.P.K Ratnayake | Chairman | 1,404,609 | 1,404,609 |
| Mr. W.A.Y.Vitharana | Director | - | - |
| Mr.J.W.R.L.B.Ratnayake | Director | - | - |
| Mr.M.S.S.Paramananda | Director | - | - |
| Mr.H.K.K.S Hiswella | Director | - | - |
| Miss.P.I.A.Gayathri Bimba | Director | - | - |
| Total | | 1,404,609 | 1,404,609 |