EAST WEST PROPERTIES PLC

REG.NO. PQ - 221

INTERIM FINANCIAL REPORT

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER 2018

EAST WEST PROPERTIES PLC
CONSOLIDATED INCOME STATEMENT

	6 Months ended 30th September			3 Months ended 30th September		
	2018	**2017**		**2018**	**2017**	
	Rs.	**Rs.**	**%**	**Rs.**	**Rs.**	**%**
Revenue	593,021,720	155,191,690	282.12	273,838,190	95,088,161	187.98
Direct Cost	(219,249,453)	(76,049,610)	188.30	(79,730,452)	(52,286,413)	52.49
Gross Profit	373,772,267	79,142,080	372.28	194,107,738	42,801,748	353.50
Other Income	2,159,970	4,422,693	(51.16)	1,772,376	1,886,767	(6.06)
	375,932,236	83,564,773		195,880,113	44,688,515	
Administration Expenditure	(479,704,345)	(228,712,091)	109.74	(228,021,360)	(172,398,530)	32.26
Promotional & Marketing Expenses	(44,260,066)	(49,030,884)	100	(22,220,892)	0.00	100.00
Profit / (Loss) from Operating Activities	(148,032,175)	(194,178,202)	(23.76)	(54,362,139)	(127,710,015)	(57.43)
Finance Income	9,785,401	12,787,772	(23.48)	6,124,734	6,219,899	(1.53)
Finance Cost	(629,386,097)	(89,997,081)	599.34	(475,177,948)	(35,349,942)	1244.21
Net Finance Income	(619,600,695)	(77,209,309)	702.49	(469,053,213)	(29,130,043)	1510.20
Profit / (Loss) before Income Tax Expenses	(767,632,871)	(271,387,511)	182.85	(523,415,353)	(156,840,057)	233.73
Income Tax Expenses	(6,172,715)	(1,923,626)	220.89	(4,664,101)	(977,265)	377.26
Profit / (Loss) for the Year	**(773,805,586)**	**(273,311,137)**	183.12	**(528,079,454)**	(157,817,322)	234.61
Other Comprehensive Income	-	-		-		
Total Other Comprehensive Income for the Year	-	-		-		
Total Compehensive Income for the Year	**(773,805,586)**	**(273,311,137)**	**183.12**	**(528,079,454)**	**(157,817,322)**	234.61
Profit / (Loss) attributable to:						
Equity Holders of the Parent	(565,029,493)	(205,893,682)	**174.43**	(386,005,311)	(121,896,985)	216.67
Non-Controlling Interest	(208,776,093)	(67,417,454)	**209.68**	(142,074,143)	(35,980,337)	294.87
Profit / (Loss) for the year	**(773,805,586)**	**(273,311,137)**		**(528,079,454)**	**(157,877,322)**	
Total Comprehensive Income / (Expenses) Attributable to:						
Equity Holder of the Parent	**(565,029,493)**	**(205,893,682)**	**174.43**	**(386,005,311)**	**(121,836,985)**	216.82
Non-Controlling Interest	**(208,776,093)**	**(67,417,454)**	**209.68**	**(142,074,143)**	**(35,980,337)**	294.87
Total Comprehensive Income / (Expenses) for the Year	**(773,805,586)**	**(273,311,136)**		**(528,079,454)**	**(157,817,322)**	
Earnings / (Loss) per Share	**(4.09)**	**(1.49)**		**(2.79)**	**(0.88)**	

Figures in the brackets indicate deductions

EAST WEST PROPERTIES PLC
COMPANY INCOME STATEMENT

	6 Months ended 30th September			3 Months ended 30th September		
	2018	**2017**		**2018**	**2017**	
	Rs.	**Rs.**	**%**	**Rs.**	**Rs.**	%
Revenue	15,904,330	17,568,358	(9.47)	7,149,791	9,527,796	(24.96)
Other Income	1,293,739	979,179	32.12	906,145	491,993	84.18
	17,198,069	18,547,537		8,055,936	10,019,789	
Administration Expenditure	(26,906,285)	(26,252,067)	2.49	(16,439,716)	(14,592,714)	12.66
Other Expenses	-	-				
Profit / (Loss) from Operating Activities	(9,708,215)	(7,704,530)	26.01	(8,383,779)	(4,572,925)	83.34
Finance Income	12,500,453	14,446,505	(13.47)	5,766,832	5,442,177	5.97
Finance Cost	(2,666,700)	(200,804)	1,228.01	(2,559,160)	(117,577)	2,076.58
Net Finance Income	9,833,754	14,245,701	(30.97)	3,207,673	5,324,600	(39.76)
Profit / (Loss) before Income Tax Expenses	125,538	6,541,171	(98.08)	(5,176,107)	751,675	(788.61)
Income Tax Expenses	(3,082,865)	(1,923,626)	60.26	(1,574,251)	(977,265)	61.09
Profit / (Loss) for the Year	**(2,957,326)**	**4,617,545**	(164.05)	**(6,750,357)**	**(225,590)**	2,892.31
Other Comprehensive Income						
Items that will not be reclassified to Profit or Loss						
Surplus on Revaluation of Condominium Apartments	-	-		-	-	
Total Other Comprehensive Income for the year	**-**	**-**		**-**	**-**	
Total Compehensive Income for the Period	**(2,957,326)**	**4,617,545**	(164.05)	**(6,750,357)**	**(225,590)**	2,892.31
Earnings / (Loss) per Share	**(0.02)**	**0.03**		**(0.05)**	**(0.002)**	

Figures in the brackets indicate deductions

EAST WEST PROPERTIES PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	6 Months ended 30th September		Year ended
	2018	2017	31.03.2018
	Rs.	Rs.	Rs.
ASSETS			
NON - CURRENT ASSETS			
Property, Plant & Equipment	6,285,752,715	6,104,425,788	6,499,130,028
Lease Hold Property	27,121,688	27,542,179	27,331,933
Investment Properties	87,344,192	92,323,544	89,557,824
Intangible Assets	58,155,779	22,689,065	52,889,490
	6,458,374,374	6,246,980,576	6,668,909,275
CURRENT ASSETS			
Inventories	45,144,694	36,670,865	42,834,285
Trade & Other Receivables	286,078,329	360,910,859	335,640,768
Amounts Due From Related Parties	100,366,178	94,556,098	106,962,741
Other Financial Assets	11,921,005	29,798,587	29,612,080
Short Term Investments	0	50,000	50,000
Cash & Cash Equivalents	173,019,118	83,313,935	163,735,915
TOTAL ASSETS	**7,074,903,697**	**6,852,280,920**	**7,347,745,063**
EQUITY AND LIABILITIES			
Stated Capital - 138,240,000 Ordinary Shares	1,212,000,000	1,212,000,000	1,212,000,000
Capital Reserve	26,571,004	26,571,004	26,571,004
Revenue Reserve	(608,057,825)	24,754,633	(43,028,332)
Equity Attributable to Equity Holders of the Parent	630,513,179	1,263,325,636	1,195,542,672
Non Controlling Interest	50,619,260	320,525,019	259,395,353
TOTAL EQUITY	681,132,439	1,583,850,655	1,454,938,025
NON - CURRENT LIABILITIES			
Interest Bearing Borrowings	5,241,221,950	4,516,059,204	4,680,633,687
Finance Lease Obligation	-	2,670,558	-
Employee Benefits	4,907,468	2,796,147	4,907,468
Deferred Tax Liabilities	247,503,963	9,448,026	247,503,963
Rent Received in Advance	12,371,025	13,894,022	13,099,415
	5,506,004,405	4,544,867,957	4,946,144,532
CURRENT LIABILITIES			
Trade & Other Payables	359,333,515	234,817,749	401,181,676
Amount Due to Related Parties	288,857,867	218,603,143	273,857,285
Finance Lease Obligations	2,119,921	5,001,664	5,041,347
Rent Received in Advance	1,456,780	1,324,345	1,456,780
Income Tax Liabilities	14,297,083	9,318,663	10,089,225
Bank Overdraft	221,701,687	254,496,744	255,036,193
TOTAL EQUITY & LIABILITIES	**7,074,903,697**	**6,852,280,920**	**7,347,745,063**
Net Assets Value Per share	**4.56**	**9.14**	**10.52**

I certify that these financial statements are in compliance with the requirements of the companies Act No.7 of 2007.

Vijayanthi Jayasinghe
Finance Officer

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

Anika Wijesuirya
Director

Nishantha Sooriyaarachchi
Director

15th November 2018
Colombo

EAST WEST PROPERTIES PLC
STATEMENT OF FINANCIAL POSITION - COMPANY

	6 Months ended 30th September		Year ended
	2018	2017	31.03.2018
	Rs.	Rs.	Rs.
ASSETS			
NON - CURRENT ASSETS			
Property, Plant & Equipment	107,605,454	110,738,845	109,143,341
Lease Hold Property	27,121,688	27,542,179	27,331,933
Investment Property	64,833,594	68,906,478	66,593,991
Intangible Assets	11,428	44,081	19,592
Investments in Subsidiaries	893,801,963	894,015,398	893,801,963
	1,093,374,127	1,101,246,981	1,096,890,821
CURRENT ASSETS			
Trade & Other Receivables	17,924,744	19,159,313	23,841,936
Amounts Due From Related Parties	375,992,032	355,654,188	358,041,574
Directors Current Account	6,318,984	3,729,970	1,013,994
Other Financial Assets	11,921,005	29,798,587	29,612,080
Cash & Cash Equivalents	936,107	2,722,057	2,028,025
TOTAL ASSETS	**1,506,466,999**	**1,512,311,096**	**1,511,428,430**
EQUITY AND LIABILITIES			
Equity			
Stated Capital - 138,240,000 Ordinary Shares	1,212,000,000	1,212,000,000	1,212,000,000
Capital Reserve	26,571,004	26,571,004	26,571,004
Retained Earnings	228,136,495	225,210,467	231,093,822
TOTAL EQUITY	1,466,707,499	1,463,781,471	1,469,664,825
NON - CURRENT LIABILITIES			
Employee Benefits	2,766,125	2,239,496	2,766,125
Diferred Tax Liabilities	2,675,036	2,477,821	2,675,036
Rent Received in Advance	12,371,025	13,894,022	13,099,415
CURRENT LIABILITIES			
Trade & Other Payables	4,125,151	5,793,457	4,503,971
Amount Due to Related Parties	3,550,280	2,916,044	6,339,430
Deposits & Advances Received	4,954,188	10,881,528	3,684,134
Income Tax Liabilities	6,004,176	5,581,788	3,928,978
Bank Overdrafts	3,313,520	4,745,470	4,766,516
TOTAL EQUITY & LIABILITIES	**1,506,466,999**	**1,512,311,096**	**1,511,428,430**
Net Assets Value Per share	**10.61**	**10.59**	**10.63**

I certify that these financial statements are in compliance with the requirements of the companies Act No.7 of 2007.

Vijayanthi Jayasinghe
Finance Officer

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

Anika Wijesuriya
Director

Nishantha Sooriyaarachchi
Director

15th November 2018
Colombo

EAST WEST PROPERTIES PLC
STATEMENT OF CHANGES IN EQUITY

GROUP - Attributable to Equity Shareholders of the Parent

	Stated Capital Rs.	Revaluation Reserve Rs.	Revenue Reserve Rs.	Total Rs.	Non -Controlling Interest Rs.	Total Equity Rs.
Balance As At 31st March 2018	1,212,000,000	26,571,004	(43,028,332)	1,195,542,672	259,395,353	1,454,938,025
Loss for the year	-	-	(565,029,493)	(565,029,493)	(208,776,093)	(773,805,586)
Balance As At 30th September 2018	1,212,000,000	26,571,004	(608,057,825)	630,513,179	50,619,260	681,132,439
Balance As At 31st March 2017	1,212,000,000	26,571,004	230,648,315	1,469,219,318	387,942,474	1,857,161,792
Loss for the year	-	-	(205,893,682)	(205,893,682)	(67,417,455)	(273,311,137)
Balance As At 30th September 2017	1,212,000,000	26,571,004	24,754,633	1,263,325,636	320,525,019	1,583,850,655

COMPANY

	Stated Capital Rs.	Revaluation Reserve Rs.	Revenue Reserve Rs.	Total
Balance As At 31st March 2018	1,212,000,000	26,571,004	231,093,822	1,469,664,825
Profit for the year	-	-	(2,957,326)	(2,957,326)
Balance As At 30th September 2018	1,212,000,000	26,571,004	228,136,495	1,466,707,499
Balance As At 31st March 2017	1,212,000,000	26,571,004	220,592,922	1,459,163,926
Profit for the year	-	-	4,617,545	4,617,545
Balance As At 30th Septemebr 2017	1,212,000,000	26,571,004	225,210,467	1,463,781,471

EAST WEST PROPERTIES PLC
STATEMENT OF CASH FLOW - GROUP

	6 Months ended 30th September	
	2018	**2017**
	Rs.	**Rs.**
CASH FLOW FROM OPERATING ACTIVITIES		
Total Comprehensive Income after Tax	(773,805,586)	(273,311,136)
Adjustments For ;		
Income Tax	6,172,715	1,923,626
Interest Cost	640,403,238	17,658,525
Interest Income	(21,879,460)	(7,435,059)
Dividend Income	(174,762)	(425,058)
Depreciation of Properety, Plant & Equipment	231,990,408	29,576,598
Depreciation of Investment Property	2,213,631	2,094,261
Amortisation of Leasehold Proerty	210,246	210,246
Amortisation of Intangible Assets	3,608,716	24,490
Profit on disposal of Financial Assets	(1,169,596)	-
Profit on disposal of Property, Plant & Equipment	(38,800)	-
Fair Value Changes on Financial Assets	2,462,675	(3,411,635)
Profit / (Loss) Before Working Capital Changes	89,993,426	(233,095,142)
(Increase) / Decrease In Inventories	(2,310,409)	(10,259,046)
(Increase) / Decrease In Trade & Other Receivables	49,562,440	30,728,383
(Increase) / Decrease In Amounts Due From Related Party	21,597,145	76,860,819
Increase / (Decrease) In Trade & Other Payables	(41,848,162)	124,066,228
Increase / (Decrease) In Financial Lease Obligations	(2,921,426)	(2,370,789)
Increase / (Decrease) In Rent Received in Advances	(728,390)	(662,172)
Cash Generated From / (Used In) Operating Activities	113,344,625	(14,731,720)
Interest Paid	(640,403,238)	(17,658,525)
Tax paid	(1,964,857)	(744,611)
Net Cash Flows From / (Used In) Operating Activities	(529,023,470)	(33,134,856)
Cash Flows From / (Used In) Investing Activities		
Acquisition of Property Plant & Equipment	(17,802,643)	(681,327,999)
Acquisition of Investment Property	-	(7,162,230)
Acquisition of Intangible Assets	(8,875,006)	-
Capital Work in Progress	(810,453)	-
Acquisition of Financial Assets	(1,609,500)	(2,752)
Proceeds from Disposal of Financial Assets	18,007,496	-
Proceeds from Disposal of Property, Plant & Equipment	38,800	-
Disposal of Other Short Term Cash Investments	50,000	
Dividend Income	174,762	425,058
Interest Received	21,879,460	7,435,059
Net Cash Flows From / (Used In) Investing Activities	11,052,916	(680,632,865)
Cash Flows From / (Used In) Financing Activities		
Proceed from Interest bearing borrowings	560,588,263	711,879,117
Net Cash Flows From / (Used In) Financing Activities	560,588,263	711,879,117
Net Increase / (Decrease) In Cash & Cash Equivalents	42,617,709	(1,888,604)
Cash & Cash Equivalents at the beginning of the year	(91,300,278)	(169,294,205)
Cash & Cash Equivalents At the end of the year	**(48,682,569)**	**(171,182,809)**
Note A : Cash & Cash Equivalents at the end of the year		
Cash in Hand & At Bank	173,019,118	83,313,935
Bank Overdrafts	(221,701,687)	(254,496,744)
	(48,682,569)	**(171,182,809)**

EAST WEST PROPERTIES PLC
STATEMENT OF CASH FLOW - COMPANY

	6 Months ended 30th September	
	2018	**2017**
	Rs.	**Rs.**
CASH FLOW FROM OPERATING ACTIVITIES		
Total Comprehensive Income after Tax	(2,957,326)	4,617,545
Adjustments For ;		
Income Tax	3,082,865	1,923,626
Interest Cost	204,025	200,804
Interest Income	(11,114,696)	(1,743,711)
Dividend Income	(174,762)	(425,058)
Depreciation of Property, Plant & Equipment	2,425,330	2,487,827
Depreciation of Investment Property	1,760,398	1,641,027
Amortisation of Intangible Assets	8,163	24,490
Amortisation of Leasehold Proerty	210,246	210,246
Profit on Disposal of Financial Assets	(1,169,596)	-
Profit on Disposal of Plant & Equipment	(38,800)	-
Fair Value Changes on Financial Assets	2,462,675	(3,411,635)
Profit / (Loss) Before Working Capital Changes	(5,301,479)	5,525,161
(Increase) / Decrease In Trade & Other Receivables	5,917,192	7,517,742
(Increase) / Decrease In Amounts Due From Related Party	(20,739,607)	(3,356,189)
(Increase) / Decrease In Directors Current Account	(5,304,990)	(2,503,581)
Increase / (Decrease) In Trade & Other Payable	(378,821)	(3,026,353)
Increase / (Decrease) In Deposits & Advacne Received	1,270,054	2,866,251
Increase / (Decrease) Advance Received- Transfers	(728,390)	(662,172)
Cash Generated From / (Used In) Operating Activities	(25,266,040)	6,360,859
Interest Paid	(204,025)	(200,804)
Income Tax Paid	(1,007,667)	(744,611)
Net Cash Flows From / (Used In) Operating Activities	(26,477,732)	5,415,444
Cash Flows From / (Used In) Investing Activities		
Purchase of Property Plant & Equipment	(76,990)	(60,590)
Capital Work in Progress	(810,453)	-
Acquisition of Financial Assets	(1,609,500)	(7,162,230)
Proceeds from Disposal of Financial Assets	18,007,496	(2,752)
Proceeds from Disposal of Property, Plant & Equipment	38,800.00	-
Dividend Income	174,762	425,058
Interest Received	11,114,696	1,743,711
Net Cash Flows From / (Used In) Investing Activities	26,838,810	(5,056,804)
Cash Flows From / (Used In) Financing Activities	-	-
Net Cash Flows From / (Used In) Financing Activities	-	-
Net Increase / (Decrease) In Cash & Cash Equivalents	361,079	358,640
Cash & Cash Equivalents at the beginning of the year	(2,738,492)	(2,382,054)
Cash & Cash Equivalents As At beginning of the year	**(2,377,413)**	**(2,023,413)**
Note A : Cash & Cash Equivalents at the end of the year		
Cash in Hand & At Bank	936,107	2,722,057
Bank Overdrafts	(3,313,520)	(4,745,470)
	(2,377,413)	**(2,023,413)**

OPERATING SEGMENT INFORMATION
FOR THE YEAR ENDED 30th SEPTEMBER 2017

	Property	Engineering	Media	Hotel	Leisure	Other	Group Total
External Revenue	15,647,290	11,731,262	15,483,447	550,159,721	-	-	593,021,720
Inter Segment Revenue	257,040	-	-	-	-		
Segment Revenue	15,904,330	11,731,262	15,483,447	550,159,721	-	-	593,021,720
Gross Profit	17,198,069	11,958,679	14,094,335	332,299,380	-	-	373,772,267
Net Finace Income	9,833,754	(11,681,753)	(487,146)	(617,260,224)	(5,326)	-	(619,600,695)
Segment Profit/(Loss) before Tax	125,538	(23,817,954)	5,504,587	(748,592,127)	(22,215)	(830,699)	(767,632,871)
Profit/ (Loss) After Tax	(2,957,326)	(26,119,425)	5,504,587	(749,380,508)	(22,215)	(830,699)	(773,805,586)
Other Comprehensive Income	-	-	-	-	-	-	-
Total Comprehensive Income	(2,957,326)	(26,119,425)	5,504,587	(749,380,508)	(22,215)	(830,699)	(773,805,586)
Segment Total Assets	1,506,466,999	392,501,042	80,488,241	6,471,364,431	56,496	22,621,623	7,074,903,697

*The difference between each segment columns and Group Column, segment columns includes related party transaction and Group Colum without related party transactions.

EAST WEST PROPETIES PLC
Notes to the Interim Financial Statements as at 30.09.2018

1. Corporate Information

East West Properties PLC is a Public Limited Liability Company incorporated in Sri Lanka and listed on the Colombo Stock Exchange.

2. Interim Condensed Financial Statements

The financial statements for the period ended 30th September 2018, includes "the Company" referring to East West Properties PLC, as the holding company and "the Group" referring to the whose accounts have been consolidated therein.

3. Approval of Financial Statements

The interim condensed financial statements of the Group and the Company for the year ended 30th September 2018 were authorized for issue by the Board of Directors on 15.11.2018.

4. Basis of Preparation

The Interim financial statements of the Company and the Group have been prepared in compliance with Sri Lanka Accounting Standards (SLAS) LKAS 34 – Interim Financial Reporting. Further, provision of the Companies Act No.7 of 2007 has been considered in preparing the interim financial statements of the Company and the Group. These interim condensed financial statements should be read in conjunction with the annual financial statements for the year ended 31stMarch 2017.

The interim financial statements are presented in Sri Lankan Rupees.

5. Consolidation Policy – Principal of Consolidation

Subsidiaries

The Financial Statements of the Group represents the Financial Statements of the Company and its Subsidiaries as at 30th September 2018.
All intra-group balances, income and expenses, unrealized profit and losses resulting from intra-group transaction are eliminated in full.
Subsidiary is fully consolidated from the date the Parent obtained control until such time as control ceases.
Non-controlling interest represents the portion of profit or loss and net assets not held by the Group are shown as a component of profit or loss for the period in the statement of comprehensive income and as a component of equity in the consolidated statement of financial position, separately from Parent's shareholders' equity.

Intangible Assets		**Rs.**
Goodwill on Acquisition	-	22,452,583.96
Software	-	35,703,195.85
		58,155,779.81

Goodwill on Acquisition
This represents the excess of the cost of acquisition of the net Assets of Peoples Media Network (Pvt) Ltd.

6. Property Plant & Equipment

Details of Group's Buildings are indicated below.

(a) East West Properties PLC

Location	Extent	Cost (Rs.)	Revalued (Rs.) 31.03.2015
1. Condominium Apartment Unit No.BA/F24/U3 Management Corporation Condominium Plan No.3206 Crescat Residencies, 75-23/2, Kollupitiya Road, Colombo 03	2479.68 sqft	91,717,105/-	98,208,000/-
2. Condominium Apartment Unit No.Y/06/U8 Management Corporation Condominium Plan No.6562 Monarch at Crescat City Residencies The Monarch, 89, Kollupitiya Road, Colombo 03	896 sqft	26,151,004/-	20,000,000/-

Condominium Apartments – Unit No. BA/F24/U3 and Unit No.Y/06/U8 was revalued on the open market values as at 31st March 2015 by an independent qualified valuer, Mr.Haleem Ghouse, 8, Chitra Lane, Kirula Road, Thimbirigasyaya, Colombo 05.

The surplus arising on such revaluation amounting to Rs.20,796,561/- from Apartment Unit No.BA/F24/U3 has been credited to revaluation reserve in equity and deficit arising Rs.3,753,828.63 from Apartment Unit No.Y/06/U8 has been debited to revaluation reserve in equity as at 31.03.2015.

The above mentioned Apartment Unit BA/F24/U3 is used by the Chairman of the Company free of any rent.

The Company has been sold Unit No.BA/F24/U3 on 26.10.2018 for Rs.31,500,000/-

(b) Weligama Hotel Properties Limited

Land	Extent	Cost Rs.
- Assessment No.700,Matara Road, Pelena	2A 3R 96P	140,529,189/-
- Assessment No.667, Matara Road, Pelena	15P	1,958,030
- Matara Road, Pelena	10P	1,304,880/-
- No.101, Gangarama Road, Pelena	1A 1R 22P	31,391,536/-
- Assessment No655, Gangarama Road, Pelena	3 R 38.19P	49,354,280/-
- Assessment No.681, Matara Road, Pelena	23.78P	
- Assessment No.681/1 Matara Road, Pelena	39.25P	40,284,095/-
Building		
- Hotel Building (Assessment No.700)		4,455,850,497/-
- Assessment No.667, Matara Road, Pelena	765sqm	32,909,584/-
- Assessment No.700, Matara Road, Pelena	9.2sqm	106,926/-

6. Property Plant & Equipment ….Contd.

(c) Peoples Media Network (Pvt) Ltd

Site Building	Elkaduwa Hunnasgiriya	640 sqft	2,957228/-
	Gammaduwa Karagahatenna	640 sqft	8,382,929/-

(d) East West Engineering Serivces (Pvt) Ltd

Land

-	Bissawila Estate" LabeemaKamburugamuwa Matara	2A-3R-25.36P	14,196,355/-
-	Shed for Batching Plant – Kamburugamuwa		3,193,182/-

Group Property, Plant & Equipment include Hotel Building value of Weligama Hotel Properties Limited, amounting to Rs.4,916,608,719.33

Leasehold Property - Company

Leasehold Land includes leasehold rights to land owned by Urban Development Authority situated at 3rdLane, New Nuge Road, Peliyagoda which is on a 99 year lease. Leasehold Land amortized over their remaining period of lease.

The Company recognized Leasehold Property at cost and according to the last valuation done by Messers. Haleem Ghouse SCV, LIV.B.Com, ATM, PHF, MPVP Corporate & Registered Valuer as at 31.03.2015, the fair value of the property is Rs.515,677,225/-

Investment Property

(a) East West Properties PLC

Investment Properties of the Company consists of Warehouse No.I, Warehouse No.II and Warehouse No III. The Company has adopted the cost model to value the Investment Properties as required by "SLAS 40 –Investment Property". The above investment properties details are as follows.

Location	Extent	Cost (Rs.)	Revalued (Rs.) 31.03.2015
Warehouse No.I -81/11, 3rdLane, New Nuge Road, Peliyagoda	27,342 sqft	13,389,223/-	32,009,384/-
Warehouse No.II -81/12, 3rdLane, New Nuge Road Peliyagoda	12,967 sq.ft.	21,841,098/-	15,180,516/-
Warehouse No.III -81/12, 3rdLane, New Nuge Road Peliyagoda	34,863 sq.ft.	63,231,316/-	55,780,800/-

The carrying amount of above Investment Properties as at 30th September 2018 amounting to Rs.64,833,593/-

Investment Property…..Contd.

(a) East West Properties PLC…..Contd.

The Investment Properties had been revalued by same independent valuer as at 31.03.2015. The Company has classified above properties as Investment Properties and revaluation surplus which is related to investment properties has not been incorporated to the books of accounts.

(b) East West Hotel Developers (Pvt) Ltd

Location	Extent	Cost (Rs.)	Carrying value (Rs.)
Condominium Apartment Unit No. Management Corporation Condominium Plan No.3206 Crescat Residencies, 75-23/2, Kollupitiya Road, Colombo 03	877.51 sqft	27,194,012/-	22,510,599/-

7. Financial Assets

Initial Recognition & Measurement

Financial assets within the scope of LKAS 39 are classified as financial assets at fair value through profit or loss, loans & receivables, held-to-maturity investments, available-for-sale financial assets as appropriate and determine the classification of its financial assets at initial recognition.

The Group's financial assets include quoted and unquoted financial instruments and derivative financial instruments, loans and other receivables, trade and other receivables, held-to-maturity financial assets, cash and short-term deposits.

8. Share Information

8.1 Directors Share holding

Directors	As at 30.09.2018	As at 30.09.2017
Mr.M.W.A.D.J.NahilWijesuriya	22,525,824	22,525,824
Mr.M.W.A.D.J.VajiraWijesuriya	26,359,414	Nil
Mr.M.W.A.D.Anika A V Wijesuriya	29,793,601	345,190
Dr.LakshmanD.Karalliedde	160	160
Mr.D.SunilAbeyRatne	Nil	Nil
Mr.NishanthaP.Sooriyaarachchi	1,746	71,746
H.B.G.VijayanthiJayasinghe	Nil	Nil

8. Share Information… Contd.

8.2 The Twenty Largest Shareholders

	Name	As at 30.09.2018		As at 30.09.2017	
		Share holding	%	Share holding	%
1.	Miss.M.W.A.D.Anika A.V.Wijesuriya	29,793,601	21.55	345,190	0.25
2.	Mr.M.W.A.D.J.Vajira Wijesuriya	26,359,414	19.07	-	-
3.	Muthukuda Nahil Wijesuriya	22,521,024	16.29	22,521,024	16.29
4.	Mrs.Chantal Neomi Sirisena	16,498,000	11.93	-	-
5.	Mr.M.W.A.D.J.Vijitha Wijesuriya	15,228,406	11.02	6,257,000	4.53
6.	Alliance Finance Company PLC	2,149,885	1.56	2,149,885	1.56
7.	Sandy Bay Resorts Company Ltd	1,840,000	1.33	1,840,000	1.33
8.	J.B.Cocoshell (Pvt) Ltd	1,489,102	1.08	-	-
9.	Bansei Securities Capital (Pvt) Ltd Mr.R.C.J.Goonewardene	711,963	0.52	513,482	0.37
10.	Seylan Bank PLC / R.K.E.Patrick De Silva	500,000	0.36	500,000	0.36
11.	Merchant Bank of Sri Lanka PLC Mr.P.S.M.Fernando	477,800	0.35		
12.	Seylan Bank PLC/ W.D.N.H.Perera	447,035	0.32		
13.	Bansei Securities Capital (Pvt) Ltd Dawi Inveestment Trust (Pvt) Ltd	427,200	0.31	500,000	0.36
14.	Mr.A.D.Edussuriya	400,000	0.29	400,000	0.29
15.	Mr.J.M.H.Y.Ibrahim	360,000	0.26		
16.	Mr.P.B.Perera	329,559	0.24	226,525	0.16
17.	Seylan Bank PLC / Mr.S.H.Jayasuriya	327,000	0.24		
18.	Wijesuriya Holdings (Pvt) Ltd	308,800	0.22	308,800	0.22
19.	Seylan Bank Limited Ruwan Prasanga Sugathadasa	276,193	0.20		
20.	Mr.W.A.Gunaratne	275,092	0.20		
		120,720,074	87.33	35,561,906	25.72

8.3 The public shareholding percentage as at 30th September 2018 was 20.13% (30th September 2017-14.97%)

Number of public shareholders as at 30th September 2018– 2,685 (30.06.2017 – 2,435)

Float adjusted Market Capitalization - Rs.389,587,968/-

The Entity shall meet the minimum public holding requirement as per Option 5.

Over 10% Holding

Name	Shareholding	Percentage
Miss.M.W.A.D.Anika A.V.Wijesuriya	29,793,601	21.55
Mr.M.W.A.D.J.Vajira Wijesuriya	26,359,414	19.07
Muthukuda Nahil Wijesuriya	22,521,024	16.29
Mrs.Chantal Neomi Sirisena	16,498,000	11.93

8.4 Market value per share

	30.09.2018	30.09.2017
Highest price per share	18.40	14.50
Lowest price per share	14.00	11.60
Closing price per share	14.00	12.50

9. Long Term Loan

a) Weligama Hotel Properties Limited, a 71.82% owned subsidiary of East West Properties PLC entered into a mortgage bond on 25.10.2016 with Bank of Ceylon in connection with the facilities obtained for below purposes

I. a sum of US $ 19,252,836/- to settle the term loan of USD 14.0 Mn,term loan of USD 5.16 Mn and letter of credit of USD 97,769.78 at Hatton National Bank PLC obtained for construct of Weligama Hotel.

II. USD 5,159,670/- to import operating supplies and equipment and for pre-operational expenses to purchase property operating systems to pay for sub contractors.
Rate of Interest – 6 Months LIBOR + 5.00% p.a.
The Company has disbursed Rs.3,774,716,996/-(US $ 23,345,173/-) as at 30.06.2017.
Repayment period – 10 years including 2 years grace period.

III. Letter of Credit – US $ 1,689,000/- (Commission – Sight 0.25% and Term 0.375%)

IV. Overdraft facility – Rs.70,000,000/- (rate of interest - AWPLR +2.5%)

b) Weligama Hotel Properties Limited entered into a new mortgage bond on 07.07.2016 with Bank of Ceylon in connection with the below credit facilities to be obtained, in addition to existing credit facilities.

i. Term Loan – Rs.158 Mn
ii. Letter of Credit – Rs.10 Mn
iii. Term Loan – USD 500,000/-
iv. Term Loan – Rs.9,266,000/-

c) Weligama Hotel Properties Limited entered into a mortgage bond on 06.05.2016 with Sampath Bank PLC in connection with the facilities obtained a sum of US $ 1,400,000/- for the cost of staff accommodation and other service areas building, Waste Water Management Project, Water Treatment Plant Power House and Restaurant.

The Company has disbursed Rs.212,467,831/- as at 30.09.2018

The following assets have been pledged as security for above term Bank facilities.

Bank of Ceylon

a) Primary Mortgage over immovable property of Lot A depicted in Plan No. 4532 dated 10.02.2011 made by Lakshman Goonesekera Licensed Surveyor having and extent of 2 A 3 R 33.15 P owned by Weligama Hotel Properties Limited.

b) Primary Mortgage over immovable property of Lot A depicted in Plan No. 4847 dated 30.11.2011 made by Lakshman Goonesekera Licensed Surveyor having and extent of 1 A 1 R 29.5 P owned by Weligama Hotel Properties Limited.

c) Primary Mortgage over immovable property of Lot A and B depicted in Plan No. 4880 dated 21.12.2011 made by Lakshman Goonesekera Licensed Surveyor having and extent of 0 A 0 R 13.8 P owned by Weligama Hotel Properties Limited.

Sampath Bank PLC

d) Property 01 - Lot 1A depicted in Plan No.5500 dated 11.08.2013 made by L.Goonasekara – Licensed Surveyor (Extent – 01R : 39.25P)

e) Property 02 - Lot 2A depicted in Plan No.5500 dated 11.08.2013 made by L.Goonasekera – Licensed Surveyor (Extent – 23.78P)

f) Property 03 - Lott 11A depicted in Plan No.5499 dated 26.08.2013 made by L.Goonasekara – Licensed Surveyor (Extent – 03 R:38:19P)

10. Contingent Liabilities

There are no material contingent liabilities outstanding as at the date of the Statement of Financial Position other than those disclosed below.

Company

East West Properties PLC has issued Corporate Guarantees of Rs.100.0 Mn for Hatton National Bank PLC and 50 Mn for Sampath Bank PLC on behalf of East West Engineering Services (Pvt) Ltd for borrowings obtained by the subsidiary.

Court Cases

a) Archetype Construction Holding Limited of No. 21F, Tower 1, Lippo Centre, 89 Queensway, Hong-Kong has filed a case against Weligama Hotel Properties Limited a subsidiary of the Company to recover a sum of Rs. 21,277,606/- (US $ 159,982/-) together with interest at 20% per annum thereon from 17th June 2014 to the date of decree and for further interest at 20% per annum on the aggregate sum decreed until payment in full for nonpayment of consultancy fees and for infringement of copyrights in the Commercial High Court of the Western Province Holden in Colombo (Case No. CHC 193/2015/MR).

The final verdict has not been given by the court as at the reporting date.

b) Asiri Garden Services (Pvt) Limited of No.23, Galhena Road, Gangodawila Nugegoda has filed a case against Weligama Hotel Properties Ltd in the Western Provincial Court in Colombo (case No.CHC/68/2016/MR) to recover a sum of Rs.6,417,037/- for damages and losses have been caused due to nonpayment of the amount payable together with legal interest of Rs.2,000,000/-.

The final verdict has not been given by the court as at the reporting date.

11. Events after the reporting period

Subsequent to the date of the Financial Position, no circumstances have arisen which would require adjustments to or disclosure in the financial statements.

12. The figures of the interim financial statement of the Company and the Group are provisional & subject to Audit.

Corporate Information

Name of The Company	East West Properties PLC Company Reg.Number PQ 221
Legal Form	A Quoted Public Company with limited liability incorporated in Sri Lanka on 18th March 1981 and registered under the Companies Act No.07 of 2007. The ordinary shares of the Company are listed on the Colombo Stock Exchange.
Board of Directors	Mr.Nishantha P Sooriyaarachchi - Chairman Mr.M.W.A.D.J.Nahil Wijesuriya Mr.M.W.A.D.J.Vajira Wijesuriya Miss.M.W.A.D.Anika A V Wijesuriya Mr.D.Sunil AbeyRatna Mrs.H.B.G.Vijayanthi Jayasinghe
Audit Committee	Mr.D.Sunil AbeyRatne Mr.M.W.A.D.J.Vajira Wijesuriya
Remuneration Committee	Mr.D.Sunil AbeyRatna Mr.M.W.A.D.J.Vajira Wijesuriya
Related Party Transactions Review Committee	Mr.D.Sunil AbeyRatne Mr.M.W.A.D.J.Vajira Wijesuriya
Company Secretaries	SSP Corporate Services (Pvt) Ltd 101, Inner Flower Road Colombo 03.
Auditors	V.S. & Associates Chartered Accountants 20/62, Fairfield Gardens Colombo 08
Bankers	Hatton National Bank PLC Bank of Ceylon National Development Bank PLC Sampath Bank PLC
Registered Office	#14-02, East Tower, World Trade Center Colombo 01. Telephone : + 94 11 2 43 77 55 Fax : + 94 11 2 43 20 40 Web : www.eastwest.lk
Hotel Address	Weligama Bay – Marriott Resort & Spa 700, Matara Road, Pelena, Weligama Telephone : + 94 41 4 600 100
Warehouse Office	81/11, 3rd Lane, New Nuge Road, Peliyagoda Telephone : +94 11 2 912 274 Fax : + 94 11 2 912 068
Site Office	681/1, Matara Road, Pelena, Weligama Telephone : + 94 41 4 93 67 01