

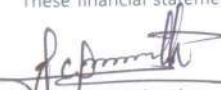
LANKA CERAMIC PLC
Provisional Financial Statements
For the six months ended 30th September 2018

LANKA CERAMIC PLC
Provisional Financial Statements
For the six months ended 30th September 2018

Statement of Financial Position

As at	COMPANY	
	30.09.2018	31.03.2018
	(Unaudited) Rs.'000	(Audited) Rs.'000
ASSETS		
Non-current assets		
Property, plant & equipment	114,804	118,113
Leasehold rights over mining lands	5,645	6,536
Investment property	827,600	827,600
Total non-current assets	948,049	952,249
Current assets		
Inventories	6,020	5,709
Trade and other receivables	87,606	78,579
Other Financial Assets	-	134,361
Cash and cash equivalents	14,646	6,188
Total current assets	108,272	224,837
Total assets	1,056,321	1,177,086
EQUITY AND LIABILITIES		
Stated capital	300,000	300,000
Reserves	218,370	218,370
Retained earnings	202,399	163,156
Total equity	720,769	681,526
Non-current liabilities		
Interest bearing loans and borrowings	71,945	126,926
Deferred tax liabilities	142,599	145,983
Retirement benefit liability	9,115	9,996
Other non-current liabilities	15,000	15,000
Total non-current liabilities	238,659	297,905
Current liabilities		
Trade and other payables	25,234	21,658
Income tax liabilities	5,771	5,056
Interest bearing loans and borrowings	65,889	170,941
Total current liabilities	96,894	197,655
Total equity and liabilities	1,056,321	1,177,086
Net assets value per share (Rs.)	120.13	113.59

These financial statements are in compliance with the requirements of the Companies Act No 7 of 2007.


B G W Sarathchandra
Group Finance Controller

The Board of Directors is responsible for the preparation and presentation of these financial statements.
Signed for and on behalf of the Board by,


A M Weerasinghe
Chairman
November 9, 2018


J A P M Jayasekera
Managing Director

LANKA CERAMIC PLC
Provisional Financial Statements
For the six months ended 30th September 2018

Statement of Profit or Loss and Other Comprehensive Income

Period ended	COMPANY				
	Six Months			Quarter	
	30.09.2018 Rs.'000	30.09.2017 Rs.'000	Variance %	30.09.2018 Rs.'000	30.09.2017 Rs.'000
Revenue	84,547	79,907	5.8	45,381	47,139
Cost of sales	(47,860)	(46,553)	2.8	(26,498)	(24,729)
Gross profit	36,687	33,354	10.0	18,883	22,410
Other income	42,057	141,002	(70.2)	10,065	131,751
Distribution cost	(4,611)	(4,119)	11.9	(3,084)	(2,402)
Administrative expenses	(21,432)	(24,236)	(11.6)	(11,141)	(12,838)
Finance income	1	272	(99.6)	-	267
Finance cost	(13,209)	(16,343)	(19.2)	(4,448)	(8,231)
Profit before tax	39,495	129,930	(69.6)	10,275	130,957
Income tax expense	(252)	(1,773)	(85.8)	1,544	(1,623)
Profit for the period	39,243	128,157	(69.4)	11,820	129,334
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	39,243	128,157	(69.4)	11,820	129,334
<i>Earnings per share - basic (Rs.)</i>	6.54	4.27		1.97	4.31

LANKA CERAMIC PLC
Provisional Financial Statements
For the six months ended 30th September 2018

Statement of Changes in Equity

	Attributable to equity holders of the parent			
	Stated capital Rs.'000	Revaluation reserve Rs.'000	Retained profit Rs.'000	Total Rs.'000
COMPANY				
Balance as at 01st April 2017	300,000	303,292	230,477	833,769
Profit for the period	-	-	128,157	128,157
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	128,157	128,157
Balance as at 30th September 2017	300,000	303,292	358,634	961,926
Balance as at 01st April 2018	300,000	218,370	163,156	681,526
Profit for the period	-	-	39,243	39,243
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	39,243	39,243
Balance as at 30th September 2018	300,000	218,370	202,399	720,769

LANKA CERAMIC PLC
Provisional Financial Statements
For the six months ended 30th September 2018

Cash Flow Statement

Period ended	COMPANY	
	30.09.2018 Rs.'000	30.09.2017 Rs.'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	39,495	129,930
Adjustments for;		
Depreciation and amortisation	7,493	7,404
Amortisation of leasehold rights over mining lands	890	1,667
(Gain)/loss on sale of property, plant & equipment	(2)	(111)
Finance costs	13,209	16,343
Dividend income	(7,511)	(122,517)
Provision for retirement benefit obligations	548	610
Provision for change in market value of Investment	7,920	-
Profit on disposal of Investment	(22,332)	-
Operating profit before working capital changes	39,710	33,325
(Increase)/decrease in inventories	(311)	(364)
(Increase)/decrease in trade and other receivables	(9,026)	678
Increase/(decrease) in trade and other payables	3,569	(10,115)
Cash generated from operations	33,942	23,525
Finance costs paid	(12,803)	(16,343)
Retirement benefit costs paid	(1,429)	(726)
Income tax paid	(2,920)	(13,033)
Net cash from/(used in) operating activities	16,789	(6,579)
CASH FLOWS FROM/ (USED IN) INVESTING ACTIVITIES		
Acquisition of property, plant & equipment	(4,182)	(7,610)
Proceeds from disposal of Investment	148,773	-
Proceeds on sale of property, plant & equipment	2	311
Dividend Income	7,511	122,517
Net cash flows from/(used in) investing activities	152,104	115,218
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest bearing borrowings obtained	51,000	-
Repayment of interest bearing borrowings	(164,714)	-
Capital repayments under finance lease liabilities	(1,921)	(1,340)
Net cash flows from/(used in) financing activities	(115,635)	(1,340)
Net increase / (decrease) in cash and cash equivalents	53,258	107,300
MOVEMENT IN CASH & CASH EQUIVALENTS		
Cash and cash equivalents at the beginning of the period	(42,268)	16,921
Cash and cash equivalents at the end of the period	10,990	124,222

Notes

1.) Corporate Information

Lanka Ceramic PLC ("the Company") is a public limited liability company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The registered office of the company is located at No.23, Narahenpita Road, Nawala.

2.) Figures for the period ended 30th September 2018 are provisional and subject to audit.

3.) Number of fully paid ordinary shares as at 30th September 2018 is 6,000,000 (30th September 2017 - 30,000,000). Number of fully paid ordinary shares as at 31st March 2018 is 6,000,000.

4.) The same accounting policies as disclosed in the annual report for the year ended 31 March 2018 have been followed in the preparation of interim financial statements and are in compliance with LKAS 34 - Interim Financial Reporting.

5.) The presentation and classification of the financial statements of the previous period have been amended, where relevant, for better presentation and to be comparable with those of the current period.

6.) The ultimate parent Company of Lanka Ceramic PLC is Vallibel One PLC.

7.) Cash and cash equivalents for the cash flow purposes.

	As at 30th September 2018	As at 30th September 2017
Favourable cash and cash equivalent balances.		
Cash and bank balances	14,646	129,737
Unfavourable cash and cash equivalent balances.		
Bank Overdrafts	(3,656)	(5,515)
Cash and cash equivalents for the cash flow purposes	10,990	124,222

8.) There have been no material events occurring after the Balance Sheet date that require adjustments or disclosure to these financial statements.

9.) There have been no significant changes in contingent liabilities other than which were disclosed in the annual report for the year ended 31st March 2018.

10.) Share Information

Highest, Lowest and Closing Share Prices

	2017/18 (2nd Quarter)	2018/19 (2nd Quarter)
	Price (Rs.)	Price (Rs.)
Highest	179.90	150.00
Lowest	122.00	130.00
Closing	153.00	132.00

11.) Directors Holding in Shares as at 30th September 2018

Shareholder	No. of shares	%
Mr. A.M Weerasinghe	-	-
Mr. J.A.P.M. Jayasekara	20	0.0000033
Dr. S Sellaiah	-	-
Mr. T.G Thoradeniya	-	-
Mr. K.D.G Gunaratne	-	-
Ms. A.M.L Page	-	-
Mr. D.J Silva	-	-
Mr. J.D.N Kekulawala	-	-

12). 20 Major shareholders as at 30th September 2018

	Shareholder	No. of shares	%
1	Royal Ceramics Lanka PLC	4,413,390	73.557
2	Mr. A.A.K. Page	750,000	12.500
3	National Savings Bank	89,191	1.487
4	Code-Gen International (Pvt) Limited	39,473	0.658
5	Bimpuh Finance PLC	28,838	0.481
6	TRL Holdings (Pvt) Limited	21,328	0.355
7	Vyjayanthi & Company Limited	20,000	0.333
8	Mrs.A. Kailasapillai	19,693	0.328
9	Mr.R. Maheswaran	18,735	0.312
10	Miss.M.P Radhakrishnan	15,135	0.252
11	Miss.A. Radhakrishnan	15,134	0.252
12	Vingrows Business Solutions (Pvt) Limited	14,811	0.247
13	Arunodhaya Industries (Pvt) Limited	13,741	0.229
14	Arunodhaya (Pvt) Limited	13,741	0.229
15	Arunodhaya Investments (Pvt) Limited	13,741	0.229
16	Mr.P.K Sambasivam	11,000	0.183
17	Mr. R De Silva	10,820	0.172
18	People's Leasing & Finance PLC/Mr.L.A.C.K Kodytuakku	10,301	0.172
19	Mr.Z.G Carimjee	10,267	0.171
20	Mr.U.C Bandaranayake & Mrs. L Bandaranayake	10,000	0.167
	Sub Total	5,539,339	92.32
	Other Shareholders	460,661	7.68
	Grand Total	6,000,000	100

The Percentage of shares held by the public -13.103% comprising of 1,472 shareholders.

13). The float adjusted market capitalization as at 30th September 2018 is Rs.103,779,192.

Ordinary voting shares of Lanka Ceramic PLC have been transferred from the Main Board to Diri Savi Board, with effect from 02nd July 2018.

The Float adjusted market capitalization of the Company falls under Option 2 of Rule 7.13.1 (b) of the listing rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option.

CORPORATE INFORMATION

Name of the Company

Lanka Ceramic PLC

Legal Form

A Public Quoted Company with Limited Liability, Incorporated under the provision of Companies Act No 17 of 1982 and re-registered under the Companies Act No. 07 of 2007.

Board of Directors

Mr. K D D Perera – Chairman - *(Resigned w.e.f 31st August 2018)*

Mr. A M Weerasinghe – Chairman - *(Appointed w.e.f 1st September 2018)*

Mr. J A P M Jayasekara – Managing Director

Dr. S Selliah

Mr. T G Thoradeniya

Mr. K D G Gunaratne

Ms. A M L Page

Mr. D J Silva

Mr. J.D.N Kekulawala - *(Appointed w.e.f 17th May 2018)*

Company Secretaries

P W Corporate Secretarial (Pvt) Ltd

3/17, Kynsey Road, Colombo 8

Tel: 011-4640360

Registered Office

No. 23, Narahenpita Road, Nawala

Telephone: 011-4889955, 011-4885621

Facsimile: 011-4412518

Auditors

Ernst & Young

Chartered Accountants

Bankers

Hatton National Bank PLC

People's Bank