

**Lanka Walltiles PLC**  
Provisional Financial Statements  
For the year ended 31st March 2019

**LANKA WALLTILES PLC**  
**Provisional Financial Statements**  
For the year ended 31st March 2019

**Statement of Financial Position**

As at	GROUP		COMPANY	
	31.03.2019 (Unaudited)	31.03.2018 (Audited)	31.03.2019 (Unaudited)	31.03.2018 (Audited)
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant & equipment	16,822,752	14,316,493	4,536,281	4,114,548
Consumable biological assets	585,920	536,575	-	-
Investment Properties	816,805	459,407	-	-
Intangible assets - goodwill	24,519	24,519	-	-
Investments in subsidiaries	-	-	1,276,096	1,276,096
Long term receivables	27,285	27,285	-	-
Deferred tax assets	847	14,687	-	-
<b>Total non-current Assets</b>	<b>18,278,128</b>	<b>15,378,965</b>	<b>5,812,377</b>	<b>5,390,644</b>
<b>Current assets</b>				
Inventories	8,316,920	6,113,247	2,224,608	1,606,272
Trade and other receivables	3,837,082	3,450,285	814,889	725,049
Contract Assets	58,269	-	-	-
Amounts due from related parties	37,016	55,427	72,756	34,628
Income tax receivable	123,961	60,854	-	-
Short term investments	3,499	3,239	3,499	3,239
Cash and cash equivalents	401,580	660,879	33,240	61,004
<b>Total current assets</b>	<b>12,778,329</b>	<b>10,343,928</b>	<b>3,148,992</b>	<b>2,430,192</b>
<b>Total assets</b>	<b>31,056,458</b>	<b>25,722,893</b>	<b>8,961,369</b>	<b>7,820,836</b>
<b>EQUITY AND LIABILITIES</b>				
Stated capital (No. of shares 54.6 million)	787,765	787,765	787,765	787,765
Reserves	2,850,974	2,566,671	1,812,083	1,531,815
Retained earnings	7,602,813	7,162,378	2,739,853	2,661,459
<b>Shareholders' funds</b>	<b>11,241,553</b>	<b>10,516,814</b>	<b>5,339,701</b>	<b>4,981,039</b>
<b>Non controlling interest</b>	<b>3,943,554</b>	<b>3,897,935</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>15,185,107</b>	<b>14,414,749</b>	<b>5,339,701</b>	<b>4,981,039</b>
<b>Non-current liabilities</b>				
Interest bearing liabilities	2,950,245	1,712,118	119,134	165,180
Deferred tax liabilities	2,341,613	2,032,023	989,442	887,282
Retirement benefit liability	882,161	778,830	118,746	108,706
Deferred income & Capital grants	125,726	136,532	-	-
<b>Total non-current liabilities</b>	<b>6,299,745</b>	<b>4,659,503</b>	<b>1,227,322</b>	<b>1,161,168</b>
<b>Current liabilities</b>				
Trade and other payables	3,117,585	2,714,644	666,730	479,476
Contract liability	79,177	-	-	-
Income tax liabilities	9,829	81,847	8,402	23,833
Amounts due to related parties	100,613	48,528	191,377	167,860
Current portion of interest bearing liabilities	6,264,402	3,803,622	1,527,838	1,007,459
<b>Total current liabilities</b>	<b>9,571,606</b>	<b>6,648,641</b>	<b>2,394,346</b>	<b>1,678,629</b>
<b>Total equity and liabilities</b>	<b>31,056,458</b>	<b>25,722,893</b>	<b>8,961,369</b>	<b>7,820,836</b>
<b>Net Assets Value Per Share (Rs.)</b>	<b>205.89</b>	<b>192.62</b>	<b>97.80</b>	<b>91.23</b>

sgd  
Director

sgd  
Director

May 27, 2019

**LANKA WALLTILES PLC**  
**Provisional Financial Statements**  
For the year ended 31st March 2019

**Statement of Comprehensive Income**

Period ended	GROUP					COMPANY				
	Quarter		Year			Quarter		Year		
	31.03.2019 Rs.'000	31.03.2018 Rs.'000	31.03.2019 Rs.'000	31.03.2018 Rs.'000	Variance %	31.03.2019 Rs.'000	31.03.2018 Rs.'000	31.03.2019 Rs.'000	31.03.2018 Rs.'000	Variance %
<b>Revenue/ Revenue from contracts with customers</b>	<b>5,105,153</b>	4,821,863	<b>19,627,160</b>	18,313,245	7.2	<b>783,926</b>	816,167	<b>3,220,934</b>	3,316,247	(2.9)
Cost of sales	(4,129,488)	(3,527,687)	(15,324,147)	(12,995,860)	(17.9)	(564,782)	(530,643)	(2,291,881)	(2,106,806)	(8.8)
<b>Gross profit</b>	<b>975,666</b>	1,294,176	<b>4,303,014</b>	5,317,386	(19.1)	<b>219,145</b>	285,524	<b>929,053</b>	1,209,441	(23.2)
Other income	530,438	94,849	614,218	189,020	224.9	158,624	241,306	214,793	424,965	(49.5)
Distribution cost	(386,710)	(518,323)	(1,803,218)	(1,798,905)	(0.2)	(131,848)	(113,408)	(483,030)	(445,167)	(8.5)
Administrative expenses	(298,934)	(311,516)	(1,079,661)	(1,027,033)	(5.1)	(76,871)	(70,866)	(206,134)	(208,646)	1.2
Finance income	(174)	(21,923)	6,012	110,617	(94.6)	(210)	(298)	-	-	-
Finance cost	(202,239)	(63,008)	(847,593)	(480,146)	(76.5)	(47,547)	(29,677)	(166,487)	(113,185)	(47.1)
<b>Profit before tax</b>	<b>618,046</b>	474,256	<b>1,192,773</b>	2,310,938	(48.4)	<b>121,293</b>	312,581	<b>288,196</b>	867,409	(66.8)
Income tax expense	(252,158)	(211,393)	(412,702)	(699,774)	41.0	(10,069)	(66,578)	(56,915)	(176,368)	(67.7)
<b>Profit for the period</b>	<b>365,887</b>	262,863	<b>780,070</b>	1,611,164	(51.6)	<b>111,224</b>	246,003	<b>231,281</b>	691,041	(66.5)
<b>Other comprehensive income</b>										
Revaluation of Land and Building	401,564	918,904	401,564	918,904	-	389,260	779,322	389,260	779,322	-
Actuarial Gain/ (Loss) on Retirement Benefit Liability	(44,123)	(90,788)	(73,123)	(90,788)	-	1,886	(18,795)	1,886	(18,795)	-
Deferred tax release on components of other comprehensive income	(107,140)	(861,977)	(103,080)	(861,977)	-	(109,521)	(479,255)	(109,521)	(479,255)	-
Foreign currency translation differences of foreign operations	(199)	271	701	(259)	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>615,988</b>	229,273	<b>1,006,132</b>	1,577,044	(36.2)	<b>392,849</b>	527,275	<b>512,907</b>	972,313	(47.2)
<b>Profit attributable to:</b>										
<b>Equity holders of Lanka Walltiles PLC</b>	<b>278,245</b>	148,226	<b>617,157</b>	1,086,902	(43.2)	<b>111,224</b>	246,003	<b>231,281</b>	691,041	(66.5)
Non controlling interest	87,643	114,637	162,914	524,262	(68.9)	-	-	-	-	-
<b>Profit for the year</b>	<b>365,887</b>	262,863	<b>780,070</b>	1,611,164	(51.6)	<b>111,224</b>	246,003	<b>231,281</b>	691,041	(66.5)
<b>Total comprehensive income attributable to:</b>										
<b>Equity holders of Lanka Walltiles PLC</b>	<b>544,162</b>	253,198	<b>870,668</b>	1,191,690	(26.9)	<b>392,849</b>	527,275	<b>512,907</b>	972,313	(47.2)
Non controlling interest	71,827	(23,925)	135,464	385,355	(64.8)	-	-	-	-	-
<b>Total comprehensive income</b>	<b>615,988</b>	229,273	<b>1,006,132</b>	1,577,044	(36.2)	<b>392,849</b>	527,275	<b>512,907</b>	972,313	(47.2)
<b>Earnings Per Share - Basic (Rs.)</b>	<b>5.10</b>	2.71	<b>11.30</b>	19.91		<b>2.04</b>	4.51	<b>4.24</b>	12.66	

**Segmental Information**

Period ended	GROUP			COMPANY		
	31.03.2019 Rs.'000	31.03.2018 Rs.'000	Variance %	31.03.2019 Rs.'000	31.03.2018 Rs.'000	Variance %
	<b>Revenue/ Revenue from contracts with customers</b>					
Tiles & associated items	10,944,908	9,904,782	10.5	3,220,934	3,316,247	(2.9)
Plantation products	2,005,255	2,248,462	(10.8)	-	-	-
Packing materials	3,701,229	2,942,752	25.8	-	-	-
Aluminium products	3,133,622	3,340,583	(6.2)	-	-	-
Inter Segment Sales	(157,853)	(123,334)	(28.0)	-	-	-
<b>Consolidated revenue</b>	<b>19,627,160</b>	18,313,245	7.2	<b>3,220,934</b>	3,316,247	(2.9)
<b>Profit before tax</b>						
Tiles & associated items	1,287,316	1,818,345	(29.2)	288,196	867,409	(66.8)
Plantation products	10,216	138,499	(92.6)	-	-	-
Packing materials	74,543	14,908	400.0	-	-	-
Aluminium products	(179,303)	339,186	(152.9)	-	-	-
<b>Consolidated profit before tax</b>	<b>1,192,772</b>	2,310,938	(48.4)	<b>288,196</b>	867,409	(66.8)

**LANKA WALLTILES PLC**  
**Provisional Financial Statements**  
For the year ended 31st March 2019

**Statement of Changes in Equity**

	Attributable to equity holders of the parent					Total Equity
	Stated capital	Reserve	Retained profit	Total	Non controlling Interest	
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	
<b>GROUP</b>						
<b>Balance as at 1st April 2017</b>	787,765	2,409,494	6,597,189	9,794,448	3,764,563	13,559,011
Profit for the year	-	-	1,086,902	1,086,902	524,262	1,611,164
Other comprehensive income	-	157,177	(52,390)	104,787	(138,907)	(34,120)
Write back of unclaimed dividends	-	-	7,852	7,852	-	7,852
Dividend Paid	-	-	(518,700)	(518,700)	-	(518,700)
Dividend to non controlling interest	-	-	41,525	41,525	(257,980)	(216,455)
Share Issued to minority shareholders	-	-	-	-	5,997	5,997
<b>Balance as at 31st March 2018</b>	<b>787,765</b>	<b>2,566,671</b>	<b>7,162,378</b>	<b>10,516,814</b>	<b>3,897,935</b>	<b>14,414,749</b>
<b>Balance as at 1st April 2018</b>	787,765	2,566,671	7,162,378	10,516,814	3,897,935	14,414,749
Profit for the year	-	-	617,157	617,157	162,914	780,070
Other comprehensive income	-	284,303	(30,792)	253,511	(27,449)	226,062
Write back of unclaimed dividends	-	-	9,555	9,555	-	9,555
Dividend Paid	-	-	(163,800)	(163,800)	-	(163,800)
Dividend to non controlling interest	-	-	8,317	8,317	(89,846)	(81,529)
<b>Balance as at 31st March 2019</b>	<b>787,765</b>	<b>2,850,974</b>	<b>7,602,813</b>	<b>11,241,553</b>	<b>3,943,554</b>	<b>15,185,107</b>
<b>COMPANY</b>						
<b>Balance as at 1st April 2017</b>	787,765	1,237,011	2,494,799	4,519,575	-	4,519,575
Profit for the year	-	-	691,041	691,041	-	691,041
Other comprehensive income	-	294,804	(13,532)	281,272	-	281,272
Write back of unclaimed dividends	-	-	7,852	7,852	-	7,852
Dividend Paid	-	-	(518,700)	(518,700)	-	(518,700)
<b>Balance as at 31st March 2018</b>	<b>787,765</b>	<b>1,531,815</b>	<b>2,661,459</b>	<b>4,981,039</b>	<b>-</b>	<b>4,981,039</b>
<b>Balance as at 1st April 2018</b>	787,765	1,531,815	2,661,459	4,981,039	-	4,981,039
Profit for the year	-	-	231,281	231,281	-	231,281
Other comprehensive income	-	280,267	1,358	281,625	-	281,625
Write back of unclaimed dividends	-	-	9,555	9,555	-	9,555
Dividend Paid	-	-	(163,800)	(163,800)	-	(163,800)
<b>Balance as at 31st March 2019</b>	<b>787,765</b>	<b>1,812,083</b>	<b>2,739,853</b>	<b>5,339,701</b>	<b>-</b>	<b>5,339,701</b>

**Share Price**

Quarter ended	31.03.2019	31.03.2018	Variance
	Rs.	Rs.	%
Highest market price	75.00	109.90	-32
Lowest market price	55.00	95.00	-42
Closing market price	60.00	98.40	-39

**LANKA WALLTILES PLC**  
**Provisional Financial Statements**  
For the year ended 31st March 2019

**Cash Flow Statement**

Period ended	GROUP		COMPANY	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before income tax	1,192,773	2,310,938	288,196	867,409
Adjustments for;				
Depreciation & amortisation	813,877	709,855	166,491	154,613
Income from investments	-	-	(105,589)	(336,229)
Profit/ (loss) on sale of property, plant & equipment	320	(3,645)	708	(3,572)
Interest income	(6,012)	(110,617)	-	-
Finance costs	847,593	480,146	166,487	113,185
Provision for retirement benefit obligations	126,451	133,361	19,267	17,219
Capital expenditure written off	12,683	-	-	-
Allowance/ (reversal) for obsolete and slow moving inventories	3,223	(13,584)	800	1,189
Allowance for impairment of trade receivable	7,539	5,494	20	1,364
Deferred income / capital grants amortisation	(13,179)	(6,274)	-	-
Changing in Fair Value of Biological Assets	(40,916)	(44,995)	-	-
Fair value in investment property	(355,631)	-	-	-
Foreign exchange (gain)/ loss	20,880	17,283	(617)	82
<b>Operating profit/(loss) before working capital changes</b>	<b>2,609,598</b>	<b>3,477,961</b>	<b>535,762</b>	<b>815,260</b>
(Increase)/ decrease in inventories	(2,206,896)	(1,779,629)	(619,135)	(271,881)
(Increase)/ decrease in trade and other receivables	(452,605)	(570,206)	(89,859)	(227,080)
(Increase) /decrease in due from related parties	18,411	(46,698)	(38,128)	(16,889)
Increase/ (decrease) in due to related parties	52,085	31,483	23,517	81,153
Increase /(decrease) in trade and other payables	482,726	922,317	187,254	65,159
Increase/ (decrease) in investments	(260)	57	(260)	57
<b>Cash generated from operations</b>	<b>503,059</b>	<b>2,035,285</b>	<b>(850)</b>	<b>445,779</b>
Interest received	6,012	110,617	-	-
Finance costs paid	(847,593)	(480,146)	(166,487)	(113,185)
Retirement benefit costs paid	(96,856)	(98,629)	(7,341)	(3,131)
Income tax paid	(327,476)	(698,351)	(79,711)	(184,151)
<b>Net cash from/ (used in) operating activities</b>	<b>(762,854)</b>	<b>868,776</b>	<b>(254,389)</b>	<b>145,311</b>
<b>CASH FLOWS FROM/ (USED IN) INVESTING ACTIVITIES</b>				
Acquisition of property, plant & equipment	(2,785,590)	(1,348,032)	(201,802)	(167,299)
Acquisition of plantation assets	(170,057)	(241,550)	-	-
Proceeds from sale of property, plant & equipment	13,875	7,300	2,131	4,782
Income from investments	-	-	105,589	336,229
<b>Net cash flows from / (used in) investing activities</b>	<b>(2,941,772)</b>	<b>(1,582,282)</b>	<b>(94,082)</b>	<b>173,712</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Interest bearing loans & borrowings obtained	10,841,005	6,219,152	1,402,581	500,000
Repayment of interest bearing borrowings	(7,931,210)	(5,314,993)	(1,068,611)	(262,626)
Repayment of finance lease	(25,253)	(21,569)	-	-
Dividends paid - on Ordinary Shares	(163,800)	(518,700)	(163,800)	(518,700)
Dividend paid to non controlling interest	(81,529)	(216,455)	-	-
Proceeds on issue of shares to minority shareholders	-	5,997	-	-
Dividend write back	9,555	7,852	9,555	7,852
Capital grants received	2,374	4,617	-	-
<b>Net cash flows from financing activities</b>	<b>2,651,142</b>	<b>165,901</b>	<b>179,724</b>	<b>(273,474)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(1,053,484)</b>	<b>(547,605)</b>	<b>(168,747)</b>	<b>45,550</b>
<b>MOVEMENT IN CASH &amp; CASH EQUIVALENTS</b>				
Foreign currency translation differences of foreign operations	701	-	-	-
Cash and cash equivalents at the beginning of the period	(303,252)	244,354	(285,867)	(331,416)
Cash and cash equivalents at the end of the period	(1,356,035)	(303,251)	(454,614)	(285,867)

## Notes

### 1.) Corporate Information

Lanka Walltiles 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.215, Nawala Road, Narahenpita, Colombo 05.

The Consolidated Financial Statements of the company for the period ended 31st March 2019 comprise Lanka Walltiles PLC (Parent Company) and its subsidiaries (together referred as the " Group"), namely Lanka Tiles PLC, Vallibel Plantation Management Limited, Horana Plantations PLC, Uni-Dil Packaging Ltd, Uni-Dil Packaging Solutions Ltd, Swisstek (Ceylon) PLC, Swisstek Aluminium Ltd, LWL Development (Pvt) Ltd, Beyond Paradise Collection Ltd, Lankatiles (Pvt) Ltd, LTL Development (Pvt) Limited and Swisstek Development (Pvt) Ltd.

2.) The above figures are provisional & subject to audit.

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

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

4.) During the 12 month period, Group incurred Rs. 184.19 Mn (Company Rs. 28.61Mn.) for the services rendered in improving the manufacturing processes. This service has been provided by related company, Royal Ceramics Lanka PLC & Vallibel One PLC.

5.) There have been no changes in contingent assets and contingent liabilities since 31st March 2018.

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

7.) An Interim dividend of Rs.3.00 per share for the financial year 2018/19 was paid on 12th April 2019.

### 8.) Directors Holding in Shares as at 31st March 2019

Shareholder	No. of shares	%
Mr. A.M. Weerasinghe	6,610	0.012
Mr. J.A.P.M. Jayasekara	199	0.000
Mr. M W R N Somaratne	11,000	0.020

### 9.) 20 Major shareholders as at 31st March 2019

Shareholder	No. of shares	%
1. Royal Ceramics Lanka PLC	29,784,218	54.550
2. Mr.A.A. Page	5,159,756	9.450
3. CT Holdings PLC	1,499,628	2.747
4. Arunodhaya Investments (Pvt) Ltd	1,262,669	2.313
5. Arunodhaya (Pvt) Ltd	1,262,669	2.313
6. Arunodhaya Industries (Pvt) Ltd	1,262,669	2.313
7. Mr. D. F. G. Dalpethado & Mrs. H.F. A. K. D. Fonseka	1,011,778	1.853
8. Sri Lanka Insurance Corporation Ltd - Life Fund	807,600	1.479
9. Mrs. A Selliah	746,779	1.368
10. Seylan Bank PLC/W.D.N.H.Perera	743,797	1.362
11. Mrs. A Kailasapillai	697,334	1.277
12. Andysel (Pvt) Ltd	420,000	0.769
13. Akbar Brothers (Pvt) Ltd A/C No 1	419,798	0.769
14. First Capital Limited	398,816	0.730
15. Mr.A H Udeshi	379,594	0.695
16. Mr.K.Aravinthan	336,000	0.615
17. Mellon Bank N.A. - Commonwealth of Massachusetts	285,175	0.522
18. Bank of Ceylon A/C Ceybank Century Growth Fund	236,421	0.433
19. Mr. P K C P Samarasinghe	217,537	0.398
20. Ames Tile & Stone Ltd	177,450	0.325
<b>Sub Total</b>	<b>47,109,688</b>	<b>86.281</b>
Other Shareholders	7,490,312	13.719
<b>Grand Total</b>	<b>54,600,000</b>	<b>100.000</b>

10.) Percentage of public holding as at 31st March 2019 was 26.854 % comprising of 10,989 shareholders.

11.) The float adjusted market capitalization as at 31st March 2019 was Rs.879,737,580.00 under option 5 of rule 7.13.1 (a) of the Listing Rules and the company has complied with the minimum public holding requirement applicable under the said option.