

CM HOLDINGS PLC

CONSOLIDATED FINANCIAL STATEMENTS

***For The Period Ended
30th September 2016***

CM Holdings PLC

CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30.09.2016

Table of Contents

Statement of Comprehensive Income	1
Statement of Comprehensive Income - Company	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
Notes to the Financial Statements	6

CM Holdings PLC
Provisional Financial Statements for the period ended 30.09.2016

STATEMENT OF COMPREHENSIVE INCOME						
	Group			Group		
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	Variance	<i>(Unaudited)</i>	<i>(Unaudited)</i>	Variance
	Quarter ended 30.09.2016	Quarter ended 30.09.2015		Six Months ended 30.09.2016	Six Months ended 30.09.2015	
	Rs.'000	Rs.'000	%	Rs. ' 000	Rs. ' 000	%
Revenue	1,077,021	542,750	98%	2,398,921	726,747	230%
Cost of sales	<u>(915,338)</u>	<u>(399,917)</u>	129%	<u>(2,083,083)</u>	<u>(512,549)</u>	306%
Gross profit	161,683	142,833	13%	315,838	214,198	47%
Other Operating Income /(Expense)	10,947	44,943	-76%	29,657	90,522	-67%
Other gains/(losses)	30,893	13,081	136%	78,232	43,922	78%
Administrative Expenses	(98,799)	(120,651)	-18%	(198,845)	(184,351)	8%
Distribution Cost	<u>(25,229)</u>	<u>(19,478)</u>	30%	<u>(47,742)</u>	<u>(40,010)</u>	19%
Operating profit /(loss)	79,496	60,728	31%	177,141	124,281	43%
Financial income/ (cost)	<u>(18,874)</u>	<u>(5,487)</u>	244%	<u>(40,509)</u>	<u>(6,830)</u>	493%
Profit/(Loss) before Tax	60,622	55,241	10%	136,632	117,451	16%
Tax	<u>(12,321)</u>	<u>(7,658)</u>	61%	<u>(22,941)</u>	<u>(12,138)</u>	89%
Net profit / (loss)	<u>48,301</u>	<u>47,583</u>	2%	<u>113,691</u>	<u>105,313</u>	8%
Other comprehensive income						
Change in value of available for sale financial assets	<u>15,401</u>	<u>25,370</u>	-39%	<u>2,973</u>	<u>41,399</u>	-93%
Total comprehensive income for the period	<u>63,702</u>	<u>72,953</u>	-13%	<u>116,664</u>	<u>146,712</u>	-20%
Profit Attributable to ;						
Equity holders of the company	42,633	49,653	-14%	102,545	106,797	-4%
Minority interest	<u>5,668</u>	<u>(2,070)</u>	374%	<u>11,146</u>	<u>(1,484)</u>	851%
	<u>48,301</u>	<u>47,583</u>	2%	<u>113,691</u>	<u>105,313</u>	8%
Total Comprehensive Income Attributable to						
Equity holders of the company	58,016	75,023	-23%	105,497	148,196	-29%
Minority interest	<u>5,685</u>	<u>(2,070)</u>	375%	<u>11,166</u>	<u>(1,484)</u>	852%
	<u>63,702</u>	<u>72,953</u>	-13%	<u>116,664</u>	<u>146,712</u>	-20%
Basic earning/(deficit) per share (Rs.)	2.80	3.27		6.75	7.03	

CM Holdings PLC
Provisional Financial Statements for the period ended 30.09.2016

STATEMENT OF COMPREHENSIVE INCOME-COMPANY						
	Company			Company		
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	Variance	<i>(Unaudited)</i>	<i>(Unaudited)</i>	Variance
	Quarter	Quarter		Six months	Six months	
	ended	ended	ended	ended		
30.09.2016	30.09.2015	30.09.2016	30.09.2015			
	<u>Rs. ' 000</u>	<u>Rs. ' 000</u>	%	<u>Rs. ' 000</u>	<u>Rs. ' 000</u>	%
Income	12,053	9,132	32%	24,430	25,281	-3%
Other Operating Income /(Expense)	10,656	121,060	-91%	11,585	121,721	-90%
Other gains/(losses)	2,721	(1,304)	309%	5,752	792	626%
Administrative Expenses	<u>(5,714)</u>	<u>(4,251)</u>	34%	<u>(11,574)</u>	<u>(8,798)</u>	32%
Operating profit /(loss)	19,716	124,637	-84%	30,193	138,996	-78%
Financial income/ (cost)	<u>(249)</u>	<u>(538)</u>	-54%	<u>(506)</u>	<u>(1,998)</u>	-75%
Profit/(Loss) before Tax	19,467	124,099	-84%	29,687	136,998	-78%
Tax	<u>(2,433)</u>	<u>(2,719)</u>	-11%	<u>(3,757)</u>	<u>(4,771)</u>	-21%
Net profit / (loss)	<u>17,034</u>	<u>121,380</u>	-86%	<u>25,930</u>	<u>132,227</u>	-80%
Other comprehensive income						
Change in value of available for sale financial assets	<u>5,072</u>	<u>11,824</u>	-57%	<u>(1,273)</u>	<u>15,913</u>	-108%
Total comprehensive income for the period	<u>22,106</u>	<u>133,204</u>	-83%	<u>24,657</u>	<u>148,140</u>	-83%
Basic earning per share (Rs.)	1.12	7.99		1.71	8.70	

CM Holdings PLC
Provisional Financial Statements for the period ended 30.09.2016

STATEMENT OF FINANCIAL POSITION						
Group <i>(Audited)</i>	Company <i>(Audited)</i>		Group		Company	
As at	As at		<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
31.03.2016	31.03.2016		As at	As at	As at	As at
Rs. '000	Rs. '000		<u>30.09.2016</u>	<u>30.09.2015</u>	<u>30.09.2016</u>	<u>30.09.2015</u>
			<u>Rs.'000</u>	<u>Rs.'000</u>	<u>Rs.'000</u>	<u>Rs.'000</u>
		Assets				
		Non current assets				
1,556,160	6,580	Property, plant and equipment	1,562,551	1,518,714	5,675	3,900
116,913	4,000	Capital Work in progress	160,316	-	-	-
25,643	785,560	Investment property	28,794	26,010	787,047	785,132
4,753	-	Deferred tax assets	742	655	-	-
105,000	-	Trade and other receivables	80,000	130,000	-	-
14,020	-	Intangible Assets	13,947	6,171	-	-
-	-	Other Investments	-	-	-	-
-	264,310	Investment in subsidiaries	-	-	264,310	264,310
911,722	532,368	Available for sale financial assets	918,277	940,746	531,096	535,208
2,734,212	1,592,819		2,764,627	2,622,296	1,588,128	1,588,550
		Current assets				
1,321,231	-	Inventories	911,735	477,047	-	-
406,140	234,617	Trade and other receivables	370,285	973,729	245,993	180,194
619,187	58,890	Financial assets at fair value through profit or loss	699,410	791,385	64,688	66,492
20,188	-	Income tax receivable	11,343	-	-	-
225,421	7,818	Cash and cash equivalents	278,220	229,723	17,545	9,258
2,592,167	301,325		2,270,993	2,471,884	328,226	255,944
5,326,379	1,894,144	Total Assets	5,035,620	5,094,180	1,916,354	1,844,494
		Equity and Liabilities				
		Capital and reserves				
288,387	288,387	Stated Capital	288,387	288,387	288,387	288,387
3,296,782	1,553,685	Retained earnings	3,311,079	3,498,209	1,487,142	1,483,298
3,585,169	1,842,072		3,599,466	3,786,596	1,775,529	1,771,685
388,142	-	Minority Interest	399,308	427,460	-	-
3,973,311	1,842,072	Total Equity	3,998,775	4,214,056	1,775,529	1,771,685
		Non current liabilities				
21,805	10,877	Deferred income tax liabilities	21,805	10,185	10,877	6,848
4,480	-	Property liability	7,840	-	-	-
25,951	-	Defined benefit obligations	21,433	19,444	-	-
101,797	6,400	Long term borrowings	110,490	100,145	6,200	-
8,293	8,293	Trade and other payables	8,293	-	8,293	-
162,326	25,571		169,861	129,774	25,371	6,848
		Current liabilities				
192,130	22,192	Trade and other payables	206,966	102,027	112,157	44,212
9,287	710	Income Tax Liability	4,048	14,463	1,496	11,749
989,325	3,600	Borrowings	655,970	633,860	1,800	10,000
1,190,742	26,502		866,984	750,350	115,454	65,961
5,326,379	1,894,144	Total Equity & Liabilities	5,035,620	5,094,180	1,916,354	1,844,494
236	121	Net asset value per share (Rs.)	237	249	117	117

(Sgd.)

A.M. de S. Jayaratne
(Director)

(Sgd.)

S.D.R. Arudpragasam
(Director)

Date: 1st November 2016

CM Holdings PLC
Provisional Financial Statements for the period ended 30.09.2016

Statement of changes in equity 30.09.2016				
In Rs'000s	Stated Capital	Retained Earnings	Minority Interest	Total
Group				
Balance at 1st April 2015	288,387	3,441,213	446,944	4,176,544
Total comprehensive income	-	(53,231)	(4,772)	(58,003)
Dividend	-	(91,200)	(54,030)	(145,230)
Balance at 31st March 2016	288,387	3,296,782	388,142	3,973,311
Balance at 1st April 2016	288,387	3,296,782	388,142	3,973,311
Total comprehensive income	-	105,497	11,166	116,664
Dividend	-	(91,200)	-	(91,200)
Balance at 30th September 2016	288,387	3,311,079	399,308	3,998,775
Company				
Balance at 1st April 2015	288,387	1,426,359	-	1,714,746
Total comprehensive income	-	218,526	-	218,526
Dividend	-	(91,200)	-	(91,200)
Balance at 31st March 2016	288,387	1,553,685	-	1,842,072
Balance at 1st April 2016	288,387	1,553,685	-	1,842,072
Total comprehensive income	-	24,657	-	24,657
Dividend	-	(91,200)	-	(91,200)
Balance at 30th September 2016	288,387	1,487,142	-	1,775,529

CM Holdings PLC
Provisional Financial Statements for the period ended 30.09.2016

Cash Flow Statements for the six months ended 30.09.2016				
In Rs'000s	Group		Company	
	<i>(Unaudited)</i> 30.09.2016	<i>(Unaudited)</i> 30.09.2015	<i>(Unaudited)</i> 30.09.2016	<i>(Unaudited)</i> 30.09.2015
(Loss) / Profit before tax	136,632	117,451	29,687	136,998
Adjustment for:				
Depreciation & Amortization	36,650	28,212	3,422	2,902
Amortisation of intangible assets	-	-	-	-
Dividend income	(13,154)	(11,845)	(11,585)	(121,721)
Interest [income] / expenses	40,509	6,830	506	1,998
Profit on sale of property, plant and equipment	(5,369)	-	-	-
Inventory writeoff	-	-	-	-
Other (gain)/losses	(78,232)	(48,837)	(5,752)	(794)
Changes in working capital				
- trade and other receivables	41,198	(98,891)	(11,376)	24,350
- inventories	409,496	(98,501)	-	-
- trade and other payables	14,836	(64,059)	89,967	(3,060)
Cash generated from / (used in) operations	<u>582,566</u>	<u>(169,640)</u>	<u>94,869</u>	<u>40,673</u>
Operating activities				
Cash generated from / (used in) operations	582,566	(169,640)	94,869	40,673
Interest paid	(40,509)	(6,830)	(506)	(1,998)
Retirement benefit obligations paid	(4,518)	-	-	-
Income tax paid	(19,335)	(72,554)	(2,971)	(2,431)
Net cash (used in)/generated from operating activities	<u>518,203</u>	<u>(249,024)</u>	<u>91,393</u>	<u>36,244</u>
Investing activities				
(Purchase)/Sale of property, plant and equipment	(89,522)	(60,921)	(4)	(3,900)
(Purchase)/Sale of investments	(5,570)	(990)	(46)	(990)
Other Investments	-	-	-	-
Dividends received	13,154	11,845	11,585	121,721
Net cash generated from/[used in] investing activities	<u>(81,938)</u>	<u>(50,066)</u>	<u>11,535</u>	<u>116,831</u>
Financing activities				
Proceeds from/(repayment) of loans	(253,295)	291,738	(2,000)	(55,000)
Proceeds from right issues	-	-	-	-
Dividends paid	(91,200)	(109,200)	(91,200)	(91,200)
Finance lease principal payment	-	-	-	-
Net cash generated from /(used in) financing activities	<u>(344,495)</u>	<u>182,538</u>	<u>(93,200)</u>	<u>(146,200)</u>
Increase / [Decrease] in cash and cash equivalents	<u>91,771</u>	<u>(116,552)</u>	<u>9,727</u>	<u>6,875</u>
Movement in cash and cash equivalents				
At 1 April	115,082	292,858	7,818	2,383
Increase / [Decrease]	<u>91,771</u>	<u>(116,552)</u>	<u>9,727</u>	<u>6,875</u>
At 31st March	<u>206,853</u>	<u>176,306</u>	<u>17,545</u>	<u>9,258</u>

NOTES TO THE FINANCIAL STATEMENTS**For the period ended 30.09.2016**

- 1
- | | Current period | Previous period |
|---|----------------|-----------------|
| | Rs. Cts. | Rs. Cts. |
| Highest price per share for the quarter | 104.00 | 155.00 |
| Lowest price per share for the quarter | 89.00 | 120.00 |
| Closing price | 93.10 | 120.20 |
- 2 The figures are provisional and subject to audit.
- 3 The Financial Statements have been prepared in accordance with the accounting policies set out in the audited financial statements for the year ended 31st March 2016, and also in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting.
- 4 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.
- 5 The consolidated Financial Statements have been prepared on an accrual basis and under the historical cost convention unless stated otherwise.
- 6 No circumstances have arisen since the reporting period other than those disclosed below, that require adjustments to or disclosures in the financial statements.
- 7 There has been no significant change in the nature of the contingent liabilities which were disclosed in the audited financial statement for the year ended 31st March 2016.
- 8 The Stated Capital of the Company is Rs.288,386,885.00 represented by 15,200,000 Ordinary Shares.

9 Segmental information

	Revenue		Inter segment		Group net revenue	
	2016	2015	2016	2015	2016	2015
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Motor trade	2,572,437	832,346	(184,567)	(110,265)	2,387,870	722,081
Property Holding & Investment	24,429	25,281	(13,378)	(20,615)	11,051	4,666
	<u>2,596,866</u>	<u>857,627</u>	<u>(197,945)</u>	<u>(130,880)</u>	<u>2,398,921</u>	<u>726,747</u>
	Operating profit/(loss)		Net finance cost		Profit/(loss) before tax	
	2016	2015	2016	2015	2016	2015
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Motor trade	78,082	78,371	(41,340)	(6,830)	36,742	71,541
Property Holding & Investment	99,059	45,910	831	-	99,890	45,910
	<u>177,141</u>	<u>124,281</u>	<u>(40,509)</u>	<u>(6,830)</u>	<u>136,632</u>	<u>117,451</u>

10 Directors direct shareholdings as at 30th September 2016

Name of Director	No. of Shares
Mr.S.D.R.Arudpragasam	50,500
Mr.A.M.de S.Jayarathne	467
Mr.S.Rajaratnam	28,571
Mr.J.M.Swaminathan	561

11 The percentage of Shares held by the public as at 30.09.2016 was 29.57%

12 The number of public Shareholders as at 30.09.2016 were 902.

13 The major Shareholders as at 30th September 2016 were as follows

Name of Shareholder	No. of Shares	%
1 The Colombo Fort Land & Building PLC	9,649,850	63.49%
2 Sri Lanka Insurance Corporation Ltd - Life Fund	392,076	2.58%
3 Mrs.Agnes E. De Vos (Deceased)	374,978	2.47%
4 Pan Asia Banking Corporation PLC / Lankem Ceylon PLC	338,547	2.23%
5 Colombo Investment Trust PLC	280,857	1.85%
6 Mubasher Financial Services BSC	223,917	1.47%
7 Trust Holdings & Investments (Pvt) Limited	127,142	0.84%
8 Glenford Investments (Pvt) Limited	115,714	0.76%
9 Waldock Mackenzie Ltd / Mr. H.M.S. Abdulhussein	109,185	0.72%
10 Colombo Fort Investments PLC	101,290	0.67%
11 Dee Sanda Holdings (Private) Limited	100,763	0.66%
12 Dr.Sena Yaddehige	100,000	0.66%
13 First Capital Markets Limited / Mr.L,K,N.K.Kulawardena	97,630	0.64%
14 Mr.Ginige Cyril Walter De Silva (Deceased)	96,007	0.63%
15 Island Consumer Supplies Ltd	95,640	0.63%
16 Mr.Sidath Vivendra Kodikara	95,550	0.63%
17 Mr.Hans Anton Van Starrex	91,869	0.60%
18 Mr.Javaharlal Vijaya Srikumaradas Corea	88,328	0.58%
19 MAS Capital (Private) Limited	88,124	0.58%
20 Waldock Mackenzie Ltd / Mrs.G.Soyasa	78,571	0.52%
	<u>12,646,038</u>	<u>83.20%</u>