



Goodhope

A CARSON CUMBERBATCH COMPANY



Selinsing PLC

Summarised Financial Report
for the six months ended
30th September 2016

SELINSING PLC

Review of operations for the six months ended 30th September 2016

Overview of the Palm Oil Industry and Current Prices

CPO prices were very volatile during the period ended 30th September 2016, with the prices ranging from Malaysian Ringgit (MYR) 2,293 - 2,900 during the period compared to range of MYR 1,802 - 2,294 in the corresponding period of the previous financial year. Commencement of the quarter saw CPO trading at the low end of the trading range trailing the losses in rival soy oil prices. The CPO price rallied in August 2016 with the resurging demand for palm oil from China ahead of the mid-autumn festival and India's buying for the Diwali festival, amidst concerns over lower CPO production due to effects of poor weather. The positive price momentum continued throughout September and to date.

Minimum Public Holding

As per the Colombo Stock Exchange (CSE) Listing Rule No. 7.13, a Listed Entity on the Main Board having a Public Holding below the specified requirement in terms of the CSE Rules, has to ensure that the Public Holding of such Entity is maintained at a minimum level of 15% of its total ordinary voting shares in the hands of a minimum number of 500 public shareholders on or before 31st December 2015. The Company does not at present satisfy the requirement relating to minimum public holding.

Accordingly, the Company has made an application to the Securities and Exchange Commission of Sri Lanka on 1st December 2015 requesting an extension to maintain the Minimum Public Holding of the Company below the required Levels till 31st December 2017 and informing the Action Plan of the Company. The Company has already made an announcement on 1st December 2015 to the shareholders detailing the Action Plan of the Company.

Discontinued Operations in Malaysia

As disclosed in the Company Annual Report for the year ended 31 March 2016, the Board of Directors after careful evaluation and consideration executed a Sale and Purchase Agreement (SPA) with Kuala Lumpur Kepong Bhd., a non-related company incorporated in Malaysia to sell the overseas plantation assets of the Company (consisting of the Property Plant and Equipment and the Biological Assets) for RM 55 mn (Approx. Rs. 1,947 mn).

The Company has obtained the relevant regulatory approvals in Sri Lanka and Malaysia in respect of the Sale of the Property. The proceeds from the sale of the property is expected to be received by the Company once the title to the property is transferred in favor of the Purchaser in terms of the SPA. The process for title transfer is nearing completion. The handover of possession of the property in this regard is expected to take place on or before 12th November 2016, on which date the titles will be presented for registration to the Malaysian Land Registry. It is estimated that it would take approximately 14 days from there on for the titles to be transferred and for the Company to receive the sale proceeds.

As per the announcements made to the Colombo Stock Exchange ("CSE") on 17th October 2016 and the subsequent Circular to Shareholders dated 24th October 2016, the Board of Directors have decided to distribute the net sale proceeds (after deducting related taxes and expenses in Malaysia and Sri Lanka) from the total consideration on the sale of Malaysian Property to the Shareholders of the Company, in the form of a repurchase of shares and a payment of an interim dividend. In this regard, the Company has called for an Extraordinary General Meeting on 16th November 2016 to obtain shareholder approval for the Share Repurchase Offer.

The operations in Malaysia has been re-classified in the financial statements presented herewith as "discontinued operations" in accordance with the requirements of the Sri Lanka Financial Reporting Standards (SLFRS). Profit earned from the plantations in Malaysia has hence been identified as profit from discontinued operations and the net earnings from the investments of the Company have been identified as those from continuing operations in the Financial Statements.

SELINSING PLC

Review of operations for the six months ended 30th September 2016 Contd...

Combined financial performance

The plantation operations of the company which are now classified as discontinued operations recorded revenues of Rs. 105.2 mn for the six months ended 30th September 2016, compared to Rs. 126 mn recorded during the corresponding period of the previous financial year. The drop in revenue is mainly attributed to the 40% YoY reduction in crop which is largely attributable to the lagged impact of the dry weather conditions experienced in the past, and also due to the plantations in the region entering in to a seasonal low cropping cycle after high yielding cycle experienced during the previous financial year.

The impact of the drop in production was partly compensated by the higher FFB prices during the six months under review compared to the corresponding period of the previous financial year.

The company recorded a net sales average (NSA) of RM 584 per MT of fresh fruit bunches (FFB), compared to an NSA of RM 434 per MT of FFB recorded during the corresponding period of the previous financial year.

The company recorded a combined profit after tax from operations of Rs. 53.2 mn during the period under review, as compared to Rs. 58.1 mn recorded in the comparative period of the previous financial year.

Agro Harapan Lestari Sdn. Bhd.

Managers

07th November 2016

SELINSING PLC
Statement of Profit or Loss

(All figures in Sri Lankan Rupees '000)

	Quarter ended			Six Months ended		
	30th September			30th September		
	2016	2015	Change	2016	2015	Change
	(Restated)*	%		(Restated)*	%	
Continuing operations						
Revenue	205	21	899%	418	2,554	-84%
Profit before tax for the period from continuing operations	205	21	896%	418	2,554	-84%
Income tax expense	(49)	(4)	1119%	(102)	(33)	205%
Profit for the period from continuing operations	156	17	815%	316	2,521	-87%
Discontinued operations						
Profit after tax for the period from discontinued operations	35,294	33,532	5%	52,884	55,595	-5%
Profit for the period	35,450	33,549	6%	53,200	58,116	-8%
Earnings Per Share from Continuing and Discontinued Operations (Rs.)	5.11	4.83		7.67	8.37	
Earnings Per Share for Continuing Operations (Rs.)	0.02	0.00		0.05	0.36	
Earnings Per Share for Discontinued Operations (Rs.)	5.09	4.83		7.62	8.01	

Statement of comprehensive income

	Quarter ended			Six Months ended		
	30th September			30th September		
	2016	2015	Change	2016	2015	Change
	(Restated)*	%		(Restated)*	%	
Profit / (Loss) for the period	35,450	33,549	6%	53,200	58,116	-8%
Other comprehensive income						
Other Comprehensive Income/(Loss) to be reclassified to profit or loss in subsequent periods						
Exchange Differences on translation of Financials of Foreign Operations	(32,452)	(162,612)	-80%	(59,158)	(182,267)	-68%
Gain/(Loss) on Change in Fair Value of Available - For -Sale Financial Assets	17,284	(275,978)	-106%	17,284	64,868	-73%
Net other Comprehensive Income/(Loss) to be reclassified to profit or loss in subsequent periods	(15,168)	(438,590)	-97%	(41,874)	(117,399)	-64%
Net other Comprehensive Income/(Loss) not to be reclassified to profit or loss in subsequent periods	-	-	0%	-	-	0%
Other Comprehensive Income/(Loss) for the period, net of tax	(15,168)	(438,590)	-97%	(41,874)	(117,399)	-64%
Total Comprehensive Income for the period, net of tax	20,282	(405,041)	-105%	11,326	(59,283)	-119%

*Prior period figures have been restated upon adoption of Amendments to LKAS 16 Property, Plant and Equipment and LKAS 41 Agriculture as explained in Note 04 and to reflect the discontinued operations explained in Note 05 to this Interim Condensed Financial Statements.

Changes represent the percentage change in current period's results compared to corresponding period of last year.

Figures in brackets indicate deductions/negative changes.

The above figures are subject to audit.

SELINSING PLC
Statement of financial position

(All figures in Sri Lankan Rupees '000)

	Note	As at 30.09.2016	As at 31.03.2016 (Restated)*	As at 01.04.2015 (Restated)*
ASSETS				
Non-Current Assets				
Property, plant & equipment		-	-	1,529,499
Bearer Plants	(Note 4)	-	-	88,001
Non-current financial assets	(Note 6)	6,713,701	6,696,417	5,524,067
Total Non- Current Assets		6,713,701	6,696,417	7,141,567
Current Assets				
Inventories		885	2,123	435
Trade & other receivables	(Note 5.4)	153,087	20,983	6,923
Advances and Prepayments		454	1,990	1,444
Taxation recoverable		-	2,464	6,335
Cash and cash equivalents		40,241	15,597	68,707
		194,667	43,157	83,844
Assets of disposal group held for sale	(Note 5)	1,608,704	1,665,048	-
Total Current Assets		1,803,371	1,708,205	83,844
Total Assets		8,517,072	8,404,622	7,225,411
EQUITY AND LIABILITIES				
Equity				
Stated capital		69,401	69,401	69,401
Retained earnings		355,713	302,513	353,346
Other reserves		7,912,160	7,954,034	6,738,905
Total Shareholders' Funds		8,337,274	8,325,948	7,161,652
Non-Current Liabilities				
Deferred tax liabilities	(Note 4)	-	-	21,828
Retirement benefit obligations		-	-	1,103
Total Non Current Liabilities		-	-	22,931
Current Liabilities				
Trade and other payables	(Note 5.4)	118,206	18,600	7,058
Taxation payable		2,372	-	-
Unclaimed dividend		35,991	36,572	33,770
		156,569	55,172	40,828
Liabilities directly associated with assets held for sale	(Note 5)	23,229	23,502	-
Total Liabilities		179,798	78,674	40,828
Total Equity and Liabilities		8,517,072	8,404,622	7,225,411
Net Asset per share (Rs.)		1,201.32	1,199.69	1,031.93

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

(Sgd.)

C.S. Karunasena

Chief Financial Officer

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

Approved & signed for and on behalf of the Managers,

(Sgd.)

M.R. Jiffrey

Director

Agro Harapan Lestari Sdn. Bhd.

07th November 2016

Approved & signed for and on behalf of the Board,

(Sgd.)

H. Selvanathan

Director

(Sgd.)

P. C. P. Tissera

Director

*Prior period figures have been restated upon adoption of Amendments to LKAS 16 Property, Plant and Equipment and LKAS 41 Agriculture as explained in Note 04.

The above figures are subject to audit.

SELINSING PLC

Statement of Changes in Equity

(All figures in Sri Lankan Rupees '000)

	Stated Capital	Capital Reserves	Currency Translation Reserve (Restated)	Available-for-sale reserve	Retained Earnings (Restated)	Total Shareholders' Funds (Restated)
Balance as at 1st April, 2015 as previously reported	69,401	1,785,723	(212,600)	5,165,782	529,257	7,337,563
Effect of adoption of amendments to LKAS 41 & LKAS 16	-	-	-	-	(175,911)	(175,911)
Super gain tax expense	-	-	-	-	(36,739)	(36,739)
Balance as at 1st April, 2015 as restated	69,401	1,785,723	(212,600)	5,165,782	316,607	7,124,913
Profit for the year from continuing operations	-	-	-	-	7,793	7,793
Profit for the year from discontinued operations	-	-	-	-	77,116	77,116
Other comprehensive income/(loss) for the period	-	7,347	35,433	1,172,349	2,460	1,217,589
Total comprehensive income/(loss) for the period	-	7,347	35,433	1,172,349	87,369	1,302,498
Final Dividend - 2014/15	-	-	-	-	(40,946)	(40,946)
Interim Dividend -2015/16	-	-	-	-	(60,517)	(60,517)
Balance as at 31st March 2016	69,401	1,793,070	(177,167)	6,338,131	302,513	8,325,948

	Stated Capital	Capital Reserves	Currency Translation Reserve (Restated)	Available-for-sale reserve	Retained Earnings (Restated)	Total Shareholders' Funds (Restated)
Balance as at 1st April, 2015 as previously reported	69,401	1,785,723	(212,600)	5,165,782	529,257	7,337,563
Effect of adoption of amendments to LKAS 41 & LKAS 16	-	-	-	-	(175,911)	(175,911)
Balance as at 1st April, 2015 as restated	69,401	1,785,723	(212,600)	5,165,782	353,346	7,161,652
Profit for the period	-	-	-	-	58,116	58,116
Other comprehensive income/(loss) for the period	-	-	(182,267)	64,868	-	(117,399)
Total comprehensive income/(loss) for the period	-	-	(182,267)	64,868	58,116	(59,283)
First & Final Ordinary Dividend - 2014/15	-	-	-	-	(40,946)	(40,946)
Balance as at 30th September 2015	69,401	1,785,723	(394,867)	5,230,650	370,516	7,061,423

	Stated Capital	Capital Reserves	Currency Translation Reserve	Available-for-sale reserve	Retained Earnings	Total Shareholders' Funds
Balance as at 1st April, 2016 (Restated)	69,401	1,793,070	(177,167)	6,338,131	302,513	8,325,948
Profit for the period from continuing operations	-	-	-	-	316	316
Profit for the period from discontinued operations	-	-	-	-	52,884	52,884
Other comprehensive income/(loss) for the period	-	-	(59,158)	17,284	-	(41,874)
Total comprehensive income/(loss) for the period	-	-	(59,158)	17,284	53,200	11,326
Dividend Paid during the period	-	-	-	-	-	-
Balance as at 30th September 2016	69,401	1,793,070	(236,325)	6,355,415	355,713	8,337,274

Figures in brackets indicate deductions/negative changes

The above figures are subject to audit.

SELINSING PLC
Cash Flow Statement

For the period ended 30th September
 (All figures in Sri Lankan Rupees '000)

	2016	2015	31.03.2016
		(Restated)	(Restated)
Net cash inflows from operating activities	24,959	52,059	50,672
Net cash inflows / (outflows) from investing activities	266	(1,344)	(5,029)
Net cash outflows from financing activities	(581)	(39,916)	(98,753)
Increase / (Decrease) in cash and cash equivalents	24,644	10,799	(53,110)
Cash and cash equivalents at the beginning of the period	15,597	68,707	68,707
Cash and cash equivalents at the end of the period	40,241	79,506	15,597
Cash and cash equivalents:			
Cash and bank balances	35,504	78,194	14,245
Short-term deposits	4,737	1,312	1,352
	40,241	79,506	15,597

Note A :

Cash & bank balances include both cash and bank balances of both continuing and discontinued operations.

The above figures are subject to audit.

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1. Basis of preparation of Summarised Financial Report

The interim condensed financial statements have been prepared in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting. These interim condensed financial statements should be read in conjunction with the annual financial statements for the year ended 31st March 2016 and Note 04 disclosed below on Adoption of Amendments to LKAS 41 and LKAS 16.

Further, provisions of the Companies Act no.7 of 2007 have been considered in preparing the interim financial statements of the company.

2. Accounting policies

The same accounting policies and methods of computation as stated in the annual financial statements for the year ended 31st March 2016 are followed in the preparation of these Interim Condensed Financial Statements except for the Note 04 disclosed below.

The comparative information have been reclassified wherever necessary to conform to the current year classification.

3. Revenue

Revenue details are given in the segmental analysis in Note 14 to the Summarised Financial Report.

4. Adoption of Amendments to LKAS 41 and LKAS 16

The Company adopted the amendments to LKAS 16 and LKAS 41 with effect from 1 April 2016. Under the amendments, biological assets that meet the definition of bearer plants will no longer be within the scope of LKAS 41. Instead, bearer plants will be measured under LKAS 16 at accumulated cost (before maturity) using the cost model (after maturity). These amendments have been applied retrospectively.

4. Adoption of Amendments to LKAS 41 and LKAS 16 (Contd.)

4.1 Reconciliation of Equity

Notes	As at 31/03/2016			As at 01/04/2015 (Transition date)		
	As previously reported	Adoption of Amendment to LKAS 41 and LKAS 16	As restated	As previously reported	Adoption of Amendment to LKAS 41 and LKAS 16	As restated
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
ASSETS						
Non-Current Assets						
Property, plant & equipment	-	-	-	1,529,499	-	1,529,499
Biological assets	-	-	-	319,463	(319,463)	-
Bearer Plants	-	-	-	-	88,001	88,001
Non-current financial assets	6,696,417	-	6,696,417	5,524,067	-	5,524,067
Total Non- Current Assets	6,696,417	-	6,696,417	7,373,029	(231,462)	7,141,567
Current Assets						
Inventories	2,123	-	2,123	435	-	435
Trade receivables	20,983	-	20,983	6,923	-	6,923
Advances and Prepayments	1,990	-	1,990	1,444	-	1,444
Taxation recoverable	2,464	-	2,464	6,335	-	6,335
Cash and cash equivalents	15,597	-	15,597	68,707	-	68,707
	43,157	-	43,157	83,844	-	83,844
Assets of disposal group held for sale	1,923,252	(258,204)	1,665,048	-	-	-
Total Current Assets	1,966,409	(258,204)	1,708,205	83,844	-	83,844
Total Assets	8,662,826	(258,204)	8,404,622	7,456,873	(231,462)	7,225,411
EQUITY AND LIABILITIES						
Equity						
Stated capital	69,401	-	69,401	69,401	-	69,401
Retained earnings	488,667	(186,154)	302,513	529,257	(175,911)	353,346
Other reserves	7,964,115	(10,081)	7,954,034	6,738,905	-	6,738,905
Total Shareholders' Funds	8,522,183	(196,235)	8,325,948	7,337,563	(175,911)	7,161,652
Non-Current Liabilities						
Deferred tax liabilities	-	-	-	77,379	(55,551)	21,828
Retirement benefit obligations	-	-	-	1,103	-	1,103
Total Non Current Liabilities	-	-	-	78,482	(55,551)	22,931
Current Liabilities						
Trade and other payables	18,600	-	18,600	7,058	-	7,058
Unclaimed dividend	36,572	-	36,572	33,770	-	33,770
	55,172	-	55,172	40,828	-	40,828
Liabilities directly associated with assets held for sale	85,471	(61,969)	23,502	-	-	-
Total Current Liabilities	140,643	(61,969)	78,674	40,828	-	40,828
Total Liabilities	140,643	(61,969)	78,674	119,310	(55,551)	63,759
Total Equity and Liabilities	8,662,826	(258,204)	8,404,622	7,456,873	(231,462)	7,225,411

4.2 Reconciliation of Total Comprehensive Income for the quarter ended 30th September 2015

	For the QTD				For the YTD			
	As previously reported	Adoption of Amendment to LKAS 41 and LKAS 16	Reclassification as discontinued operations	As restated	As previously reported	Adoption of Amendment to LKAS 41 and LKAS 16	Reclassification as discontinued operations	As restated
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Revenue	70,058	-	(70,037)	21	128,505	-	(125,951)	2,554
Direct operating costs	(18,091)	(824)	18,915	-	(37,407)	(1,648)	39,055	-
Gross profit	51,967	(824)	(51,122)	21	91,098	(1,648)	(86,896)	2,554
Gain/(loss) arising from changes in fair value of Biological Assets	3,191	(3,191)	-	-	1,701	(1,701)	-	-
Administrative expenses	(8,401)	-	8,401	-	(16,296)	-	16,296	-
Profit before income tax	46,757	(4,015)	(42,721)	21	76,503	(3,349)	(70,600)	2,554
Income tax expense	(10,157)	964	9,189	(4)	(15,842)	804	15,005	(33)
Profit for the period from Continuing operations	36,600	(3,051)	(33,532)	17	60,661	(2,545)	(55,595)	2,521
Profit/(Loss) after tax for the period from discontinued operations	-	-	33,532	33,532	-	-	-	55,595
Profit for the period	36,600	(3,051)	-	33,549	60,661	(2,545)	(55,595)	58,116
Other comprehensive income								
Other Comprehensive Income/(Loss) to be reclassified to profit or loss in subsequent periods								
Exchange Differences on translation of Financials of Foreign Operations	(187,115)	24,503	-	(162,612)	(209,682)	27,415	-	(182,267)
Gain/(Loss) on Change in Fair Value of Available - For -Sale Financial Assets	(275,978)	-	-	(275,978)	64,868	-	-	64,868
Net other Comprehensive Income/(Loss) to be reclassified to profit or loss in subsequent periods	(463,093)	24,503	-	(438,590)	(144,814)	27,415	-	(117,399)
Other Comprehensive Income/(Loss) not to be reclassified to profit or loss in subsequent periods								
Actuarial Gain/ (Loss) on Defined Benefit Plan	-	-	-	-	-	-	-	-
Income tax effect	-	-	-	-	-	-	-	-
Net other Comprehensive Income/(Loss) not to be reclassified to profit or loss in subsequent periods	-	-	-	-	-	-	-	-
Other Comprehensive Income/(Loss) for the period, net of tax	(463,093)	24,503	-	(438,590)	(144,814)	27,415	-	(117,399)
Total comprehensive income/(loss) for the period, net of tax	(426,493)	21,452	-	(405,041)	(84,153)	24,869	(55,595)	(59,283)

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5. Non-Current Assets Held For Sale And Discontinued Operations

As disclosed in the Company Annual Report for the year ended 31 March 2016, the Board of Directors after careful evaluation and consideration, executed a Sale and Purchase Agreement (SPA) with Kuala Lumpur Kepong Bhd., a non-related company incorporated in Malaysia to sell the overseas plantation assets of the Company (consisting of the Property Plant and Equipment and the Biological Assets) for RM 55 mn (Approx. Rs. 1,947 mn).

The Company has obtained the relevant regulatory approvals in Sri Lanka and Malaysia in respect of the Sale of the Property. The proceeds from the sale of the property is expected to be received by the Company once the title to the property is transferred in favor of the Purchaser in terms of the SPA. The process for title transfer is nearing completion. The handover of possession of the property in this regard is expected to take place on or before 12th November 2016, on which date the titles will be presented for registration to the Malaysian Land Registry. It is estimated that it would take approximately 14 days from there on for the titles to be transferred and for the Company to receive the sale proceeds. Please also refer Note 8.2 (Events After the Reporting Period) to this Interim Financial Statements with regard to announcement made subsequent to 30th September 2016 to Colombo Stock Exchange (CSE) on distribution of net proceeds from the sale of the Malaysian Property of the Company.

Non-current assets of the Company and disposal groups were classified as held for sale as the management intends to recover the carrying amount principally through a sale transaction rather than through continuing use. The company's plantation property in Malaysia (disposal group) is available for immediate sale in its present condition. After the careful evaluation, the Board of Directors considers that the sale of the above property is highly probable and the management is committed to the sale, which is expected to be qualified for recognition as a completed sale within one year from the date of classification as "held for sale".

Since the title/ownership of the properties have not been transferred as at 30th September 2016, the related plantation property continues to be carried in the balance sheet at its carrying value as reported in the previous quarter. Accordingly, net book value of Property, Plant & Equipment and Bearer Plants amounting to Rs.1518.18 mn (March 2016- Rs.1,575.27 mn) and Rs.90.52 mn (March 2016 -Rs. 89.78 mn, respectively have been reclassified and reported as "asset held for sale", in compliance with SLFRS 05 – Non Current Assets Held for Sale and Discontinued Operations.

Further, the related liabilities of the plantation property of the Company are also reclassified as "liabilities associated with asset held for sale" under current liabilities. No impairment loss has been recognized on reclassification of the asset as at 30th September 2016 as the assets' fair value less costs to sell is higher than the carrying value of above property, plant and equipment and Bearer Plants.

The results of the discontinued operations (Oil Palm Plantations Segment) included in the profit for the period are set out below. The comparative profit and cash flows from discontinued operations have also been represented to include those operations classified as discontinued in the current period.

5.1. Profit for the year from discontinued operations

	Quarter ended		Six Months ended	
	30.09.2016	30.09.2015	30.09.2016	30.09.2015
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Revenue from Sale of Fresh Fruit Bunches (FFB)	65,717	70,037	105,170	125,951
	65,717	70,037	105,170	125,951
Direct operating costs	(11,989)	(18,915)	(21,168)	(39,055)
Administrative expenses	(8,083)	(8,401)	(15,183)	(16,296)
Finance Expense	-	-	(26)	-
Profit before tax from discontinued operations	45,645	42,721	68,793	70,600
Income tax expense	(10,351)	(9,189)	(15,909)	(15,005)
Profit for the year from discontinued operations	35,294	33,532	52,883	55,595
Earnings Per Share for Discontinued Operations (Rs.)	5.09	4.83	7.62	8.01

Segment information related to discontinued operations are disclosed under Note 14.

5.2 The net cash flows from discontinued operations

	30.09.2016	30.09.2015
	Rs. '000	Rs. '000
Net Cash Inflows from Operating Activities	25,024	52,781
Net Cash Inflows/(Outflows) from Investing Activities	53	(1,364)
Net Cash Outflows from Financing Activities	(581)	(39,916)
Net Cash Inflows/(Outflows)	24,496	11,501

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5. Non-Current Assets Held For Sale And Discontinued Operations (Contd.)

5.3. The major classes of assets and liabilities of Oil Palm Plantation Segment classified as held for sale as at 30th September 2016 are, as follows:

	30.09.2016 Rs. '000	31.03.2016 Rs. '000
Assets		
Property, plant and equipment	1,518,187	1,575,269
Bearer Plants	90,517	89,779
Assets of disposal group held for sale	<u>1,608,704</u>	<u>1,665,048</u>
Liabilities		
Deferred tax liability	(21,960)	(22,256)
Retirement benefit obligations	(1,269)	(1,246)
Liabilities directly associated with assets held for sale	<u>(23,229)</u>	<u>(23,502)</u>
Net assets directly associated with disposal group	<u>1,585,475</u>	<u>1,641,546</u>

The capital accretion reserve and the related foreign currency translation reserve of the discontinued operation will be transferred to retained earnings and statement of profit or loss respectively at the time of de-recognition of assets and liabilities of the disposal group.

5.4 The expenses directly relating to the sale of Malaysian property (legal fee, valuation fee, taxes and levies etc.) are accrued under Trade and other payables and the related expenses have been recorded under the Trade and other receivables in the statement of financial position until such time the ownership/control of the Malaysian Property is transferred to the buyer. Hence, this has resulted in significant increase in "Trade and Other Payables" and "Trade and Other receivables" as at 30th September 2016.

6. Fair Value Measurement

The following table provides the fair value measurement hierarchy of the Company's financial assets which are stated as fair value. Fair value measurement hierarchy for financial assets as at 30th September 2016 and 31st March 2016 are as follows :

(All figures in Sri Lankan Rupees '000)

	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Non Current Financial Assets					
Measured at Fair Value:					
As at 30th September 2016					
Available-For-Sale financial assets (AFS)					
<u>Quoted equity shares</u>					
Shalimar (Malay) PLC (Note 7(b))	30th September 2016	1,712,123	1,712,123	-	-
<u>Unquoted Equity Shares</u>					
Shalimar Developments Sdn.bhd. (Note 7(a))	December 2015	5,001,578	-	-	5,001,578
AFS financial assets as at 30th September 2016		<u>6,713,701</u>	<u>1,712,123</u>	-	<u>5,001,578</u>
As at 31st March 2016					
Available-For-Sale financial assets					
<u>Quoted equity shares</u>					
Shalimar (Malay) PLC (Note 7(b))	31st March 2016	1,694,839	1,694,839	-	-
<u>Unquoted Equity Shares</u>					
Shalimar Developments Sdn.bhd. (Note 7(a))	December 2015	5,001,578	-	-	5,001,578
AFS financial assets as at 31 March 2016		<u>6,696,417</u>	<u>1,694,839</u>	-	<u>5,001,578</u>

SELINSING PLC

7. Non-current financial assets

a). Available-for-sale investment - Unquoted Equity Shares

The Company holds a 13.33% equity investment (March 2016: 13.33%) in Shalimar Development Sdn. Bhd. (SDSB), an investment holding Company incorporated in Malaysia. The sole equity investment of SDSB is in PT Agro Indomas (PTAI), an oil palm plantation Company based in Indonesia, in which it has a controlling interest. The Company has designated its investment in SDSB as an available-for-sale investment.

The Company obtained the services of Pricewaterhouse Coopers Capital Sdn. Bhd, Malaysia (PWC) to carry out an independent indicative fair market value of the equity interest in the unquoted investment in SDSB as at valuation date of 31 December 2015. The primary approach adopted was the Income Approach using discounted cash flows method.

b). Available-for-sale investment - Quoted Equity Shares

The Company holds a non-controlling interests of 10.73% (March 2016 : 10.73%) in Shalimar (Malay) PLC. The fair value of the said investment is determined by reference to published price quotations in the Colombo Stock Exchange.

8. Contingent Liabilities, Assets Pledged & Events After the Reporting Period

8.1 Contingent Liabilities

There are no material contingent liabilities as at the reporting date.

8.2 Events After the Reporting Period

As per the announcements made to the Colombo Stock Exchange ("CSE") on 17th October 2016 and the subsequent Circular to Shareholders dated 24th October 2016, the Board of Directors have decided to distribute the net sale proceeds (after deducting related expenses in Malaysia and Sri Lanka) from the total consideration on the sale of Malaysian Property of RM 55 mn (Approx. 1,947 mn) to the Shareholders of the Company, in the form of a repurchase of shares and a payment of an interim dividend as explained in the circular. In this regard, the Company has called for an Extraordinary General Meeting on 16th November 2016 to obtain shareholder approval for the Share Repurchase Offer.

There were no any other circumstances which required adjustment to or disclosures in these interim condensed Financial Statements.

8.3 Assets Pledged

There were no assets pledged as at the reporting date.

SELINSING PLC

9. Stated Capital

Stated capital of the company consists of,

As at 30.09.2016	As at 31.03.2016
6,940,080	6,940,080

Fully paid ordinary shares (voting)

10. Exchange Rates

The Financial Statements are presented in Sri Lankan Rupees, which is the company's presentation currency. As at the reporting date, the assets and liabilities of the Malaysian Operations are translated in to the presentation currency (Sri Lankan Rupee) at the rate of exchange ruling at the reporting date and the items in the Statement of Profit or Loss are translated at the average exchange rate for the period. The resultant exchange differences on the translation are recognised in Other Comprehensive Income.

	30.09.2016	30.09.2015	31.03.2016
Malaysian Ringgit			
Average rate	35.75	34.97	34.35
Period end rates	35.41	31.77	36.74
US Dollar			
Average rate	145.68	134.83	139.05
Period end rates	146.56	141.11	144.69

Malaysian Ringgit (MYR) is the functional currency of the Company since the principal plantation operation is based in Malaysia. For the purpose of reporting, the Financial Statements of the Malaysian branch is translated into Sri Lanka Rupee (LKR) at the end of each reporting period.

11. Non-Recurrent Related Party Transactions

Non-recurrent related party transactions include the following temporary advance given to Indo Malay PLC. This advance is repayable upon demand.

Entity	Relationship	Nature of Transaction	Terms	Transaction Value for the period	Balance receivable as at 30th September 2016
				Rs. Mn	
Indo Malay PLC	Fellow Subsidiary	Interest Bearing Interest Income	(a)	- 0.19	13.04 -

Note (a) - Interest expenses on the "temporary cash advance" given is at the prevailing market rates in Malaysia. This advance is repayable upon demand.

The above related party receivable is included under the trade and other receivables in the Balance Sheet.

There are no other significant related party balances outstanding as at the reporting date.

12. Recurrent Related Party Transactions

12.1 Management Fee

The Management fee, Performance incentive and Sales commission charged by Agro Harapan Lestari Sdn. Bhd., a fellow subsidiary, of Rs.6.89 mn for the period ended 30th September 2016 (30th September 2015: Rs.11.1 mn) has been charged in arriving at the profit before income tax.

12.2 Data Processing and IT Support Fee

The IT support and Data Processing fee charged by AHL Business Solutions (Pvt) Ltd. and Goodhope Investments (Pvt) Ltd., fellow subsidiaries, of Rs.0.87 mn (30th September 2015 : Rs.1.68mn) and Rs.0.56mn (30th September 2015: Rs.0.53Mn) respectively for the period ended 30th September 2016 have been included in Administrative Expenses.

All the above recurrent related party transactions have been conducted on agreed commercial terms with the respective parties on an arm's length basis.

13. Going Concern

The Interim condensed financial statements of company have been prepared on a going concern basis after evaluation of the current status of the proposed disposal of the overseas plantations assets . Having taken into account of the above and financial position, the directors have a reasonable expectation that the company's operation will continue for the foreseeable future.

14. Segmental Analysis

The following information is based on the Primary Segment (Industry Segment) results. As disclosed in Note 5, the oil palm plantation segment considered as discontinued operations.

	Oil Palm Plantation (Discontinued Operations)		Investments (Continuing Operations)		Company	
	2016	2015 (Restated)	2016	2015 (Restated)	2016	2015 (Restated)
For the six months ended 30th September (All figures in Sri Lankan Rupees '000)						
External Revenue						
Sale of fresh fruit bunches	105,170	125,951	-	-	105,170	125,951
Dividend income	-	-	-	2,387	-	2,387
Interest income	-	-	418	167	418	167
	105,170	125,951	418	2,554	105,588	128,505
Result						
Segment result	68,793	70,600	418	2,554	69,212	73,154
Taxation	(15,909)	(15,005)	(102)	(33)	(16,011)	(15,038)
Profit for the period	52,884	55,595	316	2,521	53,200	58,116

The above figures are subject to audit.

PLANTATION OPERATIONS

	Six Months ended		Year ended
	30.09.2016	30.09.2015	30.06.2016
Production			
Crop (MT)	5,044	8,350	13,612
Planted Hectarage			
As at	30.09.2016	30.09.2015	31.03.2016
Mature Plantation	444.27	444.27	444.27
Immature Plantation	42.45	42.45	42.45
Total	486.72	486.72	486.72

INVESTOR INFORMATION

	Six Months ended		Year ended
	30.09.2016	30.09.2015	31.03.2016
Share information			
Highest price per share (Rs.)	1,643.90	1,695.00	1,700.00
Lowest price per share (Rs.)	1,200.10	1,190.20	1,020.00
Last traded price (Rs.)	1,349.80	1,500.00	1,349.80
Volume traded (No. of shares)	138	3,181	4,941

SELINSING PLC
Additional Notes

I Names and the Number of Shares (voting) held by the top 20 shareholders as at 30th September 2016.

	Name of Shareholders	Number of Shares	%
1	Goodhope Asia Holdings Ltd	6,677,204	96.21
2	Mr. D.A. Campbell	37,713	0.54
3	Mr. H.V. Cartwright (Decd)	23,328	0.34
4	Executer of the Estate of C. Peters(Decd)	20,605	0.30
5	Mr. F.W. Obeyesekere (Decd)	19,440	0.28
6	Mr. K.C. Vignarajah	17,932	0.26
7	Mr. T. Velupillai(Decd)	15,552	0.22
8	Admin. of the Estate of H.S. Gour (Decd)	9,720	0.14
9	Mr. S.T.S. Chettiar	9,486	0.14
10	Administratrix of the Eatate of Ramiah (Decd)	7,776	0.11
11	Executer of the Estate of C. Stoddart (Decd)	7,776	0.11
12	Mrs. H.L. Keiller (Decd)	7,776	0.11
13	Miss. M. Mack	7,776	0.11
14	Mr. D. Harley	6,480	0.09
15	Executer of the Estate of C.S. Nicol (Decd)	6,480	0.09
16	Mrs. S. Vignarajah	5,714	0.08
17	Mr. N.J.P. Hewett	4,042	0.06
18	Mrs. V. Cotton	3,888	0.06
19	Mrs. I.C. Smith(Decd)	3,888	0.06
20	Mr. W.P. Brown	3,447	0.05
		6,896,023	99.37

II Ordinary Shares of the Company held by the public as at 30th September 2016 are as follows;

Number of public shareholders	368
Percentage of public holding	3.78%

III Directors shareholdings as at 30th September 2016.

Name of Director	Number of Shares
Mr. H. Selvanathan	-
Mr. M. Selvanathan	1
Mr. I. Paulraj	-
Mr. D.C.R.Gunawardena	-
Mr. P.C.P.Tissera	-
Mr. S Mahendrarajah	66

IV PT Agro Indomas, the Company's investment made through Shalimar Developments Sdn. Bhd. (Investment vehicle in Malaysia) is located in Kalimantan province, Indonesia.The total land area of PT Agro Indomas is approximately 26,861 Ha.

Operational performance information is given below.

Operational performance indicators	2016 September	2015 September
Crop Production (MT)	199,673	230,402
CPO (MT)	39,675	59,848
PK (MT)	9,231	14,231
CPO Ex Mill Price (US\$)	454	503
FFB Yield (MT per Hectare)	8.68	11.39
CPO/ Ha (MT)	1.71	2.96
Milling Capacity (MT per Hour)	225	225
Value of biological assets & property, plant and equipment. (US\$ Mn)	200.67	173.04

MT-Metric Tones

CORPORATE INFORMATION

Name of the Company

Selinsing PLC

Company No

PQ 46

Legal Form

A Public Quoted Company with Limited Liability.
Incorporated in Sri Lanka in 1907.

Directors

M. Selvanathan (Chairman)
H. Selvanathan
I. Paulraj
D.C.R.Gunawardena
P.C.P.Tissera
S.Mahendrarajah

Bankers

Standard Chartered Bank
HSBC Bank Malaysia Berhad
Commercial Bank of Ceylon PLC
Deutsche Bank

Auditors of the Company

Messrs. Ernst & Young
Chartered Accountants
201, De Saram Place
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Tel: + 94 11 2463500
Fax: + 94 11 2697369

Secretaries

Carsons Management Services (Private) Limited.
61, Janadhipathi Mawatha
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Managers

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Principal Place Of Business

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Perak Darul Ridzuan
Malaysia.

Corporate Website

www.goodhopeholdings.com

Holding Company

Goodhope Asia Holdings Ltd

Ultimate Parent & Controlling Entity

Bukit Darah PLC