

**RADIANT GEMS      INTERNATIONAL  
PLC**

**INTERIM FINANCIAL STATEMENT  
FOR THE QUARTER ENDED**

**31-Dec-18**



**RADIANT GEMS INTERNATIONAL PLC:**  
**INCOME STATEMENT**

	For the Quarter Ended		Change %	For the period Ended		Change %
	31-Dec-18	31-Dec-17		31-Dec-18	31-Dec-17	
<b>Turnover</b>	13,888,750	18,278,688	-24%	42,226,332	53,540,868	-21%
Cost of Sales	(9,374,838)	(9,343,826)	0%	(27,112,207)	(25,492,993)	6%
<b>Gross profit</b>	4,513,912	8,934,862	-49%	15,114,125	28,047,875	-46%
Other Income	142,983	81,052	76%	543,749	444,656	22%
Administration Expenses	(8,376,788)	(6,903,497)	21%	(24,430,097)	(21,289,758)	15%
Distribution Expenses	-	(5,190)	-100%	(285,098)	(303,767)	-6%
<b>Profit/(Loss)from operation</b>	(3,719,893)	2,107,227		(9,057,321)	6,899,006	
Finance Income	-	-	-	-	5,320	-
Finance Costs	(466,977)	(773,983)	-40%	(2,111,610)	(2,330,190)	-9%
Exchange Loss Adjustment	(2,069,966)	(438,537)	372%	(2,455,798)	(1,098,422)	124%
<b>Net Finance costs</b>	(2,536,943)	(1,212,520)		(4,567,408)	(3,423,292)	
Profit/(Loss) Before Taxation	(6,256,836)	894,707	-799%	(13,624,729)	3,475,714	-492%
Income Tax Expenses	-	(2,787)		(157)	(4,569)	
<b>Profit/(Loss) for the year</b>	(6,256,836)	891,920	-802%	(13,624,886)	3,471,145	-493%
<b>Other Comprehensive Income</b>	-	-		-	-	
<b>Total Comprehensive Income</b>	(6,256,836)	891,920	-802%	(13,624,886)	3,471,145	-493%
Earning / (Loss) Per Share	(2.61)	0.37		(5.68)	1.45	

***Note***

*All values are in Sri Lankan Rupees.  
The above figures are subject to audit.*

**RADIANT GEMS INTERNATIONAL PLC**  
**BALANCE SHEET**

	As at 31-Dec-18	As at 31-Dec-17	Audited As at 31-Mar-18
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property Plant & Equipment	53,306,724	61,140,454	67,397,714
Work-In-Progress	-	414,515	-
	<u>53,306,724</u>	<u>61,554,969</u>	<u>67,397,714</u>
			-
Deferred Revenue Expenditure- Furnace Process			
Furnace Process Stock	-	790,882	-
Investment in Stock of Gems Stones	7,743,064	7,491,589	7,862,914
	<u>7,743,064</u>	<u>8,282,471</u>	<u>7,862,914</u>
<b>CURRENT ASSETS</b>			
Stock	3,578,695	4,002,942	3,577,695
Trade & Other Receivables	723,746	3,240,741	4,754,739
Deposits & Prepayments	2,444,141	2,439,336	711,684
Cash in Hand	430,161	2,300,008	42,876
	<u>7,176,743</u>	<u>11,983,027</u>	<u>9,086,994</u>
	<u>68,226,532</u>	<u>81,820,470</u>	<u>84,347,621</u>
<b>EQUITY LIABILITIES</b>			
Stated Capital	24,000,000	24,000,000	24,000,000
Retained Earnings	(113,427,620)	(110,300,899)	(110,420,642)
Other component of Equity	102,048,583	104,709,232	112,389,083
	<u>12,620,963</u>	<u>18,408,333</u>	<u>25,968,442</u>
<b>NON CURRENT LIABILITIES</b>			
Loan bank of Ceylon - FCBU	22,926,267	24,654,907	24,290,625
Term loan	489,881	2,661,727	2,111,708
Related party payables	1,686,622	1,190,334	60,191
Deferred Liability- Gratuity Provision	6,986,065	6,266,399	6,707,815
Lease Creditor	-	-	-
	<u>32,088,835</u>	<u>34,773,367</u>	<u>33,170,339</u>
<b>CURRENT LIABILITIES</b>			
Bank overdraft	8,826,699	10,401,639	4,672,982
Creditors & Accrued Expenses	7,774,521	11,308,283	14,900,101
Term loan	2,171,846	2,200,080	2,200,080
Loan Bank of Ceylon - FCBU	4,743,667	3,523,428	2,569,958
Lease Creditor	-	1,205,341	865,720
	<u>23,516,733</u>	<u>28,638,771</u>	<u>25,208,841</u>
	<u>68,226,532</u>	<u>81,820,470</u>	<u>84,347,621</u>

**Note**

These Financial Statements are in compliance with the requirement of the Companies Act No. 7 of 2007.



W.K.G.W. Darshana Wijewickrama  
**Financial Officer**

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



S H Munasinghe  
**Chairman/ Managing Director**  
13/02/2019



R Madappuli  
**Director**

**RADIANT GEMS INTERNATIONAL PLC**  
**CASH FLOW STATEMENT**

	For the period ended <b><u>31-Dec-18</u></b>	For the period ended <b><u>31-Dec-17</u></b>	Audited As at <b><u>31-Mar-18</u></b>
<b>Net (Loss)/Profit before Taxation</b>	(13,624,729)	3,471,145	3,956,045
<b><u>Adjustments for</u></b>			
Depreciation	3,485,691	3,170,016	4,236,892
Gratuity Provision	450,000	450,000	1,164,728
Fixed Asset Disposal Loss	67,017	-	-
Finance Cost & Exchange loss adjustment	4,567,408	3,428,612	4,578,610
Finance Income	-	(5,320)	(7,039)
	<u>8,570,116</u>	<u>7,043,308</u>	<u>9,973,191</u>
<b>Operating Profit /(Loss)Before Working Capital Changes</b>	(5,054,613)	10,514,453	13,929,236
<b><u>Changes in Working Capital</u></b>			
Decrease/(Increases) in Debtors & Other Receivable	4,030,993	1,450,558	(63,440)
(Increases)/Decrease in Deposits & Prepayments	(1,732,457)	(1,468,285)	259,367
(Decrease)/Increase in Creditors & Accrued Expenses	(7,125,580)	(112,426)	3,479,392
(Decrease)/Increase in Stock	(1,000)	(109,110)	(316,137)
<b>Changes In Working Capital</b>	<u>(4,828,044)</u>	<u>(239,263)</u>	<u>3,991,455</u>
<b>Cash generated from operational activities</b>	<b>(9,882,657)</b>	<b>10,275,190</b>	<b>17,920,691</b>
Interest Paid	(1,901,377)	(2,330,191)	(2,994,143)
Interest Received	-	-	-
Gratuity Paid	(171,750)	(313,750)	(396,250)
Exchange Loss	(2,455,798)	(1,098,422)	(1,584,466)
Income Tax Payment	-	-	(4,569)
<b>Net Cash Flow from Operating Activities</b>	<u>(14,411,582)</u>	<u>6,538,147</u>	<u>12,941,263</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Acquisition of Fixed Assets	(1,341,281)	(835,286)	(7,744,907)
Disposal Fixed Asset	11,946,580	-	-
Revaluation Gain	-	-	7,308,525
Revaluation Gain in Investment Stock	-	-	371,326
Investment in Stock of Gems Stones	119,850	47,190	(324,135)
<b>Net Cash Used in Investing Activities</b>	<u>10,725,149</u>	<u>(788,096)</u>	<u>(389,191)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
BOC Loan Repayment	809,351	1,256,875	(60,877)
Term loan Repayment	(1,650,061)	(1,650,061)	(2,200,080)
Lease Rental Payment	(865,720)	(941,518)	(1,281,139)
Related Party Loan (Payment)/Receved	1,626,431	(4,361,641)	(5,491,784)
<b>Net Cash used in Financing Activities</b>	<u>(79,999)</u>	<u>(5,696,345)</u>	<u>(9,033,880)</u>
<b>Net Decrease in Cash or Cash Equivalents</b>	<u>(3,766,432)</u>	<u>53,706</u>	<u>3,518,192</u>
<b><u>Cash &amp; Cash Equivalent at the Beginning of the period</u></b>			
Cash at Bank	-	-	-
Cash in Hand	42,876	3,055,286	2,567
	<u>42,876</u>	<u>3,055,286</u>	<u>2,567</u>
Overdraft	(4,672,982)	(11,210,622)	(8,157,904)
Cash and cash equivalent at the beginning of the period	<u>(4,630,106)</u>	<u>(8,155,337)</u>	<u>(8,155,337)</u>
<b><u>Cash &amp; Cash Equivalent at the End of the period</u></b>			
Cash at Bank	-	-	-
Cash in Hand	430,161	2,300,008	42,876
	<u>430,161</u>	<u>2,300,008</u>	<u>42,876</u>
Overdraft	(8,826,699)	(10,401,639)	(4,672,982)
<b>Cash and cash equivalent at the end of the period</b>	<u>(8,396,538)</u>	<u>(8,101,631)</u>	<u>(4,630,106)</u>

***Note***

*All values are in Sri Lankan Rupees. Figures in brackets indicate deductions.*

*The above figures are subject to audit.*



**RADIANT GEMS INTERNATIONAL PLC**  
**STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31ST DECEMBER 2018**

Description	Stated Capital	Retained Profit/ (Loss)	Other component of Equity	Total
Balance as at 01-04-2017	24,000,000	(113,772,045)	104,709,232	14,937,187
Profit for the period	-	3,471,145	-	3,471,145
Balance as at 31-12-2017	<u>24,000,000</u>	<u>(110,300,900)</u>	<u>104,709,232</u>	<u>18,408,332</u>
Balance as at 01-04-2018	24,000,000	(110,420,642)	112,389,083	25,968,443
Adgement	-	277,410		277,410
Reverse Revaluation Recerv	-	10,340,499	(10,340,499)	-
Loss for the period	-	(13,624,886)	-	(13,624,886)
Balance as at 30-09-2018	<u>24,000,000</u>	<u>(113,427,619)</u>	<u>102,048,584</u>	<u>12,620,968</u>

**NOTES TO THE FINANCIAL STATEMENTS**

- Figures for the Quarter ended 31st December 2018 are provisional and are subject to audit.
- 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 31 March 2018, including the changes to accounting policies as a result of convergence to Sri Lanka Financial Reporting Standards "SLFRS".
- The Financial Statements for the Quarter ended 31st December 2018 are prepared in accordance with Sri Lanka Accounting Standards (SLFRS/LKAS) immediately effective from 1 April 2012.
- There have been no other events subsequent to the Balance Sheet date, which require disclosure in the Interim Financial Statements.
- There has not been a significant change in the nature of the contingent liabilities and contingent assets, which were disclosed in the last Annual Report.

6) MARKET VALUE OF SHARES FOR THE QUARTER ENDED	31-Dec-18	31-Dec-17
Closing Price on	24.00	25.00
Highest price recorded	26.00	31.90
Lowest price recorded	19.70	24.00

**7) RATIOS**

Net Asset Value Per Share	5.26	7.67
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**8) DIVIDEND PAYMENT**

Interim Dividend	Nil	Nil
Final Dividend	Nil	Nil

**RADIANT GEMS INTERNATIONAL PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**

- 09) Number of shares representing the stated capital as at 31st December 2018 was 2,400,000.
- 10) The percentage of shares held by the public as at 31st December 2018 was 95.43% of Issued Share Capital
- 11) Flot Adjusted Market Capitalization as at 31st December 2018 was 54,967,680.
- 12) The applicable option under CSE Rule 7.13.1 on Minimum Public Holding is Option 5
- 13) Number of Public Shareholders as at 31st December 2018 was 840
- 14) The number of shares held by the board of directors are as follows

**31-Dec-18**

S H Munasinghe - Chairman/ Managing Director		
-Individual	5,000	
-Jointly with H Abhayawardhana	26,547	
-Jointly with Mrs. K.V. Munasinghe	14,311	
-Jointly with Mrs. K.V. Abhayawardhana	11,000	56,858
R S Dharmadasa		1,000
M.D.M.R.S Madappuli		Nil
S.R.D.Abhayawardhana		Nil
Mr. A.D. Madushanka		Nil

- 14) List of 20 major share holders as at 31st December 2018

	NAME	SHAREHOLDING PER (%)	
1	Mr.K.E.H.De Alwis/Dialog Finance PLC	533,873	22.24
2	Mr.E Naftule	183,010	7.63
3	Mr.N Naftule	183,009	7.63
4	Mr.R Naftule	156,866	6.54
5	Orava (Pvt)Ltd	116,566	4.86
6	Mrs.A G N Kulartnepategay/G N Kularathne /Miss.A G N Kularatne	80,000	3.33
7	Mr.W P Fernando	41,235	1.72
8	Seylan Bank PLC/A R Investments (Private)	39,999	1.67
9	Dr.M.I.M.Muhseen	38,507	1.60
10	Mr.L Kadirgamar	29,900	1.25
11	Mr.H Abhayawardhana / Mrs.K Munasinghe	26,548	1.11
12	Mr.H Abhayawardhana /Mr.S H Munasinghe	26,547	1.11
13	Mr.H Abhayawardhana / Ms.N V Munasinghe	26,547	1.11
14	Mr.H Abhayawardhana /Ms.R V Munasinghe	26,547	1.11
15	Mr.Nassin Hussain	24,446	1.02
16	Mr.Ibrahim Abdul Rahuman	23,627	0.98
17	Mr.R Naftule	20,000	0.83
18	Mr.S.N.C.W.Kandegedara	19,999	0.83
19	Mrs.Martenstyn Dilrukshi	19,825	0.83
20	Mrs.S Kadirgamar / Mr. A C N Kadiragamar	19,252	0.80
		<b>1,636,303</b>	<b>68.20</b>