

**INTERIM FINANCIAL STATEMENTS
FOR THREE MONTHS ENDED 30 JUNE 2019
UNAUDITED**



ACL CABLES PLC (PQ 102)

ACL CABLES PLC
INCOME STATEMENT

Unaudited

(all amounts in Sri Lanka Rupees thousands)

<i>For the period months ended 30 June</i>	Group		Company	
	2019	2018	2019	2018
Revenue	4,753,529	3,532,657	2,702,544	2,337,169
Cost of sales	(4,032,574)	(3,031,570)	(2,395,016)	(2,134,142)
Gross profit	720,955	501,087	307,528	203,027
Other income	7,723	9,150	1,787	6,916
Distribution costs	(244,416)	(201,658)	(123,991)	(104,116)
Administrative costs	(118,964)	(114,682)	(49,618)	(46,477)
Results from operating activities	365,298	193,897	135,706	59,350
Net finance costs	(175,447)	(88,015)	(79,967)	(24,095)
Share of profit of investments accounted for using the equity method	(13,690)	20,400	-	-
Profit before income tax	176,160	126,282	55,739	35,255
Income tax expenses	(58,523)	(39,105)	(14,918)	(14,784)
Profit for the year	117,637	87,177	40,821	20,471
Profit attributable to :				
- Owners of the parent	91,922	84,712	40,821	20,471
- Non-controlling interests	25,715	2,465	-	-
	117,637	87,177	40,821	20,471
Earnings per share (Rs.)	0.77	0.71	0.34	0.17

ACL CABLES PLC
STATEMENT OF COMPREHENSIVE INCOME

Unaudited

(all amounts in Sri Lanka Rupees thousands)

For the period months ended 30 June

	Group		Company	
	2019	2018	2019	2018
Profit for the year	117,637	87,177	40,821	20,471
Other comprehensive income/(expenses)				
Net change in fair value of available-for-sale financial assets	(2,451)	874	(717)	(198)
Share of other comprehensive income of equity accounted investee, net of tax	-	1,669	-	-
Other comprehensive income for the year, net of tax	(2,451)	2,543	(717)	(198)
Total comprehensive income for the year, net of tax	115,186	89,720	40,104	20,273
Total comprehensive income attributable to:				
- Owners of the parent	90,074	86,882	40,104	20,273
- Non-controlling interests	25,111	2,838	-	-
Total comprehensive income for the year, net of tax	115,186	89,720	40,104	20,273

ACL CABLES PLC
STATEMENT OF CHANGES IN EQUITY - GROUP

Unaudited

(all amounts in Sri Lanka Rupees thousands)

For the period ended 30 June 2019

	Attributable to owners of the company					Total	Non controlling interest	Total equity
	Stated capital	Capital reserves	General reserve	Fair value of nancial asset at FVOCI	Retained profit			
Balance at 1 April 2019	299,488	2,274,026	1,123,825	4,774	6,838,660	10,540,773	1,284,316	11,825,089
Net profit	-	-	-	-	91,922	91,922	25,715	117,637
Fair value adjustment for available-for-sale financial assets	-	-	-	(1,848)	-	(1,848)	(603)	(2,451)
Share of other comprehensive income of equity accounted investee, net of tax	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	(1,848)	91,922	90,074	25,111	115,186
Balance at 30 June 2019	299,488	2,274,026	1,123,825	2,926	6,930,582	10,630,847	1,309,427	11,940,275

For the year ended 31 March 2019

	Attributable to owners of the company					Total	Non controlling interest	Total equity
	Stated capital	Capital reserves	General reserve	Fair value of nancial asset at FVOCI	Retained profit			
Balance at 1 April 2018	299,488	2,277,717	1,123,825	8,006	6,619,570	10,328,606	1,245,075	11,573,679
Net profit	-	-	-	-	84,712	84,712	2,465	87,177
Fair value adjustment for available-for-sale financial assets	-	-	-	501	-	501	373	874
Share of other comprehensive income of equity accounted investee, net of tax	-	-	-	-	1,669	1,669	-	1,669
Total comprehensive income	-	-	-	501	86,381	86,882	2,838	89,720
Balance at 30 June 2018	299,488	2,277,717	1,123,825	8,507	6,705,951	10,415,488	1,247,913	11,663,401
Balance at 1 July 2018	299,488	2,277,717	1,123,825	8,507	6,705,951	10,415,488	1,247,913	11,663,401
Net profit	-	-	-	-	468,576	468,576	62,049	530,625
Adjustment on initial application on SLFRS 09	-	-	-	-	(240,556)	(240,556)	-	(240,556)
Tax effect arising on initial application of SLFRS 09	-	-	-	-	67,356	67,356	-	67,356
Fair value adjustment for available-for-sale financial assets	-	-	-	(3,733)	-	(3,733)	(1,059)	(4,792)
Re-measurements of post employment benefit obligation	-	-	-	-	9,657	9,657	-	9,657
Deferred tax on re-measurement of post employment benefit obligation	-	-	-	-	3,753	3,753	-	3,753
Gain on revaluation of Land and Building	-	-	-	-	-	-	-	-
Deferred tax on revaluation surplus	-	-	-	-	-	-	-	-
Share of other comprehensive income of equity accounted investee, net of tax	-	-	-	-	(87)	(87)	-	(87)
Impact on transfer of NCI balance to retained earning of equity investee	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	(3,733)	308,699	304,966	60,990	365,956
Transfers upon disposal of available-for-sale investments	-	-	-	-	-	-	-	-
Transfer from revaluation reserve net of tax	-	(3,691)	-	-	3,691	-	-	-
Dividends	-	-	-	-	(179,681)	(179,681)	(24,587)	(204,268)
Balance at 31 March 2019	299,488	2,274,026	1,123,825	4,774	6,838,660	10,540,773	1,284,316	11,825,089

ACL CABLES PLC
STATEMENT OF CHANGES IN EQUITY - COMPANY

Unaudited

(all amounts in Sri Lanka Rupees thousands)

For the period ended 30 June 2019

	Stated capital	Capital reserves	General reserve	Fair value of financial asset at FVOCI	Retained profit	Total
Balance at 1 April 2019	299,488	1,002,568	680,266	881	3,550,933	5,534,136
Net profit	-	-	-	-	40,821	40,821
Fair value adjustment for available-for-sale financial assets	-	-	-	(717)	-	(717)
Total comprehensive income	-	-	-	(717)	40,821	40,104
Balance at 30 June 2019	299,488	1,002,568	680,266	164	3,591,755	5,574,241
No of shares as at 30 June 2019	119,787,360					

For the year ended 31 March 2019

	Stated capital	Capital reserves	General reserve	Fair value of financial asset at FVOCI	Retained profit	Total
Balance at 1 April 2018	299,488	1,002,568	680,266	2,828	3,394,171	5,379,321
Net profit	-	-	-	-	20,471	20,471
Fair value adjustment for available-for-sale financial assets	-	-	-	(198)	-	(198)
Total comprehensive income	-	-	-	(198)	20,471	20,273
Balance at 30 June 2018	299,488	1,002,568	680,266	2,630	3,414,642	5,399,594
Balance at 1 July 2018	299,488	1,002,568	680,266	2,630	3,414,642	5,399,594
Net profit	-	-	-	-	326,637	326,637
Fair value adjustment for available-for-sale financial assets	-	-	-	(1,749)	-	(1,749)
Adjustment on initial application on SLFRS 09	-	-	-	-	(26,343)	(26,343)
Tax effect arising on initial application of SLFRS 09	-	-	-	-	7,376	7,376
Re-measurements of post employment benefit obligation	-	-	-	-	11,531	11,531
Deferred tax on re-measurement of post employment benefit obligation	-	-	-	-	(3,229)	(3,229)
Total comprehensive income	-	-	-	(1,749)	315,972	314,223
Dividends	-	-	-	-	(179,681)	(179,681)
Balance at 31 March 2019	299,488	1,002,568	680,266	881	3,550,933	5,534,136
No of shares as at 31 March 2019	119,787,360					

ACL CABLES PLC
STATEMENT OF FINANCIAL POSITION

Unaudited

(all amounts in Sri Lanka Rupees thousands)

As at	Group		Company	
	30 June 2019	31 March 2019	30 June 2019	31 March 2019
ASSETS				
Non-current assets				
Property, plant and equipment	4,495,622	4,491,089	2,018,810	2,043,234
Work in progress	27,102	73,701	2,782	2,782
Investment property	653,000	653,000	358,000	358,000
Intangible assets	6,997	7,050	1,003	1,057
Pre paid lease rentals	1,616	1,622	-	-
Investment in subsidiaries	-	-	668,248	668,248
Investment in equity accounted investee	242,101	255,792	345,093	345,093
Available-for-sale Financial assets	371,246	373,695	9,996	10,713
Deferred income tax assets	1,790	1,957	-	-
	5,799,474	5,857,906	3,403,931	3,429,127
Current assets				
Inventories	5,591,214	5,679,097	2,648,498	2,871,272
Trade and other receivables	6,859,527	6,336,648	4,063,740	3,744,824
Pre paid lease rentals	22	22	-	-
Held-to-maturity financial assets	-	-	-	-
Cash and cash equivalents	2,579,693	3,015,111	1,089,737	922,269
	15,030,456	15,030,878	7,801,975	7,538,365
TOTAL ASSETS	20,829,930	20,888,784	11,205,906	10,967,492
EQUITY AND LIABILITIES				
Capital and reserves				
Stated capital	299,488	299,488	299,488	299,488
Capital reserve	2,274,026	2,274,026	1,002,568	1,002,568
General reserve	1,123,825	1,123,825	680,266	680,266
Available-for-sale Reserve	2,926	4,774	164	881
Retained earnings	6,930,582	6,838,660	3,591,755	3,550,934
Equity attributable to owners of the parent	10,630,846	10,540,773	5,574,241	5,534,137
Non-controlling interests	1,309,427	1,284,316	-	-
Total equity	11,940,275	11,825,089	5,574,241	5,534,137
Non-current liabilities				
Defined benefit obligations	335,315	326,711	196,498	192,004
Deferred tax liability	514,390	514,705	291,770	291,769
Borrowings	351,566	267,156	95,689	12,356
	1,201,271	1,108,572	583,957	496,129
Current liabilities				
Trade and other payables	1,777,327	1,079,458	2,234,219	1,506,449
Current income tax liability	632,500	657,741	241,080	282,370
Borrowings	4,183,591	5,064,905	1,824,714	2,369,304
Bank overdraft	1,094,967	1,153,019	747,695	779,103
	7,688,384	7,955,123	5,047,708	4,937,226
Total liabilities	8,889,655	9,063,695	5,631,665	5,433,355
Total equity and liabilities	20,829,930	20,888,784	11,205,906	10,967,492
Net asset value per share	88.75	88.00	46.53	46.20
Highest and Lowest Market Price recorded during the quarter;				
Highest price (Rs.)			34.00	43.90
Lowest price (Rs.)			26.50	32.00
Last traded price (Rs.)			30.80	32.30

It is certified that these financial statements have been prepared in compliance with the requirements of Companies Act, No. 07 of 2007.

Sgd
Champika Coomasaru
Group Chief Financial Officer

Sgd
U. G. Madanayake
Chairman

09 August 2019
Colombo

Sgd
Suren Madanayake
Managing Director

ACL CABLES PLC
STATEMENT OF CASH FLOWS

Unaudited

(all amounts in Sri Lanka Rupees thousands)

For the period months ended 30 June

	GROUP		COMPANY	
	2019	2018	2019	2018
CASH FLOW FROM OPERATING ACTIVITIES				
Profit/(loss) before tax	176,160	126,282	55,739	35,255
Adjustments for:				
Depreciation of property, plant and equipment	61,229	65,284	32,212	23,160
Share of profit from equity accounted investee (net of tax)	13,690	(20,400)	-	-
Dividend income	(150)	(154)	(150)	(154)
Interest expense/(income)	175,447	88,015	79,967	24,095
Exchange gain on investment in Sri Lanka development bonds	-	(4,830)	-	(4,830)
Amortization of leasehold properties	6	6	-	-
Defined benefit obligations	15,120	14,998	8,198	8,076
Changes in working capital:				
(Increase)/Decrease in;				
Inventories	87,883	286,514	222,774	103,685
Receivables and prepayments	(522,879)	(88,343)	(318,916)	(756,603)
Increase/(Decrease) in;				
Trade and other payables	697,869	(639,087)	727,767	710,197
Cash generated from/ (used in) operations	704,375	(171,716)	807,591	142,881
Interest received/(paid)	(175,447)	(88,015)	(79,967)	(24,095)
Defined benefit obligations paid	(6,516)	(2,443)	(3,703)	(1,491)
Income tax paid less refund received	(83,913)	(84,242)	(56,206)	(23,561)
Net cash (used in)/from operating activities	438,498	(346,416)	667,715	93,734
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase and construction of property, plant and equipment	(19,110)	(52,026)	(7,732)	(33,984)
Investment in held-to-maturity investments	-	-	-	-
Dividend received	150	154	150	154
Sales proceeds from held-to-maturity investments	-	471,630	-	471,630
Net cash from/(used in) investing activities	(18,960)	419,758	(7,582)	437,799
CASH FLOW FROM FINANCING ACTIVITIES				
Short term borrowings net of payments	(881,314)	(678,535)	(544,590)	(461,133)
Long term borrowings net of payments	84,410	(17,551)	83,333	(16,667)
Net cash generated from/ (used in) financing activities	(796,904)	(696,086)	(461,257)	(477,800)
Net increase/(decrease) in cash & cash equivalents	(377,366)	(622,743)	198,876	53,733
Cash and cash equivalents at the beginning of the year	1,862,092	1,245,509	143,166	(379,233)
Cash and cash equivalents at the end of the year	1,484,726	622,766	342,042	(325,500)

(all amounts in Sri Lanka Rupees thousands)

1. Segment information

(a) Business segment information

<i>For the period months ended 30 June</i>	Manufacturing cables 2019	Manufacturing PVC compound 2019	Others 2019	Total 2019	Total 2018
Revenue					
Total revenue	4,897,300	378,762	788,054	6,064,116	6,090,681
Inter-segment sales	(173,981)	(346,185)	(790,420)	(1,310,587)	(2,558,024)
External sales	4,723,319	32,577	(2,366)	4,753,529	3,532,657
Results					
Profit/(loss) before other income and finance cost	256,237	45,376	55,962	357,575	184,747
Other income	6,486	554	683	7,723	9,150
Finance (cost)/income	(108,837)	(3,819)	(62,792)	(175,447)	(88,015)
Share of profit of equity accounted investee and gain on bargain purchase	-	-	-	(13,690)	20,400
Taxation	(42,476)	(10,411)	(5,636)	(58,523)	(39,105)
Profit/(loss) after taxation	111,410	31,700	(11,782)	117,637	87,177
Capital expenditure					
Segment capital expenditure	11,906	-	7,204	19,110	52,026
Total capital expenditure				19,110	52,026
Depreciation and amortisation					
Segment depreciation	48,702	4,160	8,367	61,229	65,284
Total depreciation and amortisation				61,229	65,284

<i>For the period months ended 30 June</i>	Manufacturing cables 2019	Manufacturing PVC compound 2019	Others 2019	Total 2019	Total 30 June 2018
Assets					
Segment assets	17,302,415	765,006	2,023,379	20,090,800	17,219,827
Unallocated corporate assets				739,130	738,668
Total assets				20,829,930	17,958,495
Liabilities					
Segment liabilities	6,369,334	190,383	2,326,600	8,886,318	6,291,805
Unallocated corporate liabilities				3,337	3,289
Total liabilities				8,889,655	6,295,094

(b) Geographical segment information - revenue

<i>For the period months ended 30 June</i>	Group		Company	
	2019	2018	2019	2018
Local sales	4,273,481	2,982,942	2,473,026	2,107,651
Export sales	480,048	549,715	229,518	229,518
	4,753,529	3,532,657	2,702,544	2,337,169

- 2.** The consolidated interim financial statements have been prepared in accordance with the accounting policies set out in the Annual Report for the year ended 31 March 2019 and are in compliance with Sri Lanka Accounting Standards - LKAS 34 - Interim Financial Reporting.
- 3.** Where necessary, the presentation and classification of the financial statements of the previous period have been adjusted for better presentation and to be comparable with year end reporting.
- 4.** There were no liabilities for management fees or any other similar expenditures in the interim financial statements.
- 5.** There were no funds raised through an IPO/Rights/Debenture issues by the group of companies.
- 6.** There have been no other events subsequent to the balance sheet date, which require disclosures in the interim financial statements.
- 7.** There were no significant changes in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31 March 2019.

ACL CABLES PLC
NON FINANCIAL INFORMATION

Twenty largest shareholders as at 30 June 2019

Shareholder Name	Number of shares	Holdings %
1 Mr. U. G. Madanayake	45,694,432	38.15%
2 Mr. Suren Madanayake	26,604,792	22.21%
3 SEB AB-Tundra Frontier Opportunities Fund	6,044,156	5.05%
4 Employees Provident Fund	5,907,432	4.93%
5 Employees Trust Fund Board	4,427,057	3.70%
6 Mrs. N.C. Madanayake	2,064,200	1.72%
7 Bnymsanv Re-Compass Asia Partners,L.P.	2,000,000	1.67%
8 FAB Foods (Private) Ltd	1,535,040	1.28%
9 Bank of Ceylon-No 2 A/C	1,320,800	1.10%
10 Bank Of Ceylon No. 1 Account	1,005,246	0.84%
11 AMALIYA PRIVATE LIMITED	914,181	0.76%
12 Perera R.D.M.	701,864	0.59%
13 Selliah A & Selliah S	700,000	0.58%
14 Sir Cyril De Zoysa Trust	682,072	0.57%
15 Sri Lanka Insurance Corporation LTD-Life Fund	675,647	0.56%
16 Arunodhaya (Private) Limited	500,000	0.42%
17 Arunodhaya Industries (Private) Limited	500,000	0.42%
18 Arunodhaya Investments (Private) Limited	500,000	0.42%
19 Andysel Private Limited	400,000	0.33%
20 Kailasapillai A	400,000	0.33%
	102,576,919	85.63%

Share holding of directors as at 30 June 2019

Director Name	Number of shares	Holdings %
01. Mr. U. G. Madanayake - Chairman	45,694,432	38.15%
02. Mr. Suren Madanayake - Managing Director	26,604,792	22.21%
03. Mrs. N.C. Madanayake	2,064,200	1.72%
04. Dr.Sivakumar Selliah	700,000	0.58%
05. Mr. Ajit Jayaratne	-	-
06. Mr. Hemaka Amarasuriya	-	-
07. Mr. D.D. Wahalthanthri	-	-
08. Mr. Rajiv Casie Chitty	-	-
Total held by Directors	75,063,424	62.66%
Shares held by public as at 30 June 2019	44,723,936	37.34%
Total No of Shares as at 30 June 2019	119,787,360	100.00%

No of public share holders as at 30 June 2019

2,642

The applicable option under CSE Rule 7.13.1 on minimum public holding is option 5 and the Float Adjusted Market capitalization as of 30.06.2019 was Rs.1,377,497,229/-