

**INTERIM FINANCIAL STATEMENTS  
FOR THREE MONTHS ENDED 30 JUNE 2020  
UNAUDITED**



**ACL CABLES PLC (PQ 102)**

**ACL CABLES PLC**  
**CONSOLIDATED INCOME STATEMENT**

Unaudited

(all amounts in Sri Lanka Rupees thousands)

For the period ended 30 June	Group		Company	
	2020	2019	2020	2019
Revenue	3,435,113	4,753,529	1,953,922	2,702,544
Cost of sales	(2,930,966)	(4,032,574)	(1,747,008)	(2,395,016)
<b>Gross profit</b>	504,147	720,955	206,914	307,528
Other income	6,872	7,723	(92)	1,787
Distribution costs	(163,820)	(244,416)	(77,050)	(123,991)
Administrative costs	(189,641)	(118,964)	(47,855)	(49,618)
<b>Results from operating activities</b>	157,558	365,298	81,917	135,706
Net finance costs	(155,961)	(175,447)	(48,685)	(79,967)
Share of profit of investments accounted for using the equity method	3,672	(13,690)	-	-
<b>Profit before income tax</b>	5,269	176,160	33,232	55,739
Income tax expenses	(24,735)	(58,523)	(13,551)	(14,918)
<b>Profit for the year</b>	(19,466)	117,638	19,681	40,821
<b>Profit attributable to :</b>				
- Owners of the parent	(35,868)	91,922	19,681	40,821
- Non-controlling interests	16,402	25,715	-	-
	(19,466)	117,637	19,681	40,821
<b>Earnings per share (Rs.)</b>	(0.30)	0.77	0.16	0.34

**ACL CABLES PLC**  
**STATEMENT OF COMPREHENSIVE INCOME**

*Unaudited*

(all amounts in Sri Lanka Rupees thousands)

	<b>Group</b>		<b>Company</b>	
<i>For the period ended 30 June</i>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
<b>Profit for the year</b>	(19,466)	117,638	19,681	40,821
Net change in fair value of available-for-sale financial assets	3,766	(2,451)	-	(717)
Transfers upon disposal of available for sale financial assets	-	-	-	-
Re-measurements of defined benefit obligations	-	-	-	-
Share of other comprehensive income of equity accounted investee, net of tax	-	-	-	-
Tax impact on re-measurement of defined benefit obligation	-	-	-	-
Gain on revaluation of land and buildings	-	-	-	-
Impact on transfer of NCI balance to Retained earnings of equity Investee	-	-	-	-
Tax impact on gains on revaluation of land and buildings	-	-	-	-
<b>Other comprehensive income for the year, net of tax</b>	<b>3,766</b>	<b>(2,451)</b>	<b>-</b>	<b>(717)</b>
<b>Total comprehensive income for the year, net of tax</b>	<b>(15,700)</b>	<b>115,187</b>	<b>19,681</b>	<b>40,104</b>
<b>Total comprehensive income attributable to:</b>				
- Owners of the parent	(32,708)	90,074	19,681	40,104
- Non-controlling interests	17,008	25,111	-	-
<b>Total comprehensive income for the year, net of tax</b>	<b>(15,700)</b>	<b>115,187</b>	<b>19,681</b>	<b>40,104</b>

(all amounts in Sri Lanka Rupees thousands)

As at	Group		Company	
	30-Jun-20	30-Mar-20	30-Jun-20	30-Mar-20
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	4,790,538	4,761,445	1,893,093	1,927,055
Work in progress	33,489	32,517	9,169	7,466
Investment property	782,000	782,000	476,000	476,000
Intangible assets	88,814	88,813	958	958
Right of use assets	40,520	40,520	12,769	12,769
Investment in subsidiaries	-	-	1,067,218	1,067,218
Investment in equity accounted investee	316,547	312,874	345,094	345,093
Investment in Associate	-	-	-	-
Available-for-sale Financial assets	371,338	367,570	10,705	8,681
	<b>6,423,246</b>	<b>6,385,739</b>	<b>3,815,006</b>	<b>3,845,240</b>
<b>Current assets</b>				
Inventories	5,071,199	6,420,790	2,514,387	3,043,758
Trade and other receivables	7,312,476	8,413,049	4,543,950	4,528,648
Cash and cash equivalents	1,975,353	2,261,756	979,790	955,817
	<b>14,359,027</b>	<b>17,095,595</b>	<b>8,038,127</b>	<b>8,528,223</b>
<b>TOTAL ASSETS</b>	<b>20,782,273</b>	<b>23,481,334</b>	<b>11,853,132</b>	<b>12,373,462</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and reserves</b>				
Stated capital	299,488	299,488	299,488	299,488
Capital reserve	2,270,745	2,270,744	1,002,568	1,002,568
General reserve	1,123,825	1,123,825	680,266	680,266
Available-for-sale Reserve	3,234	73	873	(1,151)
Retained earnings	7,507,283	7,543,150	3,725,654	3,705,978
<b>Equity attributable to owners of the parent</b>	<b>11,204,577</b>	<b>11,237,280</b>	<b>5,708,849</b>	<b>5,687,149</b>
Non-controlling interests	1,713,185	1,696,178	-	-
<b>Total equity</b>	<b>12,917,762</b>	<b>12,933,458</b>	<b>5,708,849</b>	<b>5,687,149</b>
<b>Non-current liabilities</b>				
Defined benefit obligations	400,382	387,618	234,934	229,880
Deferred tax liability	485,508	485,457	286,292	286,292
Lease Liabilities	36,453	36,189	13,482	13,482
Borrowings	1,128,666	1,130,445	857,475	882,681
	<b>2,051,008</b>	<b>2,039,709</b>	<b>1,392,183</b>	<b>1,412,335</b>
<b>Current liabilities</b>				
Trade and other payables	679,763	2,747,678	2,901,504	3,637,760
Current income tax liability	549,446	569,748	208,349	219,721
Borrowings	4,004,069	4,261,855	1,147,737	775,328
Bank overdraft	580,223	928,888	494,510	641,169
	<b>5,813,501</b>	<b>8,508,169</b>	<b>4,752,100</b>	<b>5,273,978</b>
<b>Total liabilities</b>	<b>7,864,510</b>	<b>10,547,878</b>	<b>6,144,283</b>	<b>6,686,313</b>
<b>Total equity and liabilities</b>	<b>20,782,273</b>	<b>23,481,334</b>	<b>11,853,132</b>	<b>12,373,462</b>
Net asset value per share	93.54	93.81	47.66	47.48
Highest and Lowest Market Price recorded during the quarter;				
Highest price (Rs.)			46.00	43.90
Lowest price (Rs.)			22.00	32.00
Last traded price (Rs.)			44.69	32.30

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

Sg.d  
**Champika Coomasaru**  
Group Financial Controller

Sg.d  
**Suren Madanayake**  
Managing Director

Sg.d  
**U. G. Madanayake**  
Chairman  
11 August 2020  
Colombo

ACL CABLES PLC  
STATEMENT OF CHANGES IN EQUITY - GROUP

Unaudited

(all amounts in Sri Lanka Rupees thousands)

For the period ended 30 June

	Attributable to owners of the company					Total	Non controlling interest	Total equity
	Stated capital	Capital reserves	General reserve	Available for sale reserve	Retained profit			
<b>Balance at 1 April 2020</b>	299,488	2,270,744	1,123,825	73	7,543,151	11,237,281	1,696,178	12,933,459
Net profit	-	-	-	-	(35,868)	(35,868)	16,402	(19,466)
available-for-sale financial assets	-	-	-	3,160	-	3,160	606	3,766
Re-measurements of post employment benefit obligation	-	-	-	-	-	-	-	-
Share of other comprehensive income of equity accounted investee, net of tax	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	-	3,160	(35,868)	(32,708)	17,008	(15,700)
<b>Dividends</b>	-	-	-	-	-	-	-	-
<b>Balance at 30 June 2020</b>	299,488	2,270,745	1,123,825	3,234	7,507,283	11,204,572	1,713,185	12,917,761

For the year ended 31 March 2020

	Attributable to owners of the company					Total	Non controlling interest	Total equity
	Stated capital	Capital reserves	General reserve	Available for sale reserve	Retained profit			
<b>Balance at 1 April 2019</b>	299,488	2,274,026	1,123,825	4,774	6,838,660	10,540,773	1,284,316	11,825,089
Net profit	-	-	-	-	891,484	891,484	132,759	1,024,243
Fair value adjustment for available-for-sale financial assets	-	-	-	(4,701)	-	(4,701)	(1,425)	(6,126)
Re-measurements of post employment benefit obligation	-	-	-	-	(14,891)	(14,891)	-	(14,891)
Deferred tax on re-measurement of post employment benefit obligation	-	-	-	-	4,515	4,515	-	4,515
Gain on Revaluation surplus	-	-	-	-	-	-	-	-
Deferred tax on revaluation surplus	-	-	-	-	-	-	-	-
Impact on transfer of NCI Balance to retained earnings of equity investee	-	-	-	-	-	-	-	-
Share of other comprehensive income of equity accounted investee, net of tax	-	-	-	-	(218)	(218)	-	(218)
<b>Total comprehensive income</b>	-	-	-	(4,701)	880,890	876,189	131,334	1,007,523
Transfers upon disposal of available for sale financial assets	-	-	-	-	-	-	-	-
Transfer from revaluation reserve	-	(3,282)	-	-	3,282	-	-	-
Deferred tax on transfer from revaluation reserve	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	(179,681)	(179,681)	(24,252)	(203,933)
Non controlling interest on acquisition of subsidiary	-	-	-	-	-	-	304,780	304,780
<b>Balance at 31 March 2020</b>	299,488	2,270,744	1,123,825	73	7,543,151	11,237,281	1,696,178	12,933,459

(all amounts in Sri Lanka Rupees thousands)

For the period ended 30 June

	Stated capital	Capital reserves	General reserve	Available for sale reserve	Retained profit	Total
<b>Balance at 1 April 2020</b>	299,488	1,002,568	680,266	(1,151)	3,705,978	5,687,149
Net profit	-	-	-	-	19,681	19,681
Revaluation Surplus	-	-	-	-	-	-
Fair value adjustment for available-for-sale financial assets	-	-	-	2,024	-	2,024
Re-measurements of post employment benefit obligation	-	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	-	2,024	19,681	21,705
Dividends	-	-	-	-	-	-
<b>Balance at 30 June 2020</b>	299,488	1,002,568	680,266	873	3,725,659	5,708,849
No of shares as at 31 March 2020	119,787,360					

For the year ended 31 March 2020

	Capital reserve	General reserve	Available for sale reserve	Retained profit	Total	
<b>Balance at 1 April 2019</b>	299,488	1,002,568	680,266	881	3,550,934	5,534,137
Net profit	-	-	-	-	344,927	344,927
Fair value adjustment for financial assets at fair value through OCI	-	-	-	(2,032)	-	(2,032)
Re-measurements of post employment benefit obligation	-	-	-	-	(14,170)	(14,170)
Deferred tax on re-measurement of post employment benefit obligation	-	-	-	-	3,968	3,968
<b>Total comprehensive income</b>	-	-	-	(2,032)	334,725	332,693
Dividends	-	-	-	-	(179,681)	(179,681)
<b>Balance at 31 March 2020</b>	299,488	1,002,568	680,266	(1,151)	3,705,978	5,687,149
No of shares as at 31 March 2020	119,787,360					

**ACL CABLES PLC**  
**STATEMENT OF CASH FLOW**

Unaudited

(all amounts in Sri Lanka Rupees thousands)

For the period ended 30 June

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit/(loss) before tax	5,269	176,160	33,232	55,739
<b>Adjustments for:</b>				
Depreciation of property, plant and equipment	83,838	61,229	33,605	32,212
share of profit from equity accounted investee (net of tax)	-	13,690	-	-
Dividend from equity investee	-	-	-	-
Dividend income	(176)	(150)	-	(150)
Interest expense/(income)	155,961	175,447	48,685	79,967
Profit on disposal of property, plant and equipment	-	-	-	-
Amortization of leasehold properties	-	-	-	-
Reversal of impairment of subsidiary	-	-	-	-
Gain on revaluation of investment property	-	-	-	-
Impairment/ (Reversal of Impairment) of obsolete inventories	-	-	-	-
Defined benefit obligations	15,961	15,120	8,076	8,198
	<b>260,853</b>	<b>441,496</b>	<b>123,598</b>	<b>175,966</b>
<b>Changes in working capital:</b>				
(Increase)/Decrease in;				
Inventories	1,349,591	87,883	529,371	222,774
Receivables and prepayments	1,100,573	(522,879)	(15,302)	(318,916)
Increase/(Decrease) in;				
Trade and other payables	(2,067,915)	697,869	(736,256)	727,767
<b>Cash generated from/ (used in) operations</b>	<b>643,103</b>	<b>704,369</b>	<b>(98,589)</b>	<b>807,591</b>
Interest received/(paid)	(155,961)	(175,447)	(48,685)	(79,967)
Defined benefit obligations paid	(3,197)	(6,516)	(3,020)	(3,703)
Income tax paid less refund received	(45,037)	(83,913)	(24,923)	(56,206)
WHT on dividend paid by subsidiary to non-controlling interests	-	-	-	-
<b>Net cash (used in)/from operating activities</b>	<b>438,908</b>	<b>438,493</b>	<b>(174,294)</b>	<b>667,715</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Cash proceeds from held-to-maturity investments	-	-	-	-
Purchase and construction of property, plant and equipment	(15,430)	(19,110)	(2,278)	(7,732)
Cash proceeds from disposal of Property, plant and equipment	-	-	-	-
Investment in available-for-sale financial assets	(3,768)	-	-	-
Investment in subsidiaries	-	-	-	-
Dividend received	176	150	-	150
<b>Net cash from/(used in) investing activities</b>	<b>(19,022)</b>	<b>(18,960)</b>	<b>(2,278)</b>	<b>(7,584)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Short term borrowings net of payments	(355,661)	(881,314)	372,409	(544,590)
Long term borrowings net of payments	(1,779)	84,410	(25,206)	83,333
Dividends paid	-	-	-	-
Dividends paid by subsidiaries to non-controlling interests	-	-	-	-
<b>Net cash generated from/ (used in) financing activities</b>	<b>(357,440)</b>	<b>(796,904)</b>	<b>347,203</b>	<b>(461,257)</b>
Net increase/(decrease) in cash and cash equivalents	62,263	(377,371)	170,631	198,876
Cash and cash equivalents at the beginning of the year	1,332,868	1,862,092	314,648	143,166
<b>Cash and cash equivalents at the end of the year</b>	<b>1,395,131</b>	<b>1,484,721</b>	<b>485,280</b>	<b>342,042</b>

(all amounts in Sri Lanka Rupees thousands)

1. Segment information

(a) Business segment information

<i>For the period ended 30 June</i>	<b>Manufacturing cables 2020</b>	<b>Manufacturing PVC compound 2020</b>	<b>Others 2020</b>	<b>Total 2020</b>	<b>Total 2019</b>
<b>Revenue</b>					
Total revenue	3,513,662	287,379	821,601	4,606,746	6,064,116
Inter-segment sales	(80,777)	(253,488)	(821,472)	(1,155,737)	(1,310,587)
<b>External sales</b>	<b>3,432,885</b>	<b>33,891</b>	<b>129</b>	<b>3,451,009</b>	<b>4,753,529</b>
<b>Results</b>					
Profit/(loss) before other income and finance cost	36,320	43,750	1,830	82,009	357,575
Other income	(761)	-	669	(92)	7,723
Finance (cost)/income	25,113	(10,009)	(63,789)	(48,685)	(175,447)
Share of profit of investments accounted for using the equity method (Power and energy)	-	-	-	-	(13,690)
Taxation	(7,209)	(6,342)	-	(13,551)	(58,523)
<b>Profit/(loss) after taxation</b>	<b>53,463</b>	<b>27,399</b>	<b>(61,290)</b>	<b>19,681</b>	<b>117,638</b>
<b>Capital expenditure</b>					
Segment capital expenditure	15,430	-	-	15,430	19,110
<b>Total capital expenditure</b>				<b>15,430</b>	<b>19,110</b>
<b>Depreciation and amortisation</b>					
Segment depreciation	31,813	15,644	36,381	83,838	61,229
<b>Total depreciation and amortisation</b>				<b>83,838</b>	<b>61,229</b>

<i>For the period ended 30 June</i>	<b>Manufacturing cables 2020</b>	<b>Manufacturing PVC compound 2020</b>	<b>Others 2020</b>	<b>Total 2020</b>	<b>Total 30 June 2019</b>
<b>Assets</b>					
Segment assets	18,393,335	696,987	953,121	20,043,443	20,090,800
Unallocated corporate assets				738,830	738,830
<b>Total assets</b>				<b>20,782,273</b>	<b>20,829,930</b>
<b>Liabilities</b>					
Segment liabilities	6,276,211	151,772	1,433,301	7,861,284	8,886,318
Unallocated corporate liabilities				3,226	3,337
<b>Total liabilities</b>				<b>7,864,510</b>	<b>8,889,655</b>

(b) Geographical segment information - revenue

<i>For the period ended 30 June</i>	<b>Group</b>		<b>Company</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Local sales	3,053,822	4,273,481	1,744,441	2,473,026
Export sales	381,291	480,048	209,481	229,518
	<b>3,435,113</b>	<b>4,753,529</b>	<b>1,953,922</b>	<b>2,337,169</b>



- 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 2020 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 2020.
- 8.** The Covid-19 outbreak since early 2020 has brought about additional uncertainties in the Company's operating environment and has impacted the Company's operations. Based on the available information, the management of the company has assessed the existing and anticipated effects of Covid-19 on the Group companies and the appropriateness of the use of the going concern basis. The company has been closely monitoring the impact of the developments on the Company's business in the aspects of cost management, profitability, debt repayment, collection of cash and capital nature expenditure. Having evaluated the outlook of the industry, company has adopted new strategies to sustain successfully in the contemporary world.

**ACL CABLES PLC**  
**NON FINANCIAL INFORMATION**

**Twenty largest shareholders as at 30 June 2020**

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 Employees Provident Fund	5,907,432	4.93%
4 Employees Trust Fund Board	4,494,880	3.75%
5 Mrs. N.C. Madanayake	2,064,200	1.72%
6 Sri Lanka Insurance Corporation LTD-General Fund	1,994,588	1.67%
7 FAB Foods (Private) Ltd	1,535,040	1.28%
8 DFCC Bank PLC A/C No 02	1,500,000	1.25%
9 Sri Lanka Insurance Corporation LTD- Life Fund	1,399,776	1.17%
10 Bank of Ceylon-No 2 A/C	1,320,800	1.10%
11 J.B. COCOSHELL (PVT) LTD	1,070,416	0.89%
12 Bnymsanv Re-Compass Asia Partners,L.P.	717,819	0.60%
13 Perera R.D.M.	701,864	0.59%
14 Selliah A & Selliah S	700,000	0.58%
15 Sir Cyril De Zoysa Trust	682,072	0.57%
16 HATTON NATIONAL BANK PLC- ASTRUE ALPHA FUND	678,997	0.57%
17 Arunodhaya (Private) Limited	500,000	0.42%
18 Arunodhaya Industries (Private) Limited	500,000	0.42%
19 Arunodhaya Investments (Private) Limited	500,000	0.42%
20 Andysel Private Limited	400,000	0.33%
	<b>98,967,108</b>	<b>82.62%</b>

**Share holding of directors as at 30 June 2020**

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	900,000	0.75%
05. Mr. Ajit Jayaratne	-	-
06. Mr. Hemaka Amarasuriya	-	-
07. Mr. D.D. Wahalthanthri	-	-
08. Mr. Rajiv Casie Chitty	-	-
Total held by Directors	<b>75,263,424</b>	<b>62.83%</b>

**Shares held by public as at 30 June 2020**

**44,523,936 37.17%**

**Total No of Shares as at 30 June 2020**

**119,787,360 100.00%**

**No of public share holders as at 30 June 2020**

**3,322**

The applicable option under CSE Rule 7.13.1 on minimum public holding is option 5 and the Float Adjusted Market capitalization as of 30.06.2020 was Rs.2,003,577,120/-