



**TEEJAY LANKA PLC**

(Formerly known as TEXTURED JERSEY LANKA PLC)

**Condensed Interim Financial Statements**

**Year Ended 31 March 2018**



## TEEJAY LANKA PLC

### Chairman's Review

Teejay Group has recorded a strong performance during the fourth quarter delivering a YOY top line growth of 13%, Profit Before Tax (PBT) of 27% and is poised to commence the new financial year. Consolidated revenue for the quarter was LKR 6.6Bn compared to LKR 5.8Bn last year. The PBT for the quarter was LKR 502 Mn against LKR 396 Mn last year.

The Group Gross Profit (GP) for the quarter grew by 11% YOY, recording LKR 732 Mn against LKR 656 Mn last year, despite the high cotton prices that were prevalent in the quarter compared to the previous year. The strong performances during the fourth quarter was achieved predominantly by capacity expansion, higher efficiencies, exciting innovations and the Group's growing product portfolio.

Net Profit (NP) of the Group grew by 3 % YoY recorded at LKR 508 Mn compared to LKR 494 Mn the previous year. Administration Costs reduced by 15% as cost control initiatives were deployed, whilst Distribution Cost increased marginally by 4% in line with the sales growth. Income tax for the group increased by 93% with the structural changes, which enabled the recognition of a deferred tax asset during the previous year.

Amidst a challenging year the Group has posted a PBT of LKR 1.8 Bn whilst the seed has been sewn for the upcoming financial year. Capacity in the Indian facility that was doubled and the stream lined capacity in Sri Lanka during the year enabled a YOY Revenue growth of 12% recorded at LKR 24.7 Bn. The steady cotton price increase throughout the year, competitive market conditions in the 1st Half and the teething issues during expansion challenged the margins for the year with GP declining by 4% YoY. However, the group was capable of successfully transforming itself from a first half net profit of LKR 590 Mn to LKR 1 Bn in the second half with a Net Profit of LKR 1.6 Bn for the full year. Efficiencies in India for the capacity expansion has significantly improved and was at the normalized performance levels at the end of the fourth quarter.

TJL Group continued its commitment and discipline towards a strong balance sheet, and despite the expansion maintained an optimized working capital and remained unleveraged with a cash surplus. The Group closed the year with a cash balance of LKR 3.5 Bn whilst increasing its inventory balances as a result of the expansion in capacity and in preparation to commence the new financial year with a strong order book.

The Group has positioned itself during the year to yield the benefits of GSP through its capacity expansion which is currently at optimal operating capacity and will be able to meet an ever-challenging global space. Strategies have been initiated to keep pursuing new opportunities from leveraging our regional footing, providing flexible and better solutions and to broaden our customer portfolio. The new year looks exciting with transformations that have been carried out and will continue to improve and sustain our performance whilst increasing value to our shareholders.

I would wish to thank Sriyan de Silva Wijeyeratne for his yeomen service to the Company and Group and take this opportunity to wish him all the very best in his future endeavors. I would also like to wish the new CEO Shrihan Perera the very best for the journey ahead and have confidence in the existing team who are veterans in the fabric space to continue the good work that has been carried out and to keep transforming the company in the coming years ahead.

Sgd  
**Bill Lam**

Chairman

TEEJAY LANKA PLC

Income Statement

(all amounts in Sri Lankan Rupees thousands)

	Group					
	Quarter Ended 31 March			Year Ended 31 March		
	2018 Unaudited	2017 Unaudited	Variance	2018 Unaudited	2017 Audited	Variance
Revenue	6,555,735	5,795,052	13%	24,702,822	22,137,641	12%
Cost of sales	(5,823,906)	(5,138,675)	13%	(21,748,539)	(19,061,926)	14%
<b>Gross profit</b>	<b>731,829</b>	<b>656,377</b>	<b>11%</b>	<b>2,954,283</b>	<b>3,075,715</b>	<b>-4%</b>
Other income	83,519	93,666	-11%	225,819	194,827	16%
Distribution expenses	(34,965)	(33,473)	4%	(141,294)	(132,141)	7%
Administrative expenses	(293,632)	(345,520)	-15%	(1,224,082)	(1,145,996)	7%
<b>Results from operating activities</b>	<b>486,751</b>	<b>371,050</b>	<b>31%</b>	<b>1,814,726</b>	<b>1,992,405</b>	<b>-9%</b>
Finance income	38,885	34,409	13%	94,327	89,412	5%
Finance costs	(23,979)	(9,338)	157%	(78,123)	(70,447)	11%
<b>Net finance income</b>	<b>14,906</b>	<b>25,071</b>	<b>-41%</b>	<b>16,204</b>	<b>18,965</b>	<b>-15%</b>
<b>Profit before tax</b>	<b>501,657</b>	<b>396,121</b>	<b>27%</b>	<b>1,830,930</b>	<b>2,011,370</b>	<b>-9%</b>
Income tax	6,712	97,654	-93%	(239,295)	(52,195)	358%
<b>Profit for the period</b>	<b>508,369</b>	<b>493,775</b>	<b>3%</b>	<b>1,591,635</b>	<b>1,959,175</b>	<b>-19%</b>
<b>Attributable to:</b>						
Equity holders of the parent	508,369	493,775	3%	1,591,635	1,959,175	-19%
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil
	<b>508,369</b>	<b>493,775</b>	<b>3%</b>	<b>1,591,635</b>	<b>1,959,175</b>	<b>-19%</b>
<b>Basic earnings per share (LKR)</b>	<b>0.72</b>	<b>0.71</b>		<b>2.27</b>	<b>2.81</b>	

TEEJAY LANKA PLC

Statement of Comprehensive Income

(all amounts in Sri Lankan Rupees thousands)

	Group					
	Quarter Ended 31 March			Year Ended 31 March		
	2018 Unaudited	2017 Unaudited	Variance	2018 Unaudited	2017 Audited	Variance
<b>Profit for the period</b>	<b>508,369</b>	<b>493,775</b>	<b>3%</b>	<b>1,591,635</b>	<b>1,959,175</b>	<b>-19%</b>
<b>Other comprehensive income</b>						
Effect on remeasurement of retirement benefit obligations	24,876	15,349	62%	24,876	15,348	62%
Deferred tax attributable to remeasurement of retirement benefit obligations	(1,254)	(3,403)	-63%	(1,254)	(3,403)	-63%
Net movement on cash flow hedges	9,673	Nil	100%	9,673	Nil	100%
Currency translation differences	183,199	165,300	11%	131,229	355,822	-63%
<b>Total other comprehensive income for the period</b>	<b>216,494</b>	<b>177,246</b>	<b>22%</b>	<b>164,524</b>	<b>367,767</b>	<b>-55%</b>
<b>Total comprehensive income for the period</b>	<b>724,863</b>	<b>671,021</b>	<b>8%</b>	<b>1,756,159</b>	<b>2,326,942</b>	<b>-25%</b>
<b>Attributable to:</b>						
Equity holders of the parent	724,863	671,021	8%	1,756,159	2,326,942	-25%
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil
	<b>724,863</b>	<b>671,021</b>	<b>8%</b>	<b>1,756,159</b>	<b>2,326,942</b>	<b>-25%</b>

**TEEJAY LANKA PLC**

**Income Statement**

(all amounts in Sri Lankan Rupees thousands)

	Company					
	Quarter Ended 31 March			Year Ended 31 March		
	2018 Unaudited	2017 Unaudited	Variance	2018 Unaudited	2017 Audited	Variance
Revenue	4,101,981	3,862,350	6%	15,911,022	15,721,413	1%
Cost of sales	(3,617,182)	(3,488,870)	4%	(14,164,610)	(13,792,631)	3%
<b>Gross profit</b>	<b>484,799</b>	<b>373,480</b>	<b>30%</b>	<b>1,746,412</b>	<b>1,928,782</b>	<b>-9%</b>
Other income	289,219	319,309	-9%	608,861	379,602	60%
Distribution expenses	(26,259)	(26,693)	-2%	(113,914)	(107,915)	6%
Administrative expenses	(150,158)	(171,258)	-12%	(651,502)	(605,093)	8%
<b>Results from operating activities</b>	<b>597,601</b>	<b>494,838</b>	<b>21%</b>	<b>1,589,857</b>	<b>1,595,376</b>	<b>0%</b>
Non Operating Income	Nil	Nil	Nil	Nil	(3,307)	100%
Finance income	44,258	16,501	168%	98,343	60,865	62%
Finance costs	(285)	(290)	-2%	(872)	(16,561)	-95%
Net finance income	43,973	16,211	171%	97,471	44,304	120%
<b>Profit before tax</b>	<b>641,574</b>	<b>511,049</b>	<b>26%</b>	<b>1,687,328</b>	<b>1,636,373</b>	<b>3%</b>
Income tax	(26,062)	(29,851)	-13%	(158,514)	(135,425)	17%
<b>Profit for the period</b>	<b>615,512</b>	<b>481,198</b>	<b>28%</b>	<b>1,528,814</b>	<b>1,500,948</b>	<b>2%</b>
<b>Attributable to:</b>						
Equity holders of the parent	615,512	481,198	28%	1,528,814	1,500,948	2%
Non-controlling interest	Nil	Nil		Nil	Nil	
	<b>615,512</b>	<b>481,198</b>	<b>28%</b>	<b>1,528,814</b>	<b>1,500,948</b>	<b>2%</b>
<b>Basic earnings per share (LKR)</b>	<b>0.88</b>	<b>0.69</b>		<b>2.18</b>	<b>2.15</b>	

**TEEJAY LANKA PLC**

**Statement of Comprehensive Income**

(all amounts in Sri Lankan Rupees thousands)

	Company					
	Quarter Ended 31 March			Year Ended 31 March		
	2018 Unaudited	2017 Unaudited	Variance	2018 Unaudited	2017 Audited	Variance
<b>Profit for the period</b>	615,512	481,198	28%	1,528,814	1,500,948	2%
<b>Other comprehensive income</b>						
Effect on remeasurement of retirement benefit obligations	31,427	20,059	57%	31,427	20,059	57%
Deferred tax attributable to remeasurement of retirement benefit obligations	(4,400)	(2,808)	57%	(4,400)	(2,808)	57%
Net movement on cash flow hedges	9,673	Nil	100%	9,673	Nil	100%
Currency translation differences	162,996	166,636	-2%	116,448	319,156	-64%
<b>Total other comprehensive income for the period</b>	<b>199,696</b>	<b>183,887</b>	<b>9%</b>	<b>153,148</b>	<b>336,407</b>	<b>-54%</b>
<b>Total comprehensive income for the period</b>	<b>815,208</b>	<b>665,085</b>	<b>23%</b>	<b>1,681,962</b>	<b>1,837,355</b>	<b>-8%</b>
<b>Attributable to:</b>						
Equity holders of the parent	815,208	665,085	23%	1,681,962	1,837,355	-8%
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil
	<b>815,208</b>	<b>665,085</b>	<b>23%</b>	<b>1,681,962</b>	<b>1,837,355</b>	<b>-8%</b>

**TEEJAY LANKA PLC**

**Statement of Financial Position**

(all amounts in Sri Lankan Rupees thousands)

	Group		Company	
	As at 31 March		As at 31 March	
	2018	2017	2018	2017
	Unaudited	Audited	Unaudited	Audited
<b>ASSETS</b>				
<b>Non - current assets</b>				
Property, plant & equipment	7,534,147	6,960,885	3,549,403	3,710,806
Capital work-in-progress	459,686	337,800	350,575	79,724
Intangible assets	54,491	65,833	33,028	34,054
Goodwill	51,112	50,537	Nil	Nil
Investment in Subsidiaries	Nil	Nil	2,666,214	2,764,328
Lease rentals paid in advance	227,749	240,306	91,284	94,550
Deferred tax assets	207,528	242,289	Nil	Nil
	<b>8,534,713</b>	<b>7,897,650</b>	<b>6,690,504</b>	<b>6,683,462</b>
<b>Current assets</b>				
Inventories	4,055,293	2,877,542	2,780,080	2,041,232
Trade and other receivables	3,434,207	3,370,099	2,240,209	2,221,185
Other financial assets	2,225,868	1,239,670	1,846,758	992,789
Cash and cash equivalents	1,310,215	1,494,376	903,009	906,653
	<b>11,025,583</b>	<b>8,981,687</b>	<b>7,770,056</b>	<b>6,161,859</b>
<b>Total assets</b>	<b>19,560,296</b>	<b>16,879,337</b>	<b>14,460,560</b>	<b>12,845,321</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and reserves</b>				
Stated capital	4,056,790	3,942,686	4,056,790	3,942,686
ESOP fund	63,746	63,746	63,746	63,746
Exchange equalisation reserve	2,577,235	2,446,006	2,483,171	2,366,723
Retained earnings	4,971,232	4,724,786	3,770,401	3,583,371
Other components of equity	9,673	Nil	9,673	Nil
	<b>11,678,676</b>	<b>11,177,224</b>	<b>10,383,781</b>	<b>9,956,526</b>
<b>Non - current liabilities</b>				
Borrowings	1,106,784	567,429	Nil	Nil
Deferred tax liabilities	401,895	357,470	280,909	247,932
Retirement benefit obligations	207,665	208,120	171,132	171,228
	<b>1,716,344</b>	<b>1,133,019</b>	<b>452,041</b>	<b>419,160</b>
<b>Current liabilities</b>				
Trade and other payables	4,396,476	3,043,719	2,847,053	1,705,126
Current tax liability	35,538	6,535	Nil	Nil
Borrowings	1,733,262	1,518,840	777,685	764,509
	<b>6,165,276</b>	<b>4,569,094</b>	<b>3,624,738</b>	<b>2,469,635</b>
<b>Total liabilities</b>	<b>7,881,620</b>	<b>5,702,113</b>	<b>4,076,779</b>	<b>2,888,795</b>
<b>Total equity and liabilities</b>	<b>19,560,296</b>	<b>16,879,337</b>	<b>14,460,560</b>	<b>12,845,321</b>
<b>Net Asset per share</b>	<b>16.64</b>	<b>16.00</b>	<b>14.79</b>	<b>14.25</b>

I certify that financial statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgd

**Salman Nishtar**

Chief Financial Officer

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

Sgd

**Sriyan Joseph de Silva Wijeyeratne**

Managing Director/Chief Executive Officer

Sgd

**Hasitha Premaratne**

Director

8-May-2018

**TEEJAY LANKA PLC**

**Statement of Changes In Equity - Group**

(all amounts in Sri Lankan Rupees thousands)

	Stated capital	ESOP fund	Exchange equalisation reserve	Retained earnings	Other components of equity	Total
<b>Balance as at 1 April 2016</b>	<b>3,853,024</b>	<b>42,283</b>	<b>2,090,184</b>	<b>4,150,852</b>	<b>Nil</b>	<b>10,136,343</b>
Profit for the period	Nil	Nil	Nil	1,959,175	Nil	1,959,175
Other comprehensive income	Nil	Nil	355,822	11,945	Nil	367,767
<b>Total comprehensive income</b>	<b>Nil</b>	<b>Nil</b>	<b>355,822</b>	<b>1,971,120</b>	<b>Nil</b>	<b>2,326,942</b>
Issue of shares under Employee Share Option Scheme	89,662	Nil	Nil	Nil	Nil	89,662
<b>Transactions with owners</b>						
Final dividend paid - 2015/16	Nil	Nil	Nil	(698,593)	Nil	(698,593)
Interim dividend paid - 2016/17	Nil	Nil	Nil	(698,593)	Nil	(698,593)
Share option scheme	Nil	21,463	Nil	Nil	Nil	21,463
<b>Balance as at 31 March 2017</b>	<b>3,942,686</b>	<b>63,746</b>	<b>2,446,006</b>	<b>4,724,786</b>	<b>Nil</b>	<b>11,177,224</b>
<b>Balance as at 1 April 2017</b>	<b>3,942,686</b>	<b>63,746</b>	<b>2,446,006</b>	<b>4,724,786</b>	<b>Nil</b>	<b>11,177,224</b>
Profit for the period	Nil	Nil	Nil	1,591,635	Nil	1,591,635
Other comprehensive income	Nil	Nil	131,229	23,622	9,673	164,524
<b>Total comprehensive income</b>	<b>Nil</b>	<b>Nil</b>	<b>131,229</b>	<b>1,615,257</b>	<b>9,673</b>	<b>1,756,159</b>
Issue of shares under Employee Share Option Scheme	114,104	Nil	Nil	Nil	Nil	114,104
<b>Transactions with owners</b>						
Final dividend paid - 2016/17	Nil	Nil	Nil	(877,441)	Nil	(877,441)
Interim dividend paid - 2017/18	Nil	Nil	Nil	(491,370)	Nil	(491,370)
<b>Balance as at 31 March 2018</b>	<b>4,056,790</b>	<b>63,746</b>	<b>2,577,235</b>	<b>4,971,232</b>	<b>9,673</b>	<b>11,678,676</b>



**TEEJAY LANKA PLC**

**Statement of Changes In Equity - Company**

(all amounts in Sri Lankan Rupees thousands)

	Stated capital	ESOP fund	Exchange equalisation reserve	Retained earnings	Other components of equity	Total
<b>Balance as at 1 April 2016</b>	<b>3,853,024</b>	<b>42,283</b>	<b>2,047,567</b>	<b>3,462,358</b>	<b>Nil</b>	<b>9,405,232</b>
Profit for the period	Nil	Nil	Nil	1,500,948	Nil	1,500,948
Other comprehensive income	Nil	Nil	319,156	17,251	Nil	336,407
<b>Total comprehensive income</b>	<b>Nil</b>	<b>Nil</b>	<b>319,156</b>	<b>1,518,199</b>	<b>Nil</b>	<b>1,837,355</b>
Issue of shares under Employee Share Option Scheme	89,662	Nil	Nil	Nil	Nil	89,662
<b>Transactions with owners</b>						
Final dividend paid - 2015/16	Nil	Nil	Nil	(698,593)	Nil	(698,593)
Interim dividend paid - 2016/17	Nil	Nil	Nil	(698,593)	Nil	(698,593)
Share option scheme	Nil	21,463	Nil	Nil	Nil	21,463
<b>Balance as at 31 March 2017</b>	<b>3,942,686</b>	<b>63,746</b>	<b>2,366,723</b>	<b>3,583,371</b>	<b>Nil</b>	<b>9,956,526</b>
<b>Balance as at 1 April 2017</b>	<b>3,942,686</b>	<b>63,746</b>	<b>2,366,723</b>	<b>3,583,371</b>	<b>Nil</b>	<b>9,956,526</b>
Issue of shares under Employee Share Option Scheme	114,104	Nil	Nil	Nil	Nil	114,104
Profit for the period	Nil	Nil	Nil	1,528,814	Nil	1,528,814
Other comprehensive income	Nil	Nil	116,448	27,027	9,673	153,148
<b>Total comprehensive income</b>	<b>Nil</b>	<b>Nil</b>	<b>116,448</b>	<b>1,555,841</b>	<b>9,673</b>	<b>1,681,962</b>
<b>Transactions with owners</b>						
Final dividend paid - 2016/17	Nil	Nil	Nil	(877,441)	Nil	(877,441)
Interim dividend paid - 2017/18	Nil	Nil	Nil	(491,370)	Nil	(491,370)
<b>Balance as at 31 March 2018</b>	<b>4,056,790</b>	<b>63,746</b>	<b>2,483,171</b>	<b>3,770,401</b>	<b>9,673</b>	<b>10,383,781</b>

TEEJAY LANKA PLC

Cash Flow Statement

(all amounts in Sri Lankan Rupees thousands)

	Group		Company	
	Year Ended 31 March		Year Ended 31 March	
	2018	2017	2018	2017
	Unaudited	Audited	Unaudited	Audited
<b>Cash flows from operating activities</b>				
Cash generated from operations	3,062,592	1,828,927	2,285,909	1,495,326
Finance income received	94,325	86,719	98,341	48,056
Finance cost paid	(78,122)	(70,447)	(872)	(16,561)
Retirement benefit obligations paid	(35,754)	(18,360)	(10,171)	(7,570)
Tax paid	(47,506)	(128,943)	Nil	Nil
<b>Net cash generated/(used) from operating activities</b>	<b>2,995,535</b>	<b>1,697,896</b>	<b>2,373,207</b>	<b>1,519,251</b>
<b>Cash flows from investing activities</b>				
Share buyback	Nil	Nil	302,933	Nil
Additions to capital work - in - progress	(1,686,468)	(1,774,273)	(599,287)	(659,439)
Investment in financial assets	(957,838)	716,634	(830,316)	115,727
Proceeds from sale of property, plant and equipment	Nil	5,193	Nil	4,877
<b>Net cash used in investing activities</b>	<b>(2,644,306)</b>	<b>(1,052,446)</b>	<b>(1,126,670)</b>	<b>(538,835)</b>
<b>Cash flows from financing activities</b>				
Issue of shares under Employee Share Option Scheme	114,104	89,662	114,104	89,662
Dividend paid	(1,368,811)	(1,397,186)	(1,368,811)	(1,397,186)
Proceeds from / (settlement of) borrowings	755,601	1,232,734	Nil	759,950
<b>Net cash used in financing activities</b>	<b>(499,106)</b>	<b>(74,790)</b>	<b>(1,254,707)</b>	<b>(547,574)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(147,877)</b>	<b>570,660</b>	<b>(8,170)</b>	<b>432,842</b>
Cash and cash equivalents at the beginning of the period	1,448,026	919,157	902,094	469,252
<b>Cash and cash equivalents at the end of the period</b>	<b>1,300,149</b>	<b>1,489,817</b>	<b>893,924</b>	<b>902,094</b>

## TEEJAY LANKA PLC

### Notes to the Financial Statements

#### 1. Corporate Information

Teejay Lanka PLC is a public limited company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The address of its registered office is Block D8 - D14, Seethawaka Export Processing Zone, Avissawella.

#### 2. Condensed Interim Financial Statements

The financial statements for the period ended 31 March 2018, includes "the Company" referring to Teejay Lanka PLC.

The Company has also presented the statement of comprehensive income and the statement of financial position in United States Dollars (USD) since the functional currency of the enterprise is USD.

#### 3. Approval of Financial Statements

The condensed interim financial statements of the Company for the 12 months ended 31 March 2018 were authorised for issue by the Board of Directors on 08 May 2018.

#### 4. Basis of Preparation

The condensed interim financial statements of the Company have been prepared in accordance with Sri Lanka Accounting Standard - LKAS 34 Interim Financial Reporting . The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2017.

The condensed interim financial statements have been prepared on a historical cost basis.

#### 5. Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year.

#### 6. Other Financial Assets

Short term deposits with original maturity of more than 3 months but less than one year which previously reported under cash and cash equivalents are now shown under other financial assets.

#### 7. Contingencies, Capital and Other Commitments

There has been no significant change in the nature of the contingencies and other commitments, which were disclosed in the annual report for the year ended 31 March 2018.

#### 8. Key Ratios of the Group and the Company

	Group		Company	
	Year Ended		Year Ended	
	Year Ended 31 March	Year Ended 31 March	Year Ended 31 March	Year Ended 31 March
	2018	2017	2018	2017
<b>Profitability Ratios</b>				
Net Profit Margin	6.44%	8.82%	9.61%	9.54%
Asset to Turnover	1.36	1.33	1.55	1.22
Debt : Equity	0.24	0.19	0.07	0.08
Return on Assets (ROA)	8.74%	11.70%	11.20%	12.18%
Return on Equity (ROE)	13.93%	17.51%	15.03%	15.50%

#### Investor Ratios

Earnings per Share (EPS) - LKR	2.27	2.80	2.18	2.15
Net Asset Value per Share - LKR	16.64	16.00	14.79	14.25
Price / Earnings Ratio (PE Ratio)	14.06	13.20	14.64	17.22
Price to Book Value Ratio (PBV Ratio)	1.92	2.31	2.16	2.60

(PE and PBV Ratios are based on a market price of LKR 31.90 per share closed 29 March 2018)

#### 9. Number of shares representing the entity's Stated Capital - 701,956,580 Shares

#### 10. Directors' Interest in Shares of the Company (As at 31 March 2018)

	No. of Shares	%
Sriyan Joseph de Silva Wijeyeratne	826,333	0.12
Hasitha Premaratne	40,000	0.01

## TEEJAY LANKA PLC

### Notes to the Financial Statements

#### 11. Market Price per Share

	Highest (LKR)	Lowest (LKR)
Quarter ended 31 March 2018	36.60	30.60
Last traded price (on 29 March 2018)	31.90	

#### 12. Public Shareholding 271,118,670 shares - 38.62%

The percentage of shares held by the public as at 31 March 2018 was 38.62% (271,118,670 number of shares).  
The number of public shareholders as at 31 March 2018 was 8,340

#### 13. List of the 20 Largest Shareholders

	No. of Shares	%
Brandix Lanka Ltd-Number 1 Account	232,198,344	33.08
Pacific Textured Jersey Holdings Limited	195,926,217	27.91
HSBC Intl Nom Ltd - BBH - Fidelity Funds	26,627,473	3.79
Bnynsanv Re-First State Investments Icvc-Stewart Investors Asia Pacific Fund	22,191,021	3.16
Citibank Newyork S/A Norges Bank Account 2	21,003,973	2.99
HSBC Intl Nom Ltd-BBH-Matthews Emerging Asia Fund	18,872,680	2.69
Melstacorp PLC	12,622,428	1.80
HSBC Intl Nom Ltd-JPCMB NA-Fidelity Asian Values PLC	11,182,630	1.59
Bnynsanv Re-CF Ruffer Investment Funds : CF Ruffer Pacific Fund	8,000,000	1.14
Union Assurance PLC/Account No. 05 (Unit-Linked Life Insurance Fund-Equity Fund)	5,723,542	0.82
Mr. L.K.M.Fernando	5,119,300	0.73
HSBC Intl Nom Ltd-State Street Luxembourg C/O SSBT - Alliance bernstein Next 50 Emerging Markets (Master) Fund Sicav-Sif S.C.Sp.	5,104,720	0.73
SEB AB-Fim Frontier Fund	4,172,470	0.59
Deutsche Bank AG-National Equity Fund	4,000,000	0.57
East India Holding (Pvt) Ltd	3,955,425	0.56
J.B. Cocoshell (Pvt) Ltd	3,085,361	0.44
Union Assurance PLC/No-01A/C	2,782,495	0.40
Periceyl ( Private ) Limited A/C No. 03	2,694,100	0.38
Nuwara Eliya Property Developers (Pvt) Ltd	2,285,200	0.33
Deutsche Bank AG As Trustee For Namal Acuity Value Fund	2,250,000	0.32

#### 14. Material events that occurred subsequent to the interim period

No events have occurred since the date of the statement of financial position which would require adjustments to, or disclosure in, the financial statements.

TEEJAY LANKA PLC

Income Statement

(all amounts in United States Dollars)

	Group					
	Quarter Ended 31 March			Year Ended 31 March		
	2018 Unaudited	2017 Audited	Variance	2018 Unaudited	2017 Audited	Variance
Revenue	43,130,276	38,515,375	12%	163,087,226	149,791,200	9%
Cost of sales	(38,317,196)	(34,177,729)	12%	(143,583,145)	(128,979,807)	11%
<b>Gross profit</b>	<b>4,813,080</b>	<b>4,337,646</b>	<b>11%</b>	<b>19,504,081</b>	<b>20,811,393</b>	<b>-6%</b>
Other income	550,212	628,917	-13%	1,490,850	1,318,266	13%
Distribution expenses	(229,952)	(221,526)	4%	(932,816)	(894,114)	4%
Administrative expenses	(1,930,836)	(2,302,331)	-16%	(8,081,351)	(7,754,220)	4%
<b>Results from operating activities</b>	<b>3,202,504</b>	<b>2,442,706</b>	<b>31%</b>	<b>11,980,764</b>	<b>13,481,325</b>	<b>-11%</b>
Finance income	256,263	230,886	11%	622,747	604,989	3%
Finance costs	(157,863)	(61,792)	155%	(515,767)	(476,672)	8%
Net finance income	98,400	169,094	-42%	106,980	128,317	-17%
<b>Profit before tax</b>	<b>3,300,904</b>	<b>2,611,800</b>	<b>26%</b>	<b>12,087,744</b>	<b>13,609,642</b>	<b>-11%</b>
<b>Income tax</b>	<b>46,353</b>	<b>667,128</b>	<b>-93%</b>	<b>(1,579,815)</b>	<b>(353,164)</b>	<b>347%</b>
<b>Profit for the period</b>	<b>3,347,257</b>	<b>3,278,928</b>	<b>2%</b>	<b>10,507,929</b>	<b>13,256,478</b>	<b>-21%</b>
<b>Attributable to:</b>						
Equity holders of the parent	3,347,257	3,278,928	2%	10,507,929	13,256,478	-21%
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil
	<b>3,347,257</b>	<b>3,278,928</b>	<b>2%</b>	<b>10,507,929</b>	<b>13,256,478</b>	<b>-21%</b>

TEEJAY LANKA PLC

Statement of Comprehensive Income

(all amounts in United States Dollars)

	Group					
	Quarter Ended			Year Ended		
	2018	2017	Variance	2018	2017	Variance
	Unaudited	Audited		Unaudited	Audited	
<b>Profit for the period</b>	3,347,257	3,278,928	2%	10,507,929	13,256,478	-21%
<b>Other comprehensive income</b>						
Effect on remeasurement of retirement benefit obligations	164,231	103,852	58%	164,231	103,851	58%
Deferred tax attributable to remeasurement of retirement benefit obligations	(8,276)	(23,027)	-64%	(8,276)	(23,027)	-64%
Net movement on cash flow hedges	63,862	Nil	100%	63,862	Nil	100%
<b>Total other comprehensive income for the period</b>	<b>219,817</b>	<b>80,825</b>	<b>172%</b>	<b>219,817</b>	<b>80,824</b>	<b>172%</b>
<b>Total comprehensive income for the period</b>	<b>3,567,074</b>	<b>3,359,753</b>	<b>6%</b>	<b>10,727,746</b>	<b>13,337,302</b>	<b>-20%</b>
<b>Attributable to:</b>						
Equity holders of the parent	3,567,074	3,359,753	6%	10,727,746	13,337,302	-20%
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil
	<b>3,567,074</b>	<b>3,359,753</b>	<b>6%</b>	<b>10,727,746</b>	<b>13,337,302</b>	<b>-20%</b>

**TEEJAY LANKA PLC**

**Income Statement**

(all amounts in United States Dollars)

	Company					
	Quarter Ended 31 March			Year Ended 31 March		
	2018 Unaudited	2017 Unaudited	Variance	2018 Unaudited	2017 Audited	Variance
Revenue	26,983,226	25,630,204	5%	105,044,047	106,376,702	-1%
Cost of sales	(23,793,061)	(23,170,142)	3%	(93,514,292)	(93,325,877)	0%
<b>Gross profit</b>	<b>3,190,165</b>	<b>2,460,062</b>	<b>30%</b>	<b>11,529,755</b>	<b>13,050,825</b>	<b>-12%</b>
Other income	1,906,770	2,157,221	-12%	4,019,683	2,568,525	56%
Distribution expenses	(172,639)	(176,586)	-2%	(752,058)	(730,189)	3%
Administrative expenses	(987,177)	(1,139,079)	-13%	(4,301,193)	(4,094,276)	5%
<b>Results from operating activities</b>	<b>3,937,119</b>	<b>3,301,618</b>	<b>19%</b>	<b>10,496,187</b>	<b>10,794,885</b>	<b>-3%</b>
Non Operating Income/ (losses)	Nil	Nil	Nil	Nil	(22,374)	100%
Finance income	291,747	110,288	165%	649,260	411,833	58%
Finance costs	(1,881)	(1,788)	5%	(5,760)	(112,062)	-95%
<b>Net finance income</b>	<b>289,866</b>	<b>108,500</b>	<b>167%</b>	<b>643,500</b>	<b>299,771</b>	<b>115%</b>
<b>Profit before tax</b>	<b>4,226,985</b>	<b>3,410,118</b>	<b>24%</b>	<b>11,139,687</b>	<b>11,072,282</b>	<b>1%</b>
Income tax	(170,965)	(197,481)	-13%	(1,046,504)	(916,334)	14%
<b>Profit for the period</b>	<b>4,056,020</b>	<b>3,212,637</b>	<b>26%</b>	<b>10,093,183</b>	<b>10,155,948</b>	<b>-1%</b>

TEEJAY LANKA PLC

Statement of Comprehensive Income

(all amounts in United States Dollars)

	Company					
	Quarter Ended 31 March			Year Ended 31 March		
	2018 Unaudited	2017 Audited	Variance	2018 Unaudited	2017 Audited	Variance
<b>Profit for the period</b>	4,056,020	3,212,637	26%	10,093,183	10,155,948	-1%
<b>Other comprehensive income</b>						
Effect on remeasurement of retirement benefit obligations	207,482	135,726	53%	207,482	135,725	53%
Deferred tax attributable to remeasurement of retirement benefit obligations	(29,048)	(19,002)	53%	(29,048)	(19,002)	53%
Net movement on cash flow hedges	63,862	Nil	100%	63,862	Nil	100%
<b>Total other comprehensive income for the period</b>	<b>242,296</b>	<b>116,724</b>	<b>108%</b>	<b>242,296</b>	<b>116,723</b>	<b>108%</b>
<b>Total comprehensive income for the period</b>	<b>4,298,316</b>	<b>3,329,361</b>	<b>29%</b>	<b>10,335,479</b>	<b>10,272,671</b>	<b>1%</b>



**TEEJAY LANKA PLC**

**Statement of Financial Position**

(all amounts in United States Dollars)

	<b>Group</b>		<b>Company</b>	
	<b>As at 31 March</b>		<b>As at 31 March</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>Unaudited</b>	<b>Audited</b>	<b>Unaudited</b>	<b>Audited</b>
<b>ASSETS</b>				
<b>Non - current assets</b>				
Property, plant & equipment	49,012,148	45,798,304	23,090,054	24,414,801
Capital work-in-progress	2,990,413	2,222,512	2,280,607	524,532
Intangible assets	354,479	433,139	214,860	224,053
Goodwill	332,502	332,502	Nil	Nil
Investment in Subsidiaries	Nil	Nil	17,344,614	18,187,567
Lease rentals paid in advance	1,481,582	1,581,064	593,831	622,080
Deferred tax Assets	1,350,037	1,594,102	Nil	Nil
	<b>55,521,161</b>	<b>51,961,623</b>	<b>43,523,966</b>	<b>43,973,033</b>
<b>Current assets</b>				
Inventories	26,381,039	18,932,441	18,085,352	13,430,038
Trade and other receivables	22,340,665	22,173,156	14,573,307	14,614,020
Other financial assets	14,480,016	8,156,262	12,013,778	6,531,938
Cash and cash equivalents	8,523,387	9,832,065	5,874,378	5,965,213
	<b>71,725,107</b>	<b>59,093,924</b>	<b>50,546,815</b>	<b>40,541,209</b>
<b>Total assets</b>	<b>127,246,268</b>	<b>111,055,547</b>	<b>94,070,781</b>	<b>84,514,242</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and reserves</b>				
Stated capital	37,571,594	36,813,832	37,571,594	36,813,832
ESOP Fund	456,004	456,004	456,004	456,004
Retained earnings	37,882,239	36,269,344	29,458,509	28,237,934
Other components of equity	63,862	Nil	63,862	Nil
	<b>75,973,699</b>	<b>73,539,180</b>	<b>67,549,969</b>	<b>65,507,770</b>
<b>Non - current liabilities</b>				
Borrowings	7,200,000	3,733,333	Nil	Nil
Deferred tax liabilities	2,614,459	2,351,924	1,827,402	1,631,241
Retirement benefit obligations	1,350,930	1,369,299	1,113,269	1,126,572
	<b>11,165,389</b>	<b>7,454,556</b>	<b>2,940,671</b>	<b>2,757,813</b>
<b>Current liabilities</b>				
Trade and other payables	28,600,541	20,025,788	18,521,040	11,218,664
Current Tax Liabilities	231,189	42,999	Nil	Nil
Borrowings	11,275,450	9,993,024	5,059,101	5,029,995
	<b>40,107,180</b>	<b>30,061,811</b>	<b>23,580,141</b>	<b>16,248,659</b>
<b>Total liabilities</b>	<b>51,272,569</b>	<b>37,516,367</b>	<b>26,520,812</b>	<b>19,006,472</b>
<b>Total equity and liabilities</b>	<b>127,246,268</b>	<b>111,055,547</b>	<b>94,070,781</b>	<b>84,514,242</b>

I certify that financial statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgd

**Salman Nishtar**  
Chief Financial Officer

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

Sgd

**Sriyan Joseph de Silva Wijeyeratne**  
Managing Director/Chief Executive Officer

Sgd

**Hasitha Premaratne**  
Director

8-May-2018