



**TEEJAY LANKA PLC**

(Formerly known as TEXTURED JERSEY LANKA PLC)

**Condensed Interim Financial Statements**

**Period Ended 30 June 2018**



## TEEJAY LANKA PLC

### Chairman's Review

Teejay Group completed the first quarter with strong performance for the new financial year 2018/19, posting a net profit of LKR 279M against LKR 220 M in 2017/18. This represents a 27% year on year (YOY) growth in net profit. Higher sales volumes compared to the corresponding period last year made it possible for the Group to achieve LKR 6.8Bn in top line for 1Q FY2018/19, up by 26% YOY. This also resulted in gross profit improving from LKR 604 M to LKR 697 M an increase of 15% on YOY basis for 1Q FY2018/19.

The increased turnover, is the result of capacity expansion in India and an increased order book generated from both US and EU, yielding the benefits of GSP through a carefully managed European customer portfolio, further driven by new product launches to US customers. As a result of higher volume, higher levels of efficiency were recorded to deliver a better performance on a year on year basis. Growth in the turnover and the PAT was recorded against an increasingly challenging business environment. The business dynamics are changing rapidly with short life cycle orders and more demand coming in for discounted programs.

Despite the increase in revenue, margin improvement was challenged due to adverse effects from raw material prices. During the first quarter, cotton Prices crossed USD 1 per pound and this has posed a further challenge for the upcoming quarters for the entire global and local textile industry. As cotton yarn represents 60% - 65% of the entire product, the impact of the increase in cotton is considerable to the margin.

However, as the situation keeps continuing, we are taking all measures to work on strategies to make sure the impact of this gets controlled during the second half. Focusing on more product reengineering and the innovation pipeline to cater to the changing dynamics of the customers to bring out a healthy product portfolio continues as a key strategy. To yield better margins the Group is also continuously re calibrating its product portfolio and has taken steps to increase prices which will come into effect in the 2nd half of the financial year.

With the improved performance and the increased volumes overheads is a notable increase on year – on year basis where Distribution and Administration expenses saw an increase for 1Q 2018/19 of 11% and 23% respectively and has been maintained at an even level as a percentage of sales. As the outlook for the quarter improved operating costs in relation to expansion and performance related expenses were built in despite strong cost control measures being implemented. Income tax has increased with the increase in pre tax profit, however as there is a reduction in the deferred tax provision we see the net tax line reduce for the quarter

Teejay Group continues with a strong balance sheet from the previous quarter with a cash balance of LKR 2.8 Bn. The increase in working capital was driven by inventories to support expansion in the coming quarter and in receivables at the end of the quarter. The Group is proposing a final dividend payout of LKR 0.90 per share, as there are confident sentiments for the future of the group.

Amidst the firm cotton prices speculated in the coming quarters, changing dynamics and product mix changes for more value driven products will continue to pose new demands. However, strategies have been initiated to keep pursuing the goal of achieving USD 300 Mn company with new opportunities leveraging from our regional footing, providing flexible and better solutions and to broaden our customer portfolio through a very strong innovation pipe line. The Group is aggressively working on penetrating into new markets in Asia and Africa with its strong vendor base. The next two quarters will be dynamic yet exciting with transformations that have been carried out and will continue to improve and sustain our performance whilst increasing value to our shareholders.

Sgd  
**Bill Lam**

Chairman

TEEJAY LANKA PLC

Income Statement

(all amounts in Sri Lankan Rupees thousands)

	Group			Year Ended 31 March 2018 Audited
	2018 Unaudited	Quarter Ended 30 June 2017 Unaudited	Variance	
Revenue	6,803,671	5,408,210	26%	24,647,488
Cost of sales	(6,106,518)	(4,804,141)	27%	(21,736,289)
<b>Gross profit</b>	697,153	604,069	15%	2,911,199
Other income	61,283	31,086	97%	237,537
Distribution expenses	(37,655)	(33,867)	11%	(138,423)
Administrative expenses	(367,056)	(298,911)	23%	(1,199,471)
<b>Results from operating activities</b>	353,725	302,377	17%	1,810,842
Finance income	23,795	18,171	31%	106,297
Finance costs	(29,141)	(29,341)	-1%	(99,423)
<b>Net finance income</b>	(5,346)	(11,170)	-52%	6,874
<b>Profit before tax</b>	348,379	291,207	20%	1,817,716
Income tax	(69,031)	(71,502)	-3%	(221,602)
<b>Profit for the period</b>	<b>279,348</b>	<b>219,705</b>	<b>27%</b>	<b>1,596,114</b>
<b>Attributable to:</b>				
Equity holders of the parent	279,348	219,705	27%	1,596,114
Non-controlling interest	Nil	Nil	Nil	Nil
	<b>279,348</b>	<b>219,705</b>	<b>27%</b>	<b>1,596,114</b>
<b>Basic earnings per share (LKR)</b>	0.40	0.31		2.28

TEEJAY LANKA PLC

Statement of Comprehensive Income

(all amounts in Sri Lankan Rupees thousands)

	Group			
	Quarter Ended		Variance	Year Ended
	2018	2017		2018
	Unaudited	Unaudited		Audited
<b>Profit for the period</b>	279,348	219,705	27%	1,596,114
<b>Other comprehensive income</b>				
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	24,795
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	(4,997)
Net movement on cash flow hedges	Nil	Nil	0%	9,673
Currency translation differences	227,257	(42,199)	-639%	131,673
<b>Total other comprehensive income for the period</b>	<b>227,257</b>	<b>(42,199)</b>	<b>-639%</b>	<b>161,144</b>
<b>Total comprehensive income for the period</b>	<b>506,605</b>	<b>177,506</b>	<b>185%</b>	<b>1,757,258</b>
<b>Attributable to:</b>				
Equity holders of the parent	506,605	177,506	185%	1,757,258
Non-controlling interest	Nil	Nil	Nil	Nil
	<b>506,605</b>	<b>177,506</b>	<b>185%</b>	<b>1,757,258</b>

TEEJAY LANKA PLC

Income Statement

(all amounts in Sri Lankan Rupees thousands)

	Company			
	Quarter Ended		Variance	Year Ended
	2018	2017		2018
	Unaudited	Unaudited		Audited
Revenue	4,079,285	3,468,899	18%	15,911,022
Cost of sales	(3,723,844)	(3,165,179)	18%	(14,201,758)
<b>Gross profit</b>	<b>355,441</b>	<b>303,720</b>	<b>17%</b>	<b>1,709,264</b>
Other income	130,216	91,372	43%	608,862
Distribution expenses	(28,695)	(26,717)	7%	(106,280)
Administrative expenses	(193,149)	(158,526)	22%	(635,534)
<b>Results from operating activities</b>	<b>263,813</b>	<b>209,849</b>	<b>26%</b>	<b>1,576,312</b>
Finance income	22,057	8,328	165%	110,342
Finance costs	(74)	(225)	-67%	(12,870)
<b>Net finance income</b>	<b>21,983</b>	<b>8,103</b>	<b>171%</b>	<b>97,472</b>
<b>Profit before tax</b>	<b>285,796</b>	<b>217,952</b>	<b>31%</b>	<b>1,673,784</b>
Income tax	(34,411)	(26,296)	31%	(144,969)
<b>Profit for the period</b>	<b>251,385</b>	<b>191,656</b>	<b>31%</b>	<b>1,528,815</b>
<b>Attributable to:</b>				
Equity holders of the parent	251,385	191,656	31%	1,528,815
Non-controlling interest	Nil	Nil		Nil
	<b>251,385</b>	<b>191,656</b>	<b>31%</b>	<b>1,528,815</b>
Basic earnings per share (LKR)	0.36	0.27		2.18

TEEJAY LANKA PLC

Statement of Comprehensive Income

(all amounts in Sri Lankan Rupees thousands)

	Company			
		Quarter Ended		Year Ended
	2018	30 June		31 March
	Unaudited	2017	Variance	2018
		Unaudited		Audited
<b>Profit for the period</b>	251,385	191,656	31%	1,528,815
<b>Other comprehensive income</b>				
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	31,427
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	(4,400)
Net movement on cash flow hedges	Nil	Nil	0%	9,673
Currency translation differences	202,119	(37,710)	-636%	116,890
<b>Total other comprehensive income for the period</b>	<b>202,119</b>	<b>(37,710)</b>	<b>-636%</b>	<b>153,590</b>
<b>Total comprehensive income for the period</b>	<b>453,504</b>	<b>153,946</b>	<b>195%</b>	<b>1,682,405</b>
<b>Attributable to:</b>				
Equity holders of the parent	453,504	153,946	195%	1,682,405
Non-controlling interest	Nil	Nil	Nil	Nil
	<b>453,504</b>	<b>153,946</b>	<b>195%</b>	<b>1,682,405</b>

TEEJAY LANKA PLC

Statement of Financial Position

(all amounts in Sri Lankan Rupees thousands)

	Group			Company		
	As at 30 June		As at 31 March	As at 30 June		As at 31 March
	2018	2017	2018	2018	2017	2018
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
<b>ASSETS</b>						
<b>Non - current assets</b>						
Property, plant & equipment	7,728,125	6,752,075	7,534,180	3,734,811	3,613,221	3,549,403
Capital work-in-progress	492,536	938,623	444,541	321,221	92,658	349,528
Intangible assets	50,046	59,379	54,458	29,668	30,368	33,029
Goodwill	52,093	50,341	51,112	Nil	Nil	Nil
Investment in Subsidiaries	Nil	Nil	Nil	2,717,381	2,753,598	2,666,214
Lease rentals paid in advance	223,794	235,610	227,820	87,497	93,116	86,941
Deferred tax assets	103,614	206,106	125,070	Nil	Nil	Nil
	<b>8,650,208</b>	<b>8,242,134</b>	<b>8,437,181</b>	<b>6,890,578</b>	<b>6,582,961</b>	<b>6,685,115</b>
<b>Current assets</b>						
Inventories	4,379,990	3,381,303	4,091,207	2,812,929	2,421,871	2,817,004
Trade and other receivables	4,131,714	3,745,974	3,494,456	2,851,493	2,759,945	2,149,360
Other financial assets	1,791,606	2,135,205	789,378	1,469,525	1,743,508	620,214
Derivative financial instruments	10,005	Nil	9,817	10,005	Nil	9,817
Cash and cash equivalents	1,080,742	1,301,067	2,742,897	626,097	951,828	2,126,727
	<b>11,394,057</b>	<b>10,563,549</b>	<b>11,127,755</b>	<b>7,770,049</b>	<b>7,877,152</b>	<b>7,723,122</b>
<b>Total assets</b>	<b>20,044,265</b>	<b>18,805,683</b>	<b>19,564,936</b>	<b>14,660,627</b>	<b>14,460,113</b>	<b>14,408,237</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Capital and reserves</b>						
Stated capital	4,056,683	4,056,790	4,056,683	4,056,683	4,056,790	4,056,683
Share option scheme	85,505	63,746	85,505	85,505	63,746	85,505
Exchange equalisation reserve	2,804,936	2,403,807	2,577,679	2,685,732	2,329,015	2,483,613
Retained earnings	5,251,230	4,944,491	4,971,882	4,021,782	3,775,025	3,770,397
Hedging reserve	9,673	Nil	9,673	9,673	Nil	9,673
	<b>12,208,027</b>	<b>11,468,834</b>	<b>11,701,422</b>	<b>10,859,375</b>	<b>10,224,576</b>	<b>10,405,871</b>
<b>Non - current liabilities</b>						
Borrowings	1,065,356	807,467	1,106,784	Nil	Nil	Nil
Deferred tax liabilities	327,544	364,399	318,004	284,842	255,288	276,106
Retirement benefit obligations	225,640	219,180	207,666	184,969	179,050	171,132
	<b>1,618,540</b>	<b>1,391,046</b>	<b>1,632,454</b>	<b>469,811</b>	<b>434,338</b>	<b>447,238</b>
<b>Current liabilities</b>						
Trade and other payables	4,046,962	3,559,427	4,486,958	2,462,230	2,203,230	2,780,269
Current tax liability	73,966	37,912	14,647	31,306	18,033	Nil
Borrowings	2,096,770	2,348,464	1,729,455	837,905	1,579,936	774,859
	<b>6,217,698</b>	<b>5,945,803</b>	<b>6,231,060</b>	<b>3,331,441</b>	<b>3,801,199</b>	<b>3,555,128</b>
<b>Total liabilities</b>	<b>7,836,238</b>	<b>7,336,849</b>	<b>7,863,514</b>	<b>3,801,252</b>	<b>4,235,537</b>	<b>4,002,366</b>
<b>Total equity and liabilities</b>	<b>20,044,265</b>	<b>18,805,683</b>	<b>19,564,936</b>	<b>14,660,627</b>	<b>14,460,113</b>	<b>14,408,237</b>
<b>Net Asset per share</b>	<b>17.39</b>	<b>16.34</b>	<b>16.67</b>	<b>15.47</b>	<b>14.57</b>	<b>14.82</b>

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

Sgd  
Salman Nishtar  
Chief Financial Officer

Sgd  
Shrihan Perera  
Chief Executive Officer

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

Sgd  
Ashroff Omar  
Director

Sgd  
Hasitha Premaratne  
Director

25-Jul-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 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	1,596,114	Nil	1,596,114
Other comprehensive income	Nil	Nil	131,673	19,798	9,673	161,144
<b>Total comprehensive income</b>	<b>Nil</b>	<b>Nil</b>	<b>131,673</b>	<b>1,615,912</b>	<b>9,673</b>	<b>1,757,258</b>
Issue of shares under Employee Share Option Scheme	113,997	Nil	Nil	Nil	Nil	113,997
<b>Transactions with owners</b>						
Final dividend paid - 2016/17	Nil	Nil	Nil	(877,446)	Nil	(877,446)
Interim dividend paid - 2017/18	Nil	Nil	Nil	(491,370)	Nil	(491,370)
Share option scheme	Nil	21,759	Nil	Nil	Nil	21,759
<b>Balance as at 31 March 2018</b>	<b>4,056,683</b>	<b>85,505</b>	<b>2,577,679</b>	<b>4,971,882</b>	<b>9,673</b>	<b>11,701,422</b>
<b>Balance as at 1 April 2018</b>	<b>4,056,683</b>	<b>85,505</b>	<b>2,577,679</b>	<b>4,971,882</b>	<b>9,673</b>	<b>11,701,422</b>
Profit for the period	Nil	Nil	Nil	279,348	Nil	279,348
Other comprehensive income	Nil	Nil	227,257	Nil	Nil	227,257
<b>Total comprehensive income</b>	<b>Nil</b>	<b>Nil</b>	<b>227,257</b>	<b>279,348</b>	<b>Nil</b>	<b>506,605</b>
<b>Balance as at 30 June 2018</b>	<b>4,056,683</b>	<b>85,505</b>	<b>2,804,936</b>	<b>5,251,230</b>	<b>9,673</b>	<b>12,208,027</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	219,705	Nil	219,705
Other comprehensive income	Nil	Nil	(42,199)	Nil	Nil	(42,199)
<b>Total comprehensive income</b>	<b>Nil</b>	<b>Nil</b>	<b>(42,199)</b>	<b>219,705</b>	<b>Nil</b>	<b>177,506</b>
Issue of shares under Employee Share Option Scheme	114,104	Nil	Nil	Nil	Nil	114,104
<b>Balance as at 30 June 2017</b>	<b>4,056,790</b>	<b>63,746</b>	<b>2,403,807</b>	<b>4,944,491</b>	<b>Nil</b>	<b>11,468,834</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 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>
Profit for the period	Nil	Nil	Nil	1,528,815	Nil	1,528,815
Other comprehensive income	Nil	Nil	116,890	27,027	9,673	153,590
<b>Total comprehensive income</b>	<b>Nil</b>	<b>Nil</b>	<b>116,890</b>	<b>1,555,842</b>	<b>9,673</b>	<b>1,682,405</b>
Issue of shares under Employee Share Option Scheme	113,997	Nil	Nil	Nil	Nil	113,997
<b>Transactions with owners</b>						
Final dividend paid - 2016/17	Nil	Nil	Nil	(877,446)	Nil	(877,446)
Interim dividend paid - 2017/18	Nil	Nil	Nil	(491,370)	Nil	(491,370)
Share option scheme	Nil	21,759	Nil	Nil	Nil	21,759
<b>Balance as at 31 March 2018</b>	<b>4,056,683</b>	<b>85,505</b>	<b>2,483,613</b>	<b>3,770,397</b>	<b>9,673</b>	<b>10,405,871</b>
<b>Balance as at 1 April 2018</b>	<b>4,056,683</b>	<b>85,505</b>	<b>2,483,613</b>	<b>3,770,397</b>	<b>9,673</b>	<b>10,405,871</b>
Profit for the period	Nil	Nil	Nil	251,385	Nil	251,385
Other comprehensive income	Nil	Nil	202,119	Nil	Nil	202,119
<b>Total comprehensive income</b>	<b>Nil</b>	<b>Nil</b>	<b>202,119</b>	<b>251,385</b>	<b>Nil</b>	<b>453,504</b>
<b>Balance as at 30 June 2018</b>	<b>4,056,683</b>	<b>85,505</b>	<b>2,685,732</b>	<b>4,021,782</b>	<b>9,673</b>	<b>10,859,375</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>
Profit for the period	Nil	Nil	Nil	191,656	Nil	191,656
Other comprehensive income	Nil	Nil	(37,710)	Nil	Nil	(37,710)
<b>Total comprehensive income</b>	<b>Nil</b>	<b>Nil</b>	<b>(37,710)</b>	<b>191,656</b>	<b>Nil</b>	<b>153,946</b>
Issue of shares under Employee Share Option Scheme	114,104	Nil	Nil	Nil	Nil	114,104
<b>Balance as at 30 June 2017</b>	<b>4,056,790</b>	<b>63,746</b>	<b>2,329,013</b>	<b>3,775,027</b>	<b>Nil</b>	<b>10,224,576</b>

TEEJAY LANKA PLC

Cash Flow Statement

(all amounts in Sri Lankan Rupees thousands)

	Group		Company	
	Quarter Ended 30 June		Quarter Ended 30 June	
	2018	2017	2018	2017
	Unaudited	Unaudited	Unaudited	Unaudited
<b>Cash flows from operating activities</b>				
Cash generated from operations	(571,410)	206,731	(538,928)	(79,159)
Finance income received	23,794	18,171	22,056	8,328
Finance cost paid	(29,141)	(29,341)	(74)	(225)
Retirement benefit obligations paid	(2,829)	(3,615)	(1,186)	(1,402)
Tax paid	(11,562)	Nil	Nil	Nil
<b>Net cash generated/(used) from operating activities</b>	<b>(591,148)</b>	<b>191,947</b>	<b>(518,132)</b>	<b>(72,458)</b>
<b>Cash flows from investing activities</b>				
Additions to capital work - in - progress	(363,477)	(676,266)	(201,421)	(58,921)
Investment in financial assets	(977,607)	(898,444)	(829,373)	(752,978)
<b>Net cash used in investing activities</b>	<b>(1,341,084)</b>	<b>(1,574,710)</b>	<b>(1,030,794)</b>	<b>(811,899)</b>
<b>Cash flows from financing activities</b>				
Issue of shares under Employee Share Option Scheme	Nil	114,104	Nil	114,104
Proceeds from / (settlement of) borrowings	154,784	1,053,566	Nil	754,050
<b>Net cash used in financing activities</b>	<b>154,784</b>	<b>1,167,670</b>	<b>Nil</b>	<b>868,154</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1,777,449)</b>	<b>(215,093)</b>	<b>(1,548,926)</b>	<b>(16,203)</b>
Cash and cash equivalents at the beginning of the period	2,736,638	1,448,026	2,120,468	902,094
<b>Cash and cash equivalents at the end of the period</b>	<b>959,189</b>	<b>1,232,933</b>	<b>571,542</b>	<b>885,891</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 30 June 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 03 months ended 30 June 2018 were authorised for issue by the Board of Directors on 25 July 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 2018.

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	
	Quater Ended 30 June 2018	2017	Quater Ended 30 June 2018	2017
<b>Profitability Ratios</b>				
Net Profit Margin	4.11%	4.06%	6.16%	5.52%
Asset to Turnover	1.37	1.15	1.12	1.02
Debt : Equity	0.26	0.28	0.08	0.15
Return on Assets (ROA)	5.64%	4.93%	6.92%	5.62%
Return on Equity (ROE)	9.35%	7.76%	9.46%	7.60%

#### Investor Ratios

Earnings per Share (EPS) - LKR	0.40	0.31	0.36	0.27
Net Asset Value per Share - LKR	17.39	16.34	15.47	14.57
Price / Earnings Ratio (PE Ratio)	13.14	16.51	13.70	20.90
Price to Book Value Ratio (PBV Ratio)	1.78	2.57	2.00	2.88

(PE and PBV Ratios are based on a market price of LKR 31.00 per share closed 29 June 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 30 June 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 30 June 2018	33.00	28.80
Last traded price (on 29 June 2018)	31.00	

#### 12. Public Shareholding 270,728,708 shares - 38.56%

The percentage of shares held by the public as at 30 June 2018 was 38.56% (270,728,708 number of shares).  
The number of public shareholders as at 30 June 2018 was 8,357 and a float adjusted market capitalisation of LKR 8,390,908,175.  
In terms of the rule 7.13.1 of the Listing Rules of the Colombo Stock Exchange, the Company Qualifies under option Five of the minimum public holding requirement.

#### 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	29,277,553	4.17
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
Bnymansv Re-CF Ruffer Investment Funds : CF Ruffer Pacific Fund	16,000,000	2.28
HSBC Intl Nom Ltd-JPCMB NA-Fidelity Asian Values PLC	12,626,644	1.80
Melstacorp PLC	12,622,428	1.80
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
J.B. Cocoshell (Pvt) Ltd	4,835,361	0.69
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
Pictet and CIE (EUROPE) S.A.S/A Ruffer SICAV-Ruffer Emerging Markets Fund	3,000,000	0.43
Union Assurance PLC/No-01A/C	2,782,495	0.40
Periceyl ( Private ) Limited A/C No. 03	2,694,100	0.38
Deutsche Bank AG As Trustee For Namal Acuity Value Fund	2,455,000	0.35
Nuwara Eliya Property Developers (Pvt) Ltd	2,285,200	0.33

#### 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			Year Ended
	2018	2017	Variance	2018
	Unaudited	Unaudited		Audited
Revenue	43,846,559	35,796,994	22%	162,721,908
Cost of sales	(39,353,730)	(31,798,657)	24%	(143,502,268)
<b>Gross profit</b>	<b>4,492,829</b>	<b>3,998,337</b>	<b>12%</b>	<b>19,219,640</b>
Other income	394,944	205,756	92%	1,568,210
Distribution expenses	(242,669)	(224,164)	8%	(913,867)
Administrative expenses	(2,365,508)	(1,978,497)	20%	(7,918,870)
<b>Results from operating activities</b>	<b>2,279,596</b>	<b>2,001,432</b>	<b>14%</b>	<b>11,955,113</b>
Finance income	153,347	120,274	27%	701,775
Finance costs	(187,802)	(194,206)	-3%	(656,387)
Net finance income	(34,455)	(73,932)	-53%	45,388
<b>Profit before tax</b>	<b>2,245,141</b>	<b>1,927,500</b>	<b>16%</b>	<b>12,000,501</b>
<b>Income tax</b>	<b>(444,874)</b>	<b>(473,274)</b>	<b>-6%</b>	<b>(1,463,004)</b>
<b>Profit for the period</b>	<b>1,800,267</b>	<b>1,454,226</b>	<b>24%</b>	<b>10,537,497</b>
<b>Attributable to:</b>				
Equity holders of the parent	1,800,267	1,454,226	24%	10,537,497
Non-controlling interest	Nil	Nil	Nil	Nil
	<b>1,800,267</b>	<b>1,454,226</b>	<b>24%</b>	<b>10,537,497</b>

TEEJAY LANKA PLC

Statement of Comprehensive Income

(all amounts in United States Dollars)

	Group			
	Quarter Ended 30 June		Variance	Year Ended 31 March
	2018 Unaudited	2017 Unaudited		2018 Audited
<b>Profit for the period</b>	1,800,267	1,454,226	24%	10,537,497
<b>Other comprehensive income</b>				
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	163,698
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	(32,990)
Net movement on cash flow hedges	Nil	Nil	100%	63,862
<b>Total other comprehensive income for the period</b>	<b>Nil</b>	<b>Nil</b>	<b>0%</b>	<b>194,570</b>
<b>Total comprehensive income for the period</b>	<b>1,800,267</b>	<b>1,454,226</b>	<b>24%</b>	<b>10,732,067</b>
<b>Attributable to:</b>				
Equity holders of the parent	1,800,267	1,454,226	24%	10,732,067
Non-controlling interest	Nil	Nil	Nil	Nil
	<b>1,800,267</b>	<b>1,454,226</b>	<b>24%</b>	<b>10,732,067</b>

TEEJAY LANKA PLC

Income Statement

(all amounts in United States Dollars)

	Company			
	Quarter Ended		Variance	Year Ended
	2018	2017		2018
	Unaudited	Unaudited		Audited
Revenue	26,289,135	22,960,677	14%	105,044,049
Cost of sales	(23,998,478)	(20,950,349)	15%	(93,759,543)
<b>Gross profit</b>	<b>2,290,657</b>	<b>2,010,328</b>	<b>14%</b>	<b>11,284,506</b>
Other income	839,186	604,788	39%	4,019,683
Distribution expenses	(184,924)	(176,840)	5%	(701,654)
Administrative expenses	(1,244,760)	(1,049,286)	19%	(4,195,776)
<b>Results from operating activities</b>	<b>1,700,159</b>	<b>860,100</b>	<b>98%</b>	<b>10,406,759</b>
Finance income	142,146	55,125	158%	728,476
Finance costs	(480)	(1,486)	-68%	(84,972)
Net finance income	141,666	53,639	164%	643,504
<b>Profit before tax</b>	<b>1,841,825</b>	<b>1,442,629</b>	<b>28%</b>	<b>11,050,263</b>
Income tax	(221,766)	(174,051)	27%	(957,081)
<b>Profit for the period</b>	<b>1,620,059</b>	<b>1,268,578</b>	<b>28%</b>	<b>10,093,182</b>

TEEJAY LANKA PLC

Statement of Comprehensive Income

(all amounts in United States Dollars)

	Company			
	Quarter Ended			Year Ended
	30 June			31 March
	2018	2017	Variance	2018
	Unaudited	Unaudited		Audited
Profit for the period	1,620,059	1,268,578	28%	10,093,182
<b>Other comprehensive income</b>				
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	207,482
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	(29,047)
Net movement on cash flow hedges	Nil	Nil	0%	63,862
<b>Total other comprehensive income for the period</b>	<b>Nil</b>	<b>Nil</b>	<b>0%</b>	<b>242,297</b>
<b>Total comprehensive income for the period</b>	<b>1,620,059</b>	<b>1,268,578</b>	<b>28%</b>	<b>10,335,479</b>



TEEJAY LANKA PLC

Statement of Financial Position

(all amounts in United States Dollars)

	Group			Company		
	As at 30 June		As at 31 March	As at 30 June		As at 31 March
	2018	2017	2018	2018	2017	2018
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
<b>ASSETS</b>						
<b>Non - current assets</b>						
Property, plant & equipment	49,327,407	44,597,588	49,012,363	23,838,711	23,865,396	23,090,055
Capital work-in-progress	3,143,781	6,199,625	2,891,885	2,050,306	612,006	2,273,795
Intangible assets	319,436	392,202	354,267	189,364	200,582	214,860
Goodwill	332,502	332,502	332,502	Nil	Nil	Nil
Investment in Subsidiaries	Nil	Nil	Nil	17,344,614	18,187,567	17,344,614
Lease rentals paid in advance	1,428,444	1,556,207	1,482,044	558,481	615,032	565,582
Deferred tax Assets	661,353	1,361,333	813,619	Nil	Nil	Nil
	55,212,923	54,439,457	54,886,680	43,981,476	43,480,583	43,488,906
<b>Current assets</b>						
Inventories	27,956,788	22,333,572	26,614,663	17,954,484	15,996,509	18,325,551
Trade and other receivables	26,372,083	24,742,235	22,732,605	18,200,634	18,229,489	13,982,303
Other financial assets	11,435,538	14,103,072	5,135,170	9,379,746	11,515,908	4,034,698
Derivative financial instruments	63,862	Nil	63,862	63,862	Nil	63,862
Cash and cash equivalents	6,898,209	8,593,572	17,843,464	3,996,280	6,286,841	13,835,071
	72,726,480	69,772,451	72,389,764	49,595,006	52,028,747	50,241,485
<b>Total assets</b>	<b>127,939,403</b>	<b>124,211,908</b>	<b>127,276,444</b>	<b>93,576,482</b>	<b>95,509,330</b>	<b>93,730,391</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Capital and reserves</b>						
Stated capital	37,571,594	37,572,299	37,571,594	37,571,594	37,572,299	37,571,594
Share option scheme	599,657	456,004	599,657	599,657	456,004	599,657
Retained earnings	39,686,827	37,723,570	37,886,560	31,078,566	29,505,222	29,458,562
Hedging reserve	63,862	Nil	63,862	63,862	Nil	63,862
	77,921,940	75,751,873	76,121,673	69,313,679	67,533,525	67,693,675
<b>Non - current liabilities</b>						
Borrowings	6,800,000	5,333,333	7,200,000	Nil	Nil	Nil
Deferred tax liabilities	2,090,662	2,406,862	2,068,721	1,818,102	1,686,179	1,796,161
Retirement benefit obligations	1,440,223	1,447,688	1,350,935	1,180,627	1,182,629	1,113,270
	10,330,885	9,187,883	10,619,656	2,998,729	2,868,808	2,909,431
<b>Current liabilities</b>						
Trade and other payables	25,831,115	23,510,088	29,189,159	15,716,033	14,552,378	18,086,570
Current Tax Liabilities	472,114	250,410	95,275	199,824	119,111	Nil
Borrowings	13,383,349	15,511,654	11,250,681	5,348,217	10,435,508	5,040,715
	39,686,578	39,272,152	40,535,115	21,264,074	25,106,997	23,127,285
<b>Total liabilities</b>	<b>50,017,463</b>	<b>48,460,035</b>	<b>51,154,771</b>	<b>24,262,803</b>	<b>27,975,805</b>	<b>26,036,716</b>
<b>Total equity and liabilities</b>	<b>127,939,403</b>	<b>124,211,908</b>	<b>127,276,444</b>	<b>93,576,482</b>	<b>95,509,330</b>	<b>93,730,391</b>

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

Sgd  
Salman Nishtar  
Chief Financial Officer

Sgd  
Shrihan Perera  
Chief Executive Officer

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

Sgd  
Ashroff Omar  
Director

Sgd  
Hasitha Premaratne  
Director

25-Jul-2018