

**VALLIBEL ONE PLC**  
**INTERIM FINANCIAL STATEMENTS**

**Vallibel | ONE**

**FOR THE NINE MONTHS PERIOD ENDED 31ST DECEMBER 2017**

**VALLIBEL ONE PLC**  
STATEMENT OF FINANCIAL POSITION

As at	Company		Group	
	31.12.2017 Rs.'000	31.03.2017 Rs.'000	31.12.2017 Rs.'000	31.03.2017 Rs.'000
<b>ASSETS</b>				
Cash and Bank	16,843	399,210	6,112,790	5,378,756
Financial Assets - Fair Value Through Profit or Loss	65,046	110,560	121,499	161,264
Loans and Receivable	-	-	37,910,496	33,638,779
Lease Rentals receivables and Stock out on hire	-	-	60,370,034	55,659,388
Financial Assets - Available for Sales	10,254,733	7,883,555	10,333,805	7,951,947
Other Financial Assets	893,875	1,550,762	10,332,066	8,254,185
Trade and Other Receivables	119,311	230,981	7,500,048	6,584,067
Other Non Financial Assets	-	-	2,158,481	1,296,826
Investments in Subsidiaries	19,143,390	18,802,890	-	-
Investment in Associate	405,891	405,891	592,220	587,838
Amounts Due From Related Parties	175,170	26,074	-	-
Deferred Tax Assets	-	-	206,117	340,549
Income Tax Recoverable	2,586	5,270	189,919	115,943
Inventories	-	-	11,512,203	10,031,785
Intangible Assets	-	-	12,999,943	13,046,742
Investment property	-	-	706,000	238,024
Leasehold rights Over Mining Lands	-	-	14,016	16,080
Biological Assets	-	-	2,585,576	2,575,552
Property, Plant and Equipment	31,116	37,132	32,312,398	29,566,426
Assets Classified as Held for Sale	-	-	87,169	137,815
<b>Total Assets</b>	<b>31,107,962</b>	<b>29,452,325</b>	<b>196,044,779</b>	<b>175,581,967</b>
<b>LIABILITIES</b>				
Due to Banks	-	2	21,637,041	26,636,388
Due to Customers	-	-	70,839,702	60,401,955
Interest Bearing Loans and Borrowings	-	400,000	23,715,389	16,155,167
Trade and Other Payables	5,310	8,855	6,049,027	4,954,353
Other Financial Liabilities	-	-	771,554	1,264,263
Other Non Financial Liabilities	-	-	2,017,516	1,578,485
Dividend Payable	9,528	7,648	113,863	113,083
Employee Benefit Liabilities	3,809	3,809	1,308,818	1,211,122
Income Tax Liabilities	3,512	6,062	1,143,768	1,220,668
Deferred Tax Liabilities	2,461	2,461	1,797,688	1,711,056
Capital Grants	-	-	138,782	153,189
Liabilities Directly Associated with the Assets Classified as Held for Sale	-	-	10,579	137,944
<b>Total Liabilities</b>	<b>24,620</b>	<b>428,837</b>	<b>129,543,727</b>	<b>115,537,673</b>
<b>Shareholders' Funds</b>				
<b>Equity Attributable to Equity Holders of the Parent</b>				
Stated Capital	27,163,984	27,163,984	27,163,984	27,163,984
Reserves	3,919,359	1,859,504	18,733,227	14,187,517
	31,083,343	29,023,488	45,897,210	41,351,501
<b>Non Controlling Interest</b>	-	-	20,603,842	18,692,794
<b>Total Equity</b>	<b>31,083,343</b>	<b>29,023,488</b>	<b>66,501,053</b>	<b>60,044,295</b>
<b>Total Equity and Liabilities</b>	<b>31,107,962</b>	<b>29,452,325</b>	<b>196,044,779</b>	<b>175,581,967</b>

Net Asset Per Share (Rs.) 28.61 26.71 42.24 38.06

These Financial Statements are in Compliance with the requirements of Companies Act No. 07 of 2007.

Sgd.  
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these Financial Statements signed for and on behalf of the board by.

Sgd.  
Director  
14/2/2018

Sgd.  
Director

**VALLIBEL ONE PLC**  
STATEMENT OF INCOME

For the Period ended 31st December	Company					Group				
	2017 Quarter Rs.'000	2016 Quarter Rs.'000	2017 Cumulative Rs.'000	2016 Cumulative Rs.'000	Variance %	2017 Quarter Rs.'000	2016 Quarter Rs.'000	2017 Cumulative Rs.'000	2016 Cumulative Rs.'000	Variance %
Revenue	-	-	-	-	-	16,892,273	14,488,709	44,538,470	38,633,849	15
Cost of Sales	-	-	-	-	-	(9,616,459)	(7,855,676)	(25,565,260)	(21,238,246)	(20)
<b>Gross Profit</b>	-	-	-	-	-	7,275,814	6,633,033	18,973,210	17,395,602	9
Dividend Income	-	-	459,499	870,177	(47)	-	486	20,388	22,087	(8)
Other operating income	60,112	5,092	114,138	7,949	1336	102,713	197,994	287,346	315,190	(9)
Administrative Expenses	(51,841)	(44,343)	(143,138)	(115,131)	(24)	(1,354,687)	(1,293,703)	(3,789,351)	(3,659,169)	(4)
Distribution Expenses	-	-	-	-	-	(1,357,335)	(1,174,126)	(3,471,703)	(3,158,416)	(10)
Other Operating Expenses	-	-	-	-	-	(777,669)	(578,893)	(2,131,931)	(1,496,403)	(42)
Loss from the Difference between the Fair Value of the Retained Interest and the Carrying Value of the Investment in Associates.	-	-	-	(828,882)	100	-	-	-	(3,297,524)	100
Gain / (loss) on Gold Auction	-	-	-	-	-	298	(302)	(133)	(2,152)	94
<b>Results from Operating Activities</b>	<b>8,272</b>	<b>(39,251)</b>	<b>430,499</b>	<b>(65,888)</b>	753	<b>3,889,132</b>	<b>3,784,488</b>	<b>9,887,827</b>	<b>6,119,214</b>	62
Finance Cost	-	-	(759)	-	(100)	(511,997)	(446,017)	(1,414,150)	(1,215,469)	(16)
Finance Income	24,725	42,878	132,703	210,379	(37)	69,210	86,430	280,991	341,118	(18)
<b>Net Finance Cost</b>	<b>24,725</b>	<b>42,878</b>	<b>131,944</b>	<b>210,379</b>	(37)	<b>(442,787)</b>	<b>(359,587)</b>	<b>(1,133,160)</b>	<b>(874,351)</b>	(30)
Share of Results of Equity Accounted Investees	-	-	-	-	-	8,692	7,626	4,381	452,708	(99)
Reclassification of the Gain/Loss Recognised in OCI Through Retained Earnings	-	-	-	-	-	-	-	-	(648,594)	100
<b>Profit Before Value Added Tax</b>	<b>32,996</b>	<b>3,627</b>	<b>562,443</b>	<b>144,491</b>	289	<b>3,455,038</b>	<b>3,432,526</b>	<b>8,759,049</b>	<b>5,048,978</b>	73
Value Added Tax on Financial Services	-	-	-	-	-	(352,962)	(244,494)	(960,281)	(678,206)	(42)
<b>Profit Before Tax</b>	<b>32,996</b>	<b>3,627</b>	<b>562,443</b>	<b>144,491</b>	289	<b>3,102,076</b>	<b>3,188,032</b>	<b>7,798,767</b>	<b>4,370,772</b>	78
Income Tax Expense	(9,781)	(15,044)	(37,214)	(46,038)	19	(1,024,341)	(1,041,391)	(2,616,636)	(2,638,977)	1
<b>Profit/(Loss) for the Period from Continuing Operation</b>	<b>23,215</b>	<b>(11,416)</b>	<b>525,229</b>	<b>98,453</b>	433	<b>2,077,735</b>	<b>2,146,641</b>	<b>5,182,132</b>	<b>1,731,795</b>	199
<b>Discontinued Operation</b>										
Loss After Tax for the Period from Discontinued Operations	-	-	-	-	-	(10,278)	(7,592)	(22,681)	(43,904)	48
<b>Net Profit/(Loss) for the Period</b>	<b>23,215</b>	<b>(11,416)</b>	<b>525,229</b>	<b>98,453</b>	433	<b>2,067,457</b>	<b>2,139,048</b>	<b>5,159,450</b>	<b>1,687,891</b>	206
<b>Attributable to :</b>										
Equity Holders of the Parent	23,215	(11,416)	525,229	98,453	433	1,087,718	1,027,259	2,716,657	(875,754)	410
Non - Controlling Interests	-	-	-	-	-	979,739	1,111,790	2,442,793	2,563,645	(5)
	<b>23,215</b>	<b>(11,416)</b>	<b>525,229</b>	<b>98,453</b>	433	<b>2,067,457</b>	<b>2,139,048</b>	<b>5,159,450</b>	<b>1,687,891</b>	206
Earnings Per Share (Rs.)	0.02	(0.01)	0.48	0.09		1.00	0.95	2.50	(0.81)	

**VALLIBEL ONE PLC**  
STATEMENT OF COMPREHENSIVE INCOME

For the Period ended 31st December	2017	2016	2017	2016	Variance %	2017	2016	2017	2016	Variance %
	Quarter	Quarter	Cumulative	Cumulative		Quarter	Quarter	Cumulative	Cumulative	
	Rs.'000	Rs.'000	Rs.'000	Rs.'000		Rs.'000	Rs.'000	Rs.'000	Rs.'000	
<b>Net Profit for the Period</b>	23,215	(11,416)	525,229	98,453	433	2,067,457	2,139,048	5,159,450	1,687,891	206
<b>Other comprehensive Income</b>										
<b>To be Reclassified to Profit or Loss in Subsequent Period</b>										
Share of other Comprehensive Income of Equity Accounted Investees	-	-	-	-	-	-	-	-	23,432	(100)
Reclassification of the Gain/Loss Recognised in OCI Through Retained Earnings	-	-	-	-	-	-	-	-	648,594	(100)
Net Gain/(Loss) on Available for Sale Financial Assets	660,554	(239,213)	2,077,905	820,691	153	653,825	(251,440)	2,089,381	811,702	157
Exchange Difference on Translation of Foreign Operations	-	-	-	-	-	(1,498)	(4,689)	2,584	(3,289)	179
<b>Not to be Reclassified to Profit or Loss in Subsequent Period</b>										
Realisation of Revaluation Reserve - Transfer Out	-	-	-	-	-	-	-	-	(202,635)	100
Realisation of Actuarial loss - Transfer Out	-	-	-	-	-	-	-	-	39,734	(100)
<b>Other Comprehensive Income for the Period, Net of Tax</b>	660,554	(239,213)	2,077,905	820,691	153	652,327	(256,128)	2,091,965	1,317,538	59
<b>Total Comprehensive Income for the Period, Net of Tax</b>	<b>683,769</b>	<b>(250,629)</b>	<b>2,603,134</b>	<b>919,144</b>	<b>183</b>	<b>2,719,784</b>	<b>1,882,920</b>	<b>7,251,415</b>	<b>3,005,429</b>	<b>141</b>
<b>Total Comprehensive Income Attributable to :</b>										
Equity Holders of the Parent	683,769	(250,629)	2,603,134	919,144	183	1,743,043	777,725	4,803,495	446,536	976
Non - Controlling Interests	-	-	-	-	-	976,741	1,105,195	2,447,920	2,558,892	(4)
	<b>683,769</b>	<b>(250,629)</b>	<b>2,603,134</b>	<b>919,144</b>	<b>183</b>	<b>2,719,784</b>	<b>1,882,920</b>	<b>7,251,415</b>	<b>3,005,429</b>	<b>141</b>

**VALLIBEL ONE PLC**  
STATEMENT OF CHANGES IN EQUITY- COMPANY

For the Period ended 31st December	Stated Capital Rs.'000	Available for Sale Reserve Rs.'000	Retained Earnings/ (Losses) Rs.'000	Total Rs.'000
<b>Balance as at 01st April 2016</b>	27,163,984	(351,118)	762,296	27,575,162
Profit for the Period	-	-	98,453	98,453
Other Comprehensive Income	-	820,691	-	820,691
Dividend Paid	-	-	(543,280)	(543,280)
<b>Balance as at 31st December 2016</b>	<u>27,163,984</u>	<u>469,573</u>	<u>317,469</u>	<u>27,951,026</u>
<b>Balance as at 01st April 2017</b>	27,163,984	400,218	1,459,286	29,023,488
Profit for the Period	-	-	525,229	525,229
Other Comprehensive Income	-	2,077,905	-	2,077,905
Dividend Paid	-	-	(543,280)	(543,280)
<b>Balance as at 31st December 2017</b>	<u>27,163,984</u>	<u>2,478,123</u>	<u>1,441,236</u>	<u>31,083,343</u>

**VALLIBEL ONE PLC**  
STATEMENT OF CHANGES IN EQUITY- GROUP

For the Period ended 31st December Rs.'000

	Stated Capital	Treasury Shares	Capital		Other Component of Equity			Revenue Reserve		Hedge Reserve	Actuarial Gain/ (Loss)	Shareholder's Fund	Non Controlling Interest	Total Equity
			Reserve	Available for Sale Reserve	Foreign Currency Translation Reserve	Revaluation Reserve	General Reserve	Retained Earnings						
			Fund	Rs.	Rs.	Rs.	Rs.	Rs.						
<b>Balance as at 01st April 2016</b>	27,163,984	(44,112)	1,433,306	(996,972)	6,057	1,143,873	578,449	8,839,685	(32,984)	(126)	38,091,162	16,579,367	54,670,528	
Profit for the Period	-	-	-	-	-	-	-	(875,754)	-	-	(875,754)	2,563,645	1,687,891	
Realisation of Revaluation Reserve - Transfer Out	-	-	-	-	-	-	-	202,635	-	-	202,635	-	202,635	
Realisation of Actuarial loss - Transfer Out	-	-	-	-	-	-	-	(39,734)	-	-	(39,734)	-	(39,734)	
<b>Other Comprehensive Income</b>														
Share of Other Comprehensive Income of Equity Accounted Investees	-	-	-	23,693	(261)	-	-	-	-	-	23,432	-	23,432	
Reclassification of the Gain/Loss Recognised in OCI by the Investment in Associate to Retained Earnings	-	-	-	654,012	(5,544)	-	-	-	-	126	648,594	-	648,594	
Realisation of Revaluation Reserve - Transfer Out	-	-	-	-	-	(202,635)	-	-	-	-	(202,635)	-	(202,635)	
Realisation of Actuarial Loss - Transfer Out	-	-	-	-	-	-	-	-	39,734	-	39,734	-	39,734	
Exchange Difference on Translation of Foreign Operations	-	-	-	-	(1,678)	-	-	-	-	-	(1,678)	(1,611)	(3,289)	
Net Gain/(Loss) on Available for Sale Financial Assets	-	-	-	814,844	-	-	-	-	-	-	814,844	(3,142)	811,702	
<b>Total Other Comprehensive Income</b>	-	-	-	1,492,549	(7,483)	(202,635)	-	-	39,734	126	1,322,291	(4,753)	1,317,538	
Effect on Change in Holding	-	-	-	-	-	-	-	35,400	-	-	35,400	(178,959)	(143,559)	
Transfers	-	-	375,243	-	-	-	-	(375,243)	-	-	-	-	-	
Write Back of Unclaimed Dividends	-	-	-	-	-	-	-	3,817	-	-	3,817	-	3,817	
Dividend Paid	-	-	-	-	-	-	-	(543,280)	-	-	(543,280)	(549,121)	(1,092,401)	
<b>Balance as at 31st December 2016</b>	27,163,984	(44,112)	1,808,549	495,578	(1,426)	941,238	578,449	7,247,527	6,750	-	38,196,537	18,410,179	56,606,716	
<b>Balance as at 01st April 2017</b>	27,163,984	(44,112)	2,216,947	414,490	1,798	2,196,687	578,449	8,810,680	12,578	-	41,351,501	18,692,794	60,044,295	
Prior year adjustment	-	-	-	-	-	-	-	375,786	-	-	375,786	92,190	467,976	
<b>Adjusted Balance as at 1st April 2017</b>	27,163,984	(44,112)	2,216,947	414,490	1,798	2,196,687	578,449	9,186,466	12,578	-	41,727,287	18,784,984	60,512,271	
Profit for the Period	-	-	-	-	-	-	-	2,716,657	-	-	2,716,657	2,442,793	5,159,450	
<b>Other Comprehensive Income</b>														
Exchange Difference on Translation of Foreign Operations	-	-	-	-	1,446	-	-	-	-	-	1,446	1,138	2,584	
Net Gain/(Loss) on Available for Sale Financial Assets	-	-	-	2,085,392	-	-	-	-	-	-	2,085,392	3,989	2,089,381	
<b>Total other Comprehensive Income</b>	-	-	-	2,085,392	1,446	-	-	-	-	-	2,086,838	5,127	2,091,965	
Transfers	-	-	604,002	-	-	-	-	(604,002)	-	-	-	-	-	
Effect on Changes in Holding	-	-	-	-	-	-	-	(90,753)	-	-	(90,753)	(194,289)	(285,042)	
Dividend Paid	-	-	-	-	-	-	-	(542,819)	-	-	(542,819)	(434,772)	(977,591)	
<b>Balance as at 31st December 2017</b>	27,163,984	(44,112)	2,820,948	2,499,882	3,244	2,196,687	578,449	10,665,550	12,578	-	45,897,210	20,603,842	66,501,053	

**VALLIBEL ONE PLC**  
**CASH FLOW STATEMENT**

For the Period ended

**CASH FLOWS FROM OPERATING ACTIVITIES**

	Company		Group	
	31.12.2017 Rs.'000	31.12.2016 Rs.'000	31.12.2017 Rs.'000	31.12.2016 Rs.'000
Net Profit/ (Loss) before Taxation	562,443	144,491	7,798,767	4,370,772
Profit/ (Loss) Before Tax from Discontinued Operations	-	-	(22,681)	(43,904)

**ADJUSTMENTS FOR**

Profit / Loss on sale of Property, Plant & equipment	-	(2,857)	(21,551)	(54,583)
Depreciation	7,720	8,164	1,351,857	1,247,564
Provision For Fall in Value of Investments	(5,368)	(24,131)	(7,234)	(17,323)
Amortization	-	-	64,172	62,859
Share of results of Equity Accounted Investees	-	-	(4,381)	(452,708)
Net (Gain) / Loss on Foreign Exchange	(85)	-	-	(3,289)
Provision for Impairment of Assets	-	-	374,927	8,739
Provision For Defined Benefit Plan Costs	-	-	189,584	170,138
Amortization of Capital Grants	-	-	(3,825)	(3,522)
Provision for Inventory	-	-	51,182	36,938
Reclassification Loss on Associate to Available for sale Financial Assets	-	-	-	648,594
Gain on Disposal of Subsidiary	-	828,882	-	3,297,524
(Profit) / Loss from sale of Financial Assets Fair Value through Profit or Loss	-	-	-	(26,481)
Dividend Received	(459,499)	(870,177)	(20,388)	(22,087)
Finance Cost	759	-	1,414,150	1,214,179
Finance Income	(132,703)	(185,013)	(280,991)	(341,118)

**Operating Profit/ (Loss) before Working Capital Changes**

(Increase)/Decrease in Loans and Advances	-	-	(4,651,981)	(5,327,748)
(Increase)/Decrease in Trade & Other Debtors, Deposits & Prepayments	85,162	(488)	(910,644)	(1,026,975)
(Increase)/Decrease in Other Financial Assets	-	-	(2,077,881)	853,826
(Increase)/Decrease in Lease Rental Receivable	-	-	(4,710,647)	(8,560,338)
Increase/(Decrease) in Other Financial Liabilities	-	-	(492,709)	455,261
(Increase)/Decrease in Other Non Financial Assets	656,887	777,762	(861,655)	495,997
Increase/(Decrease) in Due to Banks	-	-	(5,031,403)	5,223,606
Increase/(Decrease) in Due to Customers	-	-	10,437,748	2,884,357
Increase/(Decrease) in Trade & Other Payables	(1,872)	130	1,079,674	1,069,385
Increase/(Decrease) in Other Non Financial Liabilities	-	-	439,031	(107,437)
(Increase)/Decrease in Inventories	-	-	(1,541,624)	(703,232)
Increase/(Decrease) in Assets Held For Sale	-	-	(76,590)	(7,933)
(Increase)/Decrease in Amounts Due from Related Companies	(149,096)	(1,111,886)	-	-

**Cash Generated from Operations**

Retirement Benefits Liabilities Paid	-	-	(91,888)	(96,946)
Interest Received	161,655	180,262	280,991	341,118
Finance Cost Paid	(2,432)	-	(1,414,150)	(1,214,179)
Taxes Paid - Continuing Operations	(39,440)	(48,318)	(2,546,448)	(2,454,196)
<b>Net Cash from/(Used in) Operating Activities</b>	<b>684,130</b>	<b>(303,178)</b>	<b>(1,286,587)</b>	<b>1,916,857</b>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of Property, Plant & Equipment	(1,704)	(1,971)	(4,138,259)	(4,647,102)
Proceeds from Sale of Property, Plant & Equipment	-	3,100	64,437	27,058
Proceeds from Sale of Intangible Assets	-	-	(17,373)	40,660
Net Proceeds of Fair Value Through Profit and Loss Financial Assets	50,882	129,204	46,999	10,045
Acquisition of Subsidiary	-	-	-	(60,000)
Increase the Stake of Subsidiary	(340,500)	-	-	-
Acquisition of Non Controlling Interest	-	(136,028)	(106,345)	(143,559)
Net Proceeds (Purchase) of Available for Sale Financial Assets	(293,273)	-	(292,477)	-
Dividend Received	459,499	870,177	20,388	161,763
Proceeds from leasehold right on Mining	-	-	2,064	(8,000)
<b>Net Cash used in Investing Activities</b>	<b>(125,095)</b>	<b>864,482</b>	<b>(4,420,566)</b>	<b>(4,619,134)</b>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds from Interest Bearing Loans & Borrowings	-	-	17,431,149	9,639,974
Repayment of Interest Bearing Loans & Borrowings	(400,000)	-	(9,870,928)	(6,825,535)
Capital Grant Received	-	-	4,417	6,367
Proceeds on issue of Shares to Minority Shareholders	-	-	5,997	-
Acquisition of non controlling interest	-	-	(184,693)	-
Dividend Paid	(541,399)	(542,346)	(976,812)	(1,092,401)
<b>Net Cash from Financing Activities</b>	<b>(941,399)</b>	<b>(542,346)</b>	<b>6,409,131</b>	<b>1,728,405</b>

**Net Increase / (Decrease) in Cash & Cash Equivalents**

**Cash and Cash Equivalents at the beginning of the Period**

**Cash and Cash Equivalents at the end of the Period**

	(382,365)	18,958	701,978	(973,872)
	399,208	41,298	1,485,247	5,416,561
	16,843	60,256	2,187,225	4,442,689

**VALLIBEL ONE PLC**  
NOTES TO THE FINANCIAL STATEMENTS

- 1 Financial year of the company ends on 31st March.
- 2 The above figures are provisional & subject to audit.
- 3 Number of fully paid ordinary shares as at 31st December 2017 is 1,086,559,353 (31st March 2017- 1,086,559,353).
- 4 There has not been a significant change in the nature of the contingent liabilities which were disclosed in the Annual Report for the year ended 31st March 2017
- 5 The Interim Financial Statements have been prepared in accordance with the accounting policies set out in the Annual report for the year ended 31st March 2017 and comply with the Sri Lanka Accounting Standards (SLFRS/LKAS). These interim Financial Statements should be read in conjunction with the annual financial statements for the year ended 31st March 2017. They also provide the information required by the Colombo stock Exchange and LKAS 34.
- 6 Where necessary , Comparative figures have been re-stated to confirm with SLFRS/LKAS.
- 7 The Consolidated Financial Statements of the Company for the Period ended 31st December 2017 comprise of the Company , its Subsidiaries and Associates. The details of Subsidiaries and Associates are as follows:

**Subsidiary Companies**

Royal Ceramics Lanka PLC  
L B Finance PLC  
Greener Water Ltd  
Delmege Limited

**Associate Companies**

The Fortress Resorts PLC

**8 Related Party Transactions**

For the Period ended 31st December	<b>2017</b>	<b>2016</b>
	<b>Rs.'000</b>	<b>Rs.'000</b>
<b>Subsidiaries</b>		
Fixed Deposits - (Investment) / Withdrawals	-	646,179
Interest Income Recognized	-	17,943
Technical Fee - Income Recognized	108,685	5,092
Fund Transfers	149,096	1,111,886
Dividend received	441,683	709,867
<b>Associates</b>		
Dividend received	-	139,677
<b>Key management personnel (KMP)</b>		
Directors Remuneration	8,394	10,002
<b>Companies controlled / jointly controlled / significantly Influenced by KMP and their close family members</b>		
Fixed Deposits - (Investment) / Withdrawals	506,887	(93,417)
Interest Income Recognized	132,703	167,070
Dividend Received	17,817	15,634
Investment In Repos	-	46,000

**VALLIBEL ONE PLC**  
NOTES TO THE FINANCIAL STATEMENTS

**9 Discontinued Operations**

During the year 2016/17, the Royal Ceramics Lanka PLC publicly announced the decision of its Board of Directors to cease the operations of Ever Paint and Chemical Industries (Private) Limited ("EPCI") with immediate effect and to dispose of the assets thereof. EPCI is a fully owned subsidiary of Royal Ceramics Lanka PLC and it was engaged in the business of manufacturing and marketing of paints and allied products. With EPCI being classified as discontinued operations, The results of EPCI for the period is presented below:

	<b>Period ended 31.12.2017 Rs.'000</b>	<b>Period ended 31.12.2016 Rs.'000</b>
Net Revenue	1,733	25,192
Cost of Sales	(3,097)	(29,023)
Gross Profit	(1,364)	(3,831)
Other Operating Income	3,083	13,393
Distribution Expenses	(6,864)	(24,601)
Administrative Expenses	(14,073)	(10,146)
Finance Expenses	(3,463)	(18,718)
<b>Loss for the period from discontinued operations</b>	<b>(22,681)</b>	<b>(43,903)</b>

The major classes of assets and liabilities of EPCI is classified as held for sale as at the end of the period:

	<b>31.12.2017 Rs.'000</b>	<b>31.12.2016 Rs.'000</b>
<b>Assets</b>		
Property, Plant & Equipment	49,877	92,780
Inventories	16,727	98,240
Trade and Other Receivables	20,496	27,101
Other Non Financial Assets	-	13,682
Cash and Cash Equivalentents	68	655
Assets held for sale	87,169	232,458
<b>Liabilities</b>		
Trade and Other Payables	(8,138)	(18,509)
Interest Bearing Loans & Borrowings	(2,039)	(204,185)
Retirement Benefit Liability	(402)	(1,831)
Liabilities directly associated with the assets held for sale	(10,579)	(224,525)
<b>Net Assets directly associated with disposal group</b>	<b>76,590</b>	<b>7,933</b>

The net cash flows incurred by EPCI is as follows:

	<b>Period ended 31.12.2017 Rs.'000</b>	<b>Period ended 31.12.2016 Rs.'000</b>
Operating	88,727	27,751
Investing	30,148	454
Financing	(120,880)	(20,802)
<b>Net cash (outflow)/inflow</b>	<b>(2,004)</b>	<b>7,403</b>

**VALLIBEL ONE PLC**  
NOTES TO THE FINANCIAL STATEMENTS

**10 Greener Water Hotel Project**

- Civil, Structural and MEP (Mechanical, Electrical and Plumbing) works of the super structure are in progress.
- Delays have been encountered in the construction of the super structure vis-à-vis the Project milestones. This has necessitated variations to the timelines, thus delaying the Project completion by approximately one year.
- In view of the aforesaid, it is expected to commence commercial operations by April 2020.

**11** There have been no material events occurring after the balance sheet date that require adjustment or disclosure in the financial statement.

**VALLIBEL ONE PLC**

**12 Operating Segment Information  
For the Period ended 31st December  
Rs'000**

	Investment Sector		Tiles Sector		Sanitaryware Sector		Packaging Sector		Aluminium Sector		Plantation Sector		Bank & Finance Sector	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
<b>Revenue</b>														
Sales to external customers	-	-	13,662,260	13,122,807	1,449,863	1,485,810	1,845,427	1,614,412	2,422,756	1,940,190	1,742,902	1,296,197	18,142,775	13,795,009
Intra group Revenue	-	-	5,113	-	106	-	275,777	154,575	-	(1,225)	34,313	1,183	-	-
<b>Total Revenue</b>	-	-	13,667,373	13,122,807	1,449,969	1,485,810	2,121,203	1,768,987	2,422,756	1,938,965	1,777,216	1,297,380	18,142,775	13,795,009
<b>Results</b>														
<b>Gross Profit</b>	-	-	6,239,905	6,313,443	623,787	627,174	197,318	276,904	753,600	631,709	213,794	(16,929)	9,547,702	8,088,954
Dividend Income	459,499	870,177	435	435	-	-	-	-	-	-	-	-	1,972	6,185
Other Income & Gains	114,138	7,949	139,070	255,656	4,096	5,550	74,512	45,647	3,004	3,588	2,871	10,000	105,243	194,560
Administrative Expenses	(143,138)	(115,131)	(825,266)	(902,048)	(29,409)	(36,815)	(93,180)	(96,042)	(117,472)	(107,801)	(80,814)	(70,227)	(2,041,374)	(1,903,753)
Distribution Expenses	-	-	(2,331,941)	(2,151,092)	(322,084)	(271,674)	(77,409)	(66,945)	(311,958)	(239,520)	-	-	-	-
Other Operating Expenses	-	-	(43,866)	(119,375)	(5,240)	-	-	-	-	-	-	-	(2,098,385)	(1,321,216)
Loss from the Difference Between the Fair Value of the Retained Interest and the Carrying Value of the Investment in Associates.	-	(828,882)	-	-	-	-	-	-	-	-	-	-	-	(2,468,642)
Finance Cost	(759)	-	(681,911)	(596,146)	(79,920)	(47,760)	(74,541)	(52,010)	(84,722)	(60,187)	(70,486)	(69,221)	-	-
Finance Income	132,703	210,379	88,354	115,116	395	157	-	-	-	-	-	93	-	-
Provision for fall in value of Investments	-	-	-	-	-	-	-	-	-	-	-	-	(133)	(2,152)
Share of results of Equity Accounted Investees	-	-	-	-	-	-	-	-	-	-	-	-	-	441,053
Reclassification of the Gain/Loss Recognised in OCI Through Retained Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	(648,594)
<b>Profit Before Value Added Tax</b>	562,443	144,491	2,584,780	2,915,989	191,625	276,631	26,700	107,555	242,452	227,789	65,364	(146,284)	5,515,027	2,386,396
Value Added Tax on Financial Services	-	-	-	-	-	-	-	-	-	-	-	-	(960,281)	(678,206)
<b>Profit / (Loss) Before Tax</b>	562,443	144,491	2,584,780	2,915,989	191,625	276,631	26,700	107,555	242,452	227,789	65,364	(146,284)	4,554,746	1,708,190
Income Tax Expense	(37,214)	(46,038)	(818,070)	(821,747)	(41,510)	(56,968)	(8,056)	(22,975)	(58,494)	(10,963)	(6,647)	14,974	(1,534,738)	(1,500,109)
Loss after tax for the Period from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Profit / (Loss) for the Period</b>	525,229	98,453	1,766,710	2,094,242	150,115	219,663	18,644	84,580	183,958	216,825	58,717	(131,310)	3,020,008	208,081
<b>As at 31st December</b>														
<b>13 Segment Assets and Liabilities</b>														
<b>Total Assets</b>	31,107,962	27,980,871	42,944,389	37,094,814	4,529,308	3,804,695	2,983,741	2,467,647	3,256,898	2,325,793	4,049,036	3,916,328	116,811,401	95,683,201
<b>Total Liabilities</b>	24,620	29,845	17,344,618	14,412,059	1,445,900	920,373	1,692,152	1,192,885	1,929,352	1,268,728	2,257,312	2,385,243	101,695,240	83,364,532
<b>14 Other Segment Information</b>														
Total Cost Incurred During the Period to Acquire Property, Plant & Equipment	1,704	1,971	1,903,877	2,009,017	191,382	291,502	10,570	381,394	297,689	238,286	200,564	161,783	1,067,120	326,790
Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation & Amortization	7,720	8,164	744,640	698,234	93,066	77,318	60,990	46,465	57,858	47,278	100,818	99,873	281,941	257,198
provision for Retirement Benefit Liability	-	-	79,729	63,144	2,836	1,881	5,607	4,914	989	1,031	53,566	57,784	37,863	28,623

**VALLIBEL ONE PLC**

**12 Operating Segment Information  
For the Period ended 31st December  
Rs'000**

	Leisure Sector		Consumer Sector		Life style Sector		Health care Sector		Other		Eliminations / Adjustments		Group	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
<b>Revenue</b>														
Sales to external customers	-	-	1,965,406	1,814,705	1,600,120	1,502,416	1,279,331	1,629,059	427,630	433,244	-	-	44,538,470	38,633,849
Intra group Revenue	-	-	252	-	27,226	4,516	-	-	110,732	194,821	(453,519)	(353,871)	(0)	-
<b>Total Revenue</b>	-	-	1,965,659	1,814,705	1,627,346	1,506,932	1,279,331	1,629,059	538,362	628,065	(453,519)	(353,871)	44,538,470	38,633,849
<b>Results</b>														
<b>Gross Profit</b>	-	-	447,705	370,847	399,645	382,500	250,655	312,900	328,438	394,675	(29,339)	13,427	18,973,210	17,395,602
Dividend Income	-	-	-	-	625	536	-	-	-	-	(442,143)	(855,247)	20,388	22,087
Other Income & Gains	-	-	24,113	479	14,339	10,372	916	17,041	191,948	46,139	(386,903)	(281,792)	287,346	315,190
Administrative Expenses	(37,053)	(31,747)	(81,161)	(34,298)	(135,165)	(77,281)	(62,932)	(36,839)	(382,502)	(339,681)	240,115	92,494	(3,789,351)	(3,659,169)
Distribution Expenses	-	-	(220,243)	(211,900)	(144,560)	(150,415)	(117,360)	(162,629)	(33,983)	(54,277)	87,835	150,035	(3,471,703)	(3,158,416)
Other Operating Expenses	-	-	-	-	-	(3)	-	-	-	-	15,559	(55,808)	(2,131,931)	(1,496,403)
Loss from the Difference Between the Fair Value of the Retained Interest and the Carrying Value of the Investment in Associates.	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,297,524)
Finance Cost	(99)	(140)	(326,046)	(226,410)	(70,355)	(37,101)	(77,663)	(31,370)	(106,957)	(102,836)	159,309	7,712	(1,414,150)	(1,215,469)
Finance Income	677	1,051	81,418	6,060	19,024	5,138	11,894	1,946	95,339	27,294	(148,813)	(26,116)	280,991	341,118
Provision for fall in value of Investments	-	-	-	-	-	-	-	-	-	-	-	-	(133)	(2,152)
Share of results of Equity Accounted Investees	4,381	11,655	-	-	-	-	-	-	-	-	-	-	4,381	452,708
Reclassification of the Gain/Loss Recognised in OCI Through Retained Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	(648,594)
<b>Profit Before Value Added Tax</b>	(32,094)	(19,181)	(74,214)	(95,222)	83,553	133,746	5,511	101,050	92,281	(28,686)	(504,380)	(955,295)	8,759,049	5,048,978
Value Added Tax on Financial Services	-	-	-	-	-	-	-	-	-	-	-	-	(960,281)	(678,206)
<b>Profit / (loss) Before Tax</b>	(32,094)	(19,181)	(74,214)	(95,222)	83,553	133,746	5,511	101,050	92,281	(28,686)	(504,380)	(955,295)	7,798,767	4,370,772
Income Tax Expense	(123)	(65)	(2,920)	-	(6,468)	(27,902)	(269)	(10,845)	(22,758)	(22,098)	(79,368)	(134,241)	(2,616,636)	(2,638,977)
Loss after tax for the Period from Discontinued Operations	-	-	-	-	-	-	-	-	(22,681)	(43,904)	-	-	(22,681)	(43,904)
<b>Profit / (Loss) for the Period</b>	(32,217)	(19,247)	(77,135)	(95,222)	77,085	105,845	5,242	90,205	46,842	(94,688)	(583,748)	(1,089,536)	5,159,450	1,687,891

**As at 31st December**

**13 Segment Assets and Liabilities**

<b>Total Assets</b>	2,231,984	1,624,396	1,595,204	1,258,670	1,583,432	1,172,154	1,810,510	2,116,818	6,379,218	4,771,117	(23,238,305)	(19,631,852)	196,044,779	164,584,652
<b>Total Liabilities</b>	243,216	1,398,733	3,131,514	3,204,447	1,254,564	632,932	1,749,265	1,437,490	1,143,458	1,988,578	(4,367,485)	(4,257,908)	129,543,727	107,977,937
<b>14 Other Segment Information</b>														
Total Cost Incurred During the Period to Acquire Property, Plant & Equipment	443,853	1,100,345	974	3,312	7,546	1,387	5,847	924	7,133	30,392	-	-	4,138,259	4,547,102
Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation & Amortization	4,835	3,333	1,717	3,252	7,972	9,970	2,726	2,323	17,813	23,081	33,933	33,933	1,416,029	1,310,422
provision for Retirement Benefit Liability	174	877	2,316	1,724	3,726	3,381	1,035	1,170	1,743	5,609	-	-	189,584	170,138

**VALLIBEL ONE PLC**  
**SHARE INFORMATION**

**1 Market prices of the shares for quarter ended 31st December**

	<u>2017</u> Rs.	<u>2016</u> Rs.
Highest	20.20	22.90
Lowest	17.50	18.00
Closing	17.70	18.60

**2 Directors Shareholding**

Name	No of shares as at 31st December 2017	No of shares as at 31st December 2016
Mr. Dhammika Perera	689,726,471	689,726,471
Mr. J A S S Adhihetty	100,000	100,000
Mr. S H Amarasekera -Shares held in the following manner Pan Asia Banking Corporation PLC / Mr. S H Amarasekera	1,000,000	1,000,000
Ms. K Fernando	800,000	800,000
Mr. R N Asirwatham	800	800

**3 Twenty Major Shareholders as at 31st December 2017.**

	No of Shares	(%)
1 Mr. Dhammika Perera	689,726,471	63.478
2 Employees Provident Fund	101,549,200	9.346
3 Vallibel Investments (Private) Limited	91,966,451	8.464
4 Vallibel Leisure (Private) Limited	91,929,063	8.461
5 Bank of Ceylon A/c Ceybank Unit Trust	11,758,588	1.082
6 Mercantile Investments and Finance PLC	5,176,000	0.476
7 National Savings Bank	3,143,693	0.289
8 Mellon Bank N. A. -UPS Group Trust	2,800,000	0.258
9 Bank of Ceylon No. 1 Account	2,427,704	0.223
10 Merrill J Fernando & Sons (Pvt) Limited	2,299,000	0.212
11 Mr. K D A Perera	2,079,039	0.191
12 Mr. H R S Wijeratne	2,069,000	0.190
13 Mr. A M Weerasinghe	2,000,000	0.184
14 Hatton National Bank PLC/Sanka Ramoorthy Nadaraj Kumar	1,964,096	0.181
15 Wickramaratnes (Pvt) Limited	1,865,000	0.172
16 Employees Trust Fund Board	1,722,140	0.158
17 Prof.M.T.A Furkhan	1,672,000	0.154
18 Mr A Sithampalam	1,567,000	0.144
19 Bartleet Asset Management (Pvt) Ltd	1,314,000	0.121
20 Mr. U F Strunk and Mrs M G De Albuquerque Leinenbach	1,238,246	0.114
	1,020,266,691	93.899
Others	66,292,662	6.101
Total	<b>1,086,559,353</b>	<b>100.000</b>

**4 Public Shareholding**

The percentage of shares held by the public as at 31st December 2017 was 19.189% comprising of 11,428 Share holders.

**VALLIBEL ONE PLC**  
**CORPORATE INFORMATION**

**Name of Company**

Vallibel One PLC

**Legal Form**

A Public Quoted Company with limited liability  
Incorporated under the provisions of the Companies Act, No. 07 of 2007.

**Date of Incorporation**

09th June 2010

**Company Registration Number**

PB 3831 PQ

**Nature of the Business**

Group Holding Company manages a portfolio of diversified business holdings

**Board of Directors**

Mr. Dhammika Perera – Chairman / Managing Director  
Mr. S H Amarasekera  
Mr. J A S S Adhihetty  
Ms. K Fernando  
Mr. R N Asirwatham

**Head Office and Registered Office**

29, West Tower, World Trade Center  
Echelon Square, Colombo 01  
Telephone: 011 2445577  
Fax: 011 2441444

**Subsidiary Companies**

Royal Ceramics Lanka PLC  
L B Finance PLC  
Greener Water Limited  
Delmege Limited

**Associate Companies**

The Fortress Resorts PLC

**Company Secretaries**

P W Corporate Secretarial (Pvt) Ltd  
No.3/17, Kynsey Road,  
Colombo 08.  
Telephone: 011 4640360  
Fax: 011 4740588  
E-mail:pwcs@pwcs.lk

**Auditors**

Ernst & Young  
Chartered Accountants  
No.201, De Saram Place  
Colombo 10.

**Bankers**

Hatton National Bank PLC  
Pan Asia Banking corporation PLC  
Sampath Bank PLC  
Standard Chartered Bank Ltd