

# **Socially conscious...** **Environmentally** **entrenched...** **Culturally focused.**

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SINCE 1844  
**Cargills**

**Cargills (Ceylon) PLC**

Condensed Interim Financial Statements

Nine months ended 31 December 2016

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# Contents

Management Review	02
Statement of Profit or Loss and Other Comprehensive Income	03
Statement of Financial Position	05
Statement of Changes in Equity	06
Statement of Cash Flow	08
Segment Information	09
Explanatory Notes	10
Investor Relations Supplement	11
Corporate Information	Inner Back Cover

# Management Review

Cargills Ceylon PLC, a CT Holdings Company, is pleased to report its financial results for the nine months ended 31st December 2016. The Management notes that all business segments reported a positive trajectory in performance, delivering results that exceed the same period last year.

The Retail business reported a turnover of Rs 50.8 Bn for the period, a growth of 23.3% over last year, and operating profit was Rs. 2.3Bn, a growth of 94.3% over last year. The segment continues to strengthen its focus of delivering price, service, quality and availability across the Country. The FMCG business has continued its stable momentum with turnover reaching Rs 10.8Bn delivering a profit for the period of Rs 1.7Bn, a growth of 48.46% over the same period last year. The Restaurants business recorded a turnover of Rs 2.4Bn while segment operating profit rose 100.3% to Rs.208 Mn. The business environment remains positive for all segments of the Group.

The Group reported a turnover of Rs 64.0Bn for the quarter, compared to Rs 52.5Bn for the same period last year which is a 21.8% growth. While the turnover growth recorded is satisfactory the Management is particularly encouraged by the operating profit growth for the quarter reaching 53.5% to Rs 1.4Bn, while for the 9 months operating profit has increased by 73.1% to Rs 4.2Bn. Profit before tax reached Rs.1.0Bn for the 3 months under review, a growth of 39.7%. PBT for the 9 months ended was Rs 3.4Bn, an increase of 73.3%. The enhanced efficiencies derived from focused effort towards consolidating businesses and maximizing productivity is self-evident in the performance. Despite the increase in the effective tax rate applied the Group achieved a 38.5% growth in the bottom line for the quarter at Rs 673Mn. Profit after tax for the period ended was Rs 2.0Bn an increase of 63.2%

The performance of the most critical 3rd quarter holds the Group in good stead as it gears to further deliver on its vision of sustainable socio-economic growth to the benefit of all stakeholders in the value chain.

# Statement of Profit or Loss and Other Comprehensive Income

	Group					
	For the three months ended 31 December			For the nine months ended 31 December		
	2016 Rs.' 000	2015 Rs.' 000	Variance %	2016 Rs.' 000	2015 Rs.' 000	Variance %
Revenue	22,006,078	18,072,621	21.76	64,094,861	52,590,139	21.88
Cost of sales	(19,359,932)	(16,052,743)	(20.60)	(56,294,196)	(46,854,437)	(20.15)
Gross profit	2,646,146	2,019,878	31.01	7,800,665	5,735,702	36.00
Other income	423,910	432,401	(1.96)	1,251,753	1,175,429	6.49
Distribution expenses	(583,916)	(574,195)	(1.69)	(1,695,487)	(1,675,006)	(1.22)
Administrative expenses	(973,481)	(873,571)	(11.44)	(2,801,860)	(2,512,509)	(11.52)
Other expenses	(105,321)	(87,672)	(20.13)	(286,199)	(257,797)	(11.02)
<b>Results from operating activities</b>	<b>1,407,338</b>	<b>916,841</b>	<b>53.50</b>	<b>4,268,872</b>	<b>2,465,819</b>	<b>73.12</b>
Net finance costs	(312,129)	(155,796)	(100.34)	(801,581)	(444,852)	(80.19)
Share of loss of equity accounted investees	(7,190)	17,491	(141.11)	(30,138)	(38,193)	21.09
<b>Profit before taxation</b>	<b>1,088,019</b>	<b>778,536</b>	<b>39.75</b>	<b>3,437,153</b>	<b>1,982,774</b>	<b>73.35</b>
Tax on profit for the period	(414,732)	(292,638)	(41.72)	(1,258,302)	(690,104)	(82.34)
<b>Profit after tax on profit</b>	<b>673,287</b>	<b>485,898</b>	<b>38.57</b>	<b>2,178,851</b>	<b>1,292,670</b>	<b>68.55</b>
Dividend tax expense	-	-	-	(129,116)	(37,226)	(246.84)
<b>Profit for the period</b>	<b>673,287</b>	<b>485,898</b>	<b>38.57</b>	<b>2,049,735</b>	<b>1,255,444</b>	<b>63.27</b>
<b>Other comprehensive income (OCI)</b>						
Net loss on available-for-sale investments	(2,144)	(380)		(2,333)	(1,394)	
Equity accounted investee share of OCI	-	(498)		3,058	(1,977)	
<b>Other comprehensive income for the period, net of tax</b>	<b>(2,144)</b>	<b>(878)</b>		<b>725</b>	<b>(3,371)</b>	
<b>Total comprehensive income for the period</b>	<b>671,143</b>	<b>485,020</b>		<b>2,050,460</b>	<b>1,252,073</b>	
<b>Profit attributable to :</b>						
Equity shareholders of the parent	636,841	463,081		1,935,503	1,211,437	
Non controlling interest	36,446	22,817		114,232	44,007	
<b>Profit for the period</b>	<b>673,287</b>	<b>485,898</b>		<b>2,049,735</b>	<b>1,255,444</b>	
<b>Total comprehensive income attributable to:</b>						
Equity shareholders of the parent	634,697	462,203		1,936,228	1,208,066	
Non controlling interest	36,446	22,817		114,232	44,007	
<b>Total comprehensive income for the period</b>	<b>671,143</b>	<b>485,020</b>		<b>2,050,460</b>	<b>1,252,073</b>	
Earnings per share (Rs.)	2.84	2.07		8.64	5.41	

Explanatory notes are given on page 10

# Statement of Profit or Loss and Other Comprehensive Income Contd.

	Company					
	For the three months ended 31 December			For the nine months ended 31 December		
	2016 Rs.' 000	2015 Rs.' 000	Variance %	2016 Rs.' 000	2015 Rs.' 000	Variance %
Revenue	26,776	9,185	191.52	37,777	23,361	61.71
Cost of sales	(26,129)	(8,648)	(202.14)	(35,475)	(20,888)	(69.83)
Gross profit	647	537	20.48	2,302	2,473	(6.91)
Other income	384,234	480,283	(20.00)	1,399,434	874,978	59.94
Distribution expenses	(3,821)	(3,322)	(15.02)	(11,413)	(8,453)	(35.02)
Administrative expenses	(133,326)	(135,398)	1.53	(400,362)	(406,530)	1.52
Other expenses	(22,970)	(9,496)	(141.89)	(39,886)	(28,470)	(40.10)
<b>Results from operating activities</b>	<b>224,764</b>	<b>332,604</b>	<b>(32.42)</b>	<b>950,075</b>	<b>433,998</b>	<b>118.91</b>
Net finance costs	(191,494)	(52,815)	(262.58)	(477,479)	(115,436)	(313.63)
<b>Profit before taxation</b>	<b>33,270</b>	<b>279,789</b>	<b>(88.11)</b>	<b>472,596</b>	<b>318,562</b>	<b>48.35</b>
Income tax expense	(15,325)	(8,931)	(71.59)	(58,395)	(16,756)	(248.50)
<b>Profit for the period</b>	<b>17,945</b>	<b>270,858</b>	<b>(93.37)</b>	<b>414,201</b>	<b>301,806</b>	<b>37.24</b>
<b>Other comprehensive income (OCI)</b>						
Net gain/(loss) on available-for-sale investments	(2,140)	(368)		(2,350)	(1,389)	
<b>Other comprehensive income for the period, net of tax</b>	<b>(2,140)</b>	<b>(368)</b>		<b>(2,350)</b>		
<b>Total comprehensive income for the period</b>	<b>15,805</b>	<b>270,490</b>		<b>411,851</b>	<b>300,417</b>	
Earnings per share (Rs.)	0.08	1.21		1.85	1.35	

Explanatory notes are given on page 10

# Statement of Financial Position

As at	Group			Company		
	31 December 2016 Rs.' 000	31 December 2015 Rs.' 000	31 March 2016 Rs.' 000 (Audited)	31 December 2016 Rs.' 000	31 December 2015 Rs.' 000	31 March 2016 Rs.' 000 (Audited)
<b>ASSETS</b>						
<b>Non-current assets</b>						
Property, plant and equipment	21,877,843	19,052,329	20,266,084	3,023,067	2,913,832	2,981,795
Investment property	3,543,564	3,490,548	3,543,564	5,443,351	5,105,500	5,443,351
Intangible assets	1,320,173	1,028,806	1,077,423	136,727	-	-
Investment in subsidiaries	-	-	-	1,764,358	1,773,945	1,773,945
Investment in associates	4,809,782	2,329,529	2,305,653	4,858,483	2,363,503	2,325,378
Prepayment on leasehold land and buildings	172,716	24,719	24,500	148,872	-	-
Deferred tax assets	59,848	39,877	62,642	-	-	-
<b>Total non current assets</b>	<b>31,783,926</b>	<b>25,965,808</b>	<b>27,279,866</b>	<b>15,374,858</b>	<b>12,156,780</b>	<b>12,524,469</b>
<b>Current assets</b>						
Inventories	8,822,818	7,591,751	7,194,778	3,541	33,654	9,986
Trade and other receivables	4,438,707	3,698,426	3,571,892	698,236	700,671	633,499
Amount due from related companies	1,069,207	998,148	1,015,944	1,469,191	1,535,687	1,294,595
Other financial assets	1,018,608	1,019,631	1,004,306	28,398	63,898	57,360
Cash and cash equivalents	2,338,355	4,670,490	2,144,349	28,390	2,688,902	203,816
<b>Total current assets</b>	<b>17,687,695</b>	<b>17,978,446</b>	<b>14,931,269</b>	<b>2,227,756</b>	<b>5,022,812</b>	<b>2,199,256</b>
<b>Total assets</b>	<b>49,471,621</b>	<b>43,944,254</b>	<b>42,211,135</b>	<b>17,602,614</b>	<b>17,179,592</b>	<b>14,723,725</b>
<b>EQUITY</b>						
Stated capital	130,723	130,723	130,723	130,723	130,723	130,723
Other equity	(2,485,560)	(2,179,320)	(2,251,743)	-	-	-
Reserves	8,375,355	7,490,993	8,377,688	3,844,652	3,778,146	3,847,002
Retained earnings	9,300,786	7,467,592	7,864,611	5,337,246	4,945,457	5,427,045
<b>Total equity attributable to equity holders of the company</b>	<b>15,321,304</b>	<b>12,909,988</b>	<b>14,121,279</b>	<b>9,312,621</b>	<b>8,854,326</b>	<b>9,404,770</b>
Non controlling interest	444,493	351,671	383,539	-	-	-
<b>Total equity</b>	<b>15,765,797</b>	<b>13,261,659</b>	<b>14,504,818</b>	<b>9,312,621</b>	<b>8,854,326</b>	<b>9,404,770</b>
<b>LIABILITIES</b>						
<b>Non-current liabilities</b>						
Borrowings	2,492	357,248	198,300	-	-	-
Deferred tax liability	898,248	693,320	777,550	162,104	166,812	155,370
Deferred income	76,252	87,733	84,863	-	-	-
Employee benefits	757,050	628,356	638,004	304,442	260,015	255,724
Put liability	2,485,560	2,179,320	2,251,743	-	-	-
<b>Total non current liabilities</b>	<b>4,219,602</b>	<b>3,945,977</b>	<b>3,950,460</b>	<b>466,546</b>	<b>426,827</b>	<b>411,094</b>
<b>Current liabilities</b>						
Trade and other payables	13,340,691	11,015,376	10,937,305	450,938	268,203	382,882
Current tax liability	2,225,530	1,102,128	1,472,988	156,631	23,862	109,872
Amount due to related companies	29,420	-	3,622	17,894	26,901	38,892
Dividend payable	35,384	312,696	32,715	34,861	309,468	32,192
Borrowings	13,855,197	14,306,418	11,309,227	7,163,123	7,270,005	4,344,023
<b>Total current liabilities</b>	<b>29,486,222</b>	<b>26,736,618</b>	<b>23,755,857</b>	<b>7,823,447</b>	<b>7,898,439</b>	<b>4,907,861</b>
<b>Total liabilities</b>	<b>33,705,824</b>	<b>30,682,595</b>	<b>27,706,317</b>	<b>8,289,993</b>	<b>8,325,266</b>	<b>5,318,955</b>
<b>Total equity and liabilities</b>	<b>49,471,621</b>	<b>43,944,254</b>	<b>42,211,135</b>	<b>17,602,614</b>	<b>17,179,592</b>	<b>14,723,725</b>
Net Assets value per share (Rs.)	68.40	57.63	63.04	41.57	39.53	41.99

Explanatory notes are given on page 10

I certify that these condensed interim financial statements have been prepared in accordance with the requirements of the Companies Act No. 7 of 2007.

(Signed.)

Dilantha Jayawardhana  
(Group Chief Financial Officer)

The Board of Directors is responsible for the preparation and presentation of these financial statements. These financial statements have been approved by the Board on 02 February 2017

Signed on behalf of the Board

(Signed.)  
Ranjit Page  
(Deputy Chairman / CEO)

(Signed.)  
Imtiaz Abdul Wahid  
(Managing Director / Deputy CEO)

# Statement of Changes in Equity

Group	Stated capital Rs.' 000	Capital reserve Rs.' 000	Revaluation reserve Rs.' 000	General reserve Rs.' 000	Available for sale reserve Rs.' 000	Other equity Rs.' 000	Retained earnings Rs.' 000	Non controlling interest Rs.' 000	Total Rs.' 000
Balance as at 1 April 2015	130,723	7,928	7,023,147	485,500	(15,848)	(1,974,311)	6,885,400	336,608	12,879,147
Super gain tax	-	-	-	-	-	-	(55,898)	(1,890)	(57,788)
Adjusted Balance as at 1 April 2015	130,723	7,928	7,023,147	485,500	(15,848)	(1,974,311)	6,829,502	334,718	12,821,359
Net profit for the period	-	-	-	-	-	-	1,211,437	44,007	1,255,444
Other comprehensive income	-	-	-	-	(1,394)	-	(1,977)	-	(3,371)
<b>Total comprehensive income</b>	-	-	-	-	(1,394)	-	1,209,460	44,007	1,252,073
<b>Transactions with owners of the company, recognized directly in equity</b>									
Put option over NCI	-	-	-	-	-	(205,009)	-	-	(205,009)
Dividends	-	-	-	-	-	-	(571,370)	(27,054)	(598,424)
Deferred tax on revaluation	-	-	(8,340)	-	-	-	-	-	(8,340)
Balance as at 31 December 2015	130,723	7,928	7,014,807	485,500	(17,242)	(2,179,320)	7,467,592	351,671	13,261,659
Balance as at 1 April 2016	130,723	7,928	7,908,678	485,500	(24,418)	(2,251,743)	7,864,611	383,539	14,504,818
Net profit for the period	-	-	-	-	-	-	1,935,503	114,232	2,049,735
Other comprehensive income	-	-	-	-	(2,333)	-	3,058	-	725
<b>Total comprehensive income</b>	-	-	-	-	(2,333)	-	1,938,561	114,232	2,050,460
<b>Transactions with owners of the company, recognized directly in equity</b>									
Put option over NCI	-	-	-	-	-	(233,817)	-	-	(233,817)
Adjustment resulted in decrease of subsidiary shareholding	-	-	-	-	-	-	3,510	6,066	9,576
Movement due to change in shareholding of equity accounted investee	-	-	-	-	-	-	(1,751)	-	(1,751)
Expense on right issue of equity accounted investee	-	-	-	-	-	-	(145)	-	(145)
Dividends	-	-	-	-	-	-	(504,000)	(59,344)	(563,344)
Balance as at 31 December 2016	130,723	7,928	7,908,678	485,500	(26,751)	(2,485,560)	9,300,786	444,493	15,765,797

Explanatory notes are given on page 10

Company	Stated capital Rs.' 000	Revaluation reserve Rs.' 000	General reserve Rs.' 000	Available for sale reserve Rs.' 000	Retained earnings Rs.' 000	Total Rs.' 000
Balance as at 1 April 2015	130,723	3,318,259	485,500	(15,884)	5,214,851	9,133,449
Net profit for the period	-	-	-	-	301,806	301,806
Other comprehensive income	-	-	-	(1,389)	-	(1,389)
<b>Total comprehensive income</b>	-	-	-	(1,389)	301,806	300,417
<b>Transactions with owners of the company, recognized directly in equity</b>						
Deferred tax on revaluation	-	(8,340)	-	-	-	(8,340)
Dividends	-	-	-	-	(571,200)	(571,200)
<b>Balance as at 31 December 2015</b>	<b>130,723</b>	<b>3,309,919</b>	<b>485,500</b>	<b>(17,273)</b>	<b>4,945,457</b>	<b>8,854,326</b>
Balance as at 1 April 2016	130,723	3,385,912	485,500	(24,410)	5,427,045	9,404,770
Net profit for the period	-	-	-	-	414,201	414,201
Other comprehensive income	-	-	-	(2,350)	-	(2,350)
Total comprehensive income	-	-	-	(2,350)	414,201	411,851
<b>Transactions with owners of the company, recognized directly in equity</b>						
Dividends	-	-	-	-	(504,000)	(504,000)
<b>Balance as at 31 December 2016</b>	<b>130,723</b>	<b>3,385,912</b>	<b>485,500</b>	<b>(26,760)</b>	<b>5,337,246</b>	<b>9,312,621</b>

Explanatory notes are given on page 10



# Statement of Cash Flow

For the nine months ended 31 December	Group		Company	
	2016 Rs.' 000	2015 Rs.' 000	2016 Rs.' 000	2015 Rs.' 000
<b>Cash flows from operating activities</b>				
Profit before taxation	3,437,153	1,982,774	472,596	318,562
Adjustments for:				
Depreciation	1,328,598	1,268,396	26,283	25,905
Employee benefits	157,206	127,358	65,281	43,374
Amortisation of intangible assets	41,262	13,767	13,618	-
Amortisation of prepayment on leasehold land and building	1,298	656	642	-
Amortisation of deferred income	(8,611)	(8,611)	-	-
Profit on sale of property, plant and equipment	(28,866)	(24,646)	(2,000)	(3,475)
Dividend income	(626)	(713)	(800,696)	(280,874)
Impairment of property plant and equipment	-	239	-	-
Provision for/(reversal of provision for) inventories	76,953	21,950	-	-
Provision for/(reversal of provision for) doubtful debtors	2,906	62,797	-	-
Net finance costs	801,581	444,852	477,479	115,436
Loss on disposal of subsidiary shares	-	-	11	-
Share of loss of equity accounted investees	30,138	38,193	-	-
<b>Operating profit before working capital changes</b>	<b>5,838,992</b>	<b>3,927,012</b>	<b>253,214</b>	<b>218,928</b>
<b>Changes in working capital</b>				
- (Increase) / decrease in inventories	(1,672,213)	(1,396,117)	6,445	(4,436)
- Increase in trade and other receivables	(818,592)	(921,744)	(60,902)	(68,040)
- (Increase) / decrease in related company receivables	(53,263)	(41,015)	(174,596)	1,410,353
- Increase / (decrease) in trade and other payables	2,349,370	3,185,142	68,057	(165,645)
- Increase / (decrease) in related company payables	25,798	-	(20,998)	(101,668)
<b>Cash generated from operations</b>	<b>5,670,092</b>	<b>4,753,278</b>	<b>71,220</b>	<b>1,289,492</b>
Taxes paid	(513,000)	(448,777)	(4,902)	(249,288)
Interest paid	(994,487)	(466,399)	(566,311)	(193,165)
Gratuity paid	(42,070)	(19,804)	(16,563)	(8,930)
<b>Net cash generated from/(used in) operating activities</b>	<b>4,120,535</b>	<b>3,818,298</b>	<b>(516,556)</b>	<b>838,109</b>
<b>Cash flows from investing activities</b>				
Addition to property, plant and equipment	(2,938,271)	(1,487,324)	(67,555)	(9,809)
Addition to intangible assets	(160,835)	(6,841)	(150,345)	-
Addition prepayment on leasehold land and buildings	(153,349)	-	(153,349)	-
Addition to investment property	-	-	-	(249,600)
Addition to investment in associate	(2,533,105)	(1,276,000)	(2,533,105)	(1,276,000)
Finance income received	192,906	21,547	88,832	77,729
Dividend received	626	713	800,696	280,874
Proceeds from disposal of property, plant and equipment	31,857	24,900	2,000	3,475
Proceed from disposal of subsidiary shares	9,576	-	9,576	-
Acquisition of subsidiary (net of cash and cash equivalent)	(133,089)	-	-	-
Addition / (Disposal) to other financial assets	(16,635)	(97,197)	26,613	(30,572)
<b>Net cash generated used in investing activities</b>	<b>(5,700,319)</b>	<b>(2,820,202)</b>	<b>(1,976,637)</b>	<b>(1,203,903)</b>
<b>Cash flows from financing activities</b>				
Net proceeds from short term borrowings	3,391,341	1,552,291	3,809,300	4,122,000
Net repayment of long term borrowings	(198,259)	(373,674)	-	-
Dividend paid	(560,675)	(313,501)	(501,331)	(289,136)
<b>Net cash generated from financing activities</b>	<b>2,632,407</b>	<b>865,116</b>	<b>3,307,969</b>	<b>3,832,864</b>
<b>Increase in cash and cash equivalents</b>	<b>1,052,623</b>	<b>1,863,212</b>	<b>814,776</b>	<b>3,467,070</b>
<b>Movement in cash and cash equivalents</b>				
At the beginning of the year	(1,116,906)	(2,338,452)	(1,499,508)	(2,526,173)
Movement during the year	1,052,623	1,863,212	814,776	3,467,070
At the end of the period	(64,283)	(475,240)	(684,732)	940,897

Explanatory notes are given on page 10

# Segment Information

For the nine months ended 31 December	Retail		Fast Moving Consumer Goods		Restaurant		Group	
	2016 Rs.' 000	2015 Rs.' 000	2016 Rs.' 000	2015 Rs.' 000	2016 Rs.' 000	2015 Rs.' 000	2016 Rs.' 000	2015 Rs.' 000
<b>Revenue</b>	<b>50,966,708</b>	41,457,731	<b>15,289,964</b>	12,941,274	<b>2,459,369</b>	2,108,742	<b>68,716,041</b>	56,507,747
Intra segment revenue	(38,235)	(45,833)	(173,645)	(69,857)	-	-	(211,880)	(115,690)
Inter segment revenue	(125,544)	(218,336)	(4,283,756)	(3,583,582)	-	-	(4,409,300)	(3,801,918)
	<b>50,802,929</b>	41,193,562	<b>10,832,563</b>	9,287,835	<b>2,459,369</b>	2,108,742	<b>64,094,861</b>	52,590,139
<b>Segment result from operating activities</b>	<b>2,346,935</b>	1,207,642	<b>1,713,268</b>	1,154,007	<b>208,669</b>	104,170	<b>4,268,872</b>	2,465,819

Explanatory notes are given on page 10

# Explanatory Notes

1. The result For the nine months ended 31 December 2016 and the Statement of Financial Position as at 31 December 2016 are provisional and subject to audit.
2. The Condensed Interim Financial Statements of the Group and the Company have been prepared in accordance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting. These Condensed Interim Financial Statements should be read in conjunction with the annual financial statements for the year ended 31 March 2016.
3. Company invested Rs. 1,276 Mn and Rs. 2,533 Mn in Cargills Bank Limited and accordingly 88,000,000 and 174,696,905 additional shares were issued on 10 May 2016 and 30 June 2016 .
4. As previously reported, the Company sought to utilise the provisions of Section 246 of the Companies Act, No. 7 of 2007 to compulsorily purchase any shares in the subsidiary Kotmale Holdings PLC (KHP) not held by the Company and subsidiaries at a price of Rs.62.50 per share. This action was based on legal advice received that the aforesaid section could be read on a standalone basis. The Securities and Exchange Commission of Sri Lanka (SEC) subsequently informed us that the said Section 246 cannot be read on a standalone basis and should be read as a part of Part VIII of the Companies Act which deals with 'Amalgamations'. Accordingly, the SEC directed that the Company and KHP give the former minority shareholders of KHP the opportunity to continue as shareholders of KHP if they so desire.

Accordingly on 18 July 2016 the Company (jointly with KHP) wrote to the shareholders as directed by the SEC. Applications were received from shareholders holding 18,512 shares requesting to continue as shareholders of KHP, while holders of 297 shares requested for fresh Cheques to complete the disposal of their shares. Additionally the shareholders who did not encash their previous pay orders also continue to remain as shareholders of the KHP.

Accordingly, as at 31 December 2016, the Company directly and through subsidiaries holds 31,246,778 shares of the issued share capital of KHP representing 99.51% of the issued share capital of KHP.

5. During the second quarter Cargills Agrifoods Limited acquired the 1,460,002 ordinary shares representing 100% stake of Ceylon Agro Development Company (Private) Limited at a total purchase consideration of Rs. 150mn. Ceylon Agro Development Company (Private) Limited is engaged in producing and distribution of agricultural seeds.
6. Additional income tax assessment on Cargills Ceylon PLC amounting to Rs. 243.58 Mn was issued by the Department of Inland Revenue for the year of assessment 2013/2014. Having sought professional advice, a valid petition of appeal was made to the Commissioner General. Accordingly, no provision has been made in the financial statements.

Other than above there have been no significant change in the nature and the value of the contingencies and commitments which were disclosed in the annual report for the year ended 31 March 2016.

7. Where appropriate, the previous period's figures have been reclassified to conform to the current classification.
8. An interim dividend of Rs. 1.80 per share for the financial year ended 31 March 2017 was paid on 17 January 2017.

No events other than above have occurred since the reporting date which would require any adjustment to, or disclosure in, the financial statements.

# Investor Relations Supplement

## General

Stated capital	Rs. 130,723,000
Issued shares	224,000,000
Class of shares	Ordinary shares
Voting rights	One vote per ordinary share

## Stock exchange listing

The issued ordinary shares of Cargills (Ceylon) PLC are listed in the Colombo Stock Exchange.

## Share valuation

The market price per share recorded during the six months ended 31 December	2016 Rs	2015 Rs
Highest	195.00	193.50
Lowest	165.10	162.20
Last traded price	194.40	189.00

## Top 20 shareholders

The holdings of the top 20 shareholders as at	31 December 2016		31 December 2015	
	Number of Shares	%	Number of Shares	%
C T Holdings PLC	157,249,240	70.20	157,249,240	70.20
Mr. V R Page	15,000,093	6.70	14,443,900	6.45
Employees' Provident Fund	7,356,416	3.28	7,356,416	3.28
Odeon Holdings (Ceylon) (Private) Limited	4,822,920	2.15	4,622,920	2.06
Ceylon Guardian Investment Trust PLC	4,632,250	2.07	4,175,700	1.86
Ms. M M Page	4,112,803	1.84	3,878,961	1.73
HSBC Intl Nom Ltd-SSBT-First State Investments ICVC - Stewart Investors Indian Subcontinent Fund	3,927,600	1.75	3,927,600	1.75
BNYM SA/NV-CF Ruffer Investment Funds : CF Ruffer Pacific Fund	3,208,024	1.43	3,208,024	1.43
Bank of Ceylon - A/C No. 1	1,303,613	0.58	1,303,613	0.58
Mellon Bank N.A. - Florida Retirement System	1,301,800	0.58	1,301,800	0.58
BNYMSANV RE-Butterfield Trust (Bermuda) Limited	1,297,500	0.58	1,297,500	0.58
Deutsche Bank AG as Trustee for JB Vantage Value Equity Fund	902,770	0.40	752,770	0.34
GF Capital Global Limited	889,000	0.40	864,000	0.39
J.B. Cocoshell (Pvt) Ltd	803,858	0.36	-	-
The Associated Newspapers of Ceylon Limited	799,840	0.36	799,840	0.36
HSBC Intl Nom Ltd-SSBT-Russell Institutional Funds Public Limited Company	791,300	0.35	791,300	0.35
National Saving Bank	598,040	0.27	598,040	0.27
Sir Chittampalam A Gardiner Trust	563,040	0.25	563,040	0.25
HSBC Intl Nom Ltd-State Street Munich C/o SSBT-Universal- Investment-Gesellschaft MBH for APT-Univers	531,000	0.24	531,200	0.24
Mr. J C Page	455,000	0.20	455,000	0.20
<b>Total</b>	<b>210,546,107</b>	<b>93.99</b>	<b>208,120,864</b>	<b>92.91</b>

## Investor Relations Supplement contd.

### Public holding

The percentage of shares held by the public and number of public shareholders as at 31 December 2016 is 20.64% and 1,846 (31 December 2015 - 20.82% and 1,851) respectively.

### Directors' shareholdings

The Directors' shareholdings in the Company were as follows as at 31 December:

	2016	2015
Mr. Louis Page	36,760	36,760
Mr. Ranjit Page	15,000,093	14,443,900
Mr. Imtiaz Abdul Wahid	4,000	4,000
Mr. Sidath Kodikara	124,000	124,000
Mr. Prabhu Mathavan	500	500
Mr. Priya Edirisinghe	50,000	50,000
Mr. Sanjeev Gardiner	20,000	20,000
Mr. Sunil Mendis	20,000	20,000
Mr. Anthony A Page	276,157	276,157
Mr. Joseph Page	455,000	455,000
Mr. Errol Perera	10,000	10,000
Mr. Deva Rodrigo	-	-

# Corporate Information

## Name of Company

Cargills (Ceylon) PLC

## Company Registration No.

PQ 130

## Legal Form

Quoted public company with limited liability, incorporated in Sri Lanka on 1 March 1946.

## Board of Directors

Louis Page (Chairman)  
Ranjit Page (Deputy Chairman/CEO)  
Imtiaz Abdul Wahid (Managing Director/  
Deputy CEO)  
Sidath Kodikara  
Prabhu Mathavan  
Priya Edirisinghe  
Sanjeev Gardiner  
Sunil Mendis  
Anthony A Page  
Joseph Page  
Errol Perera  
Deva Rodrigo (w.e.f. 1 July 2016)

## Company Secretary

Sarath Dissanayake

## Remuneration Committee

Sunil Mendis (Chairman)  
Priya Edirisinghe

## Audit Committee

Priya Edirisinghe (Chairman)  
Sunil Mendis  
Errol Perera  
Deva Rodrigo (w.e.f. 1 July 2016)

## Related Party Transactions Review Committee

Priya Edirisinghe (Chairman)  
Sunil Mendis  
Errol Perera  
Deva Rodrigo (w.e.f. 1 July 2016)

## Stock Exchange Listing

Colombo Stock Exchange

## Registered Office

40, York Street, Colombo 1, Sri Lanka  
Telephone : +94 (0) 11 242 7777  
Facsimile : +94 (0) 11 233 8704  
E-mail : ccl@cargillsceylon.com

## Postal Address

P.O. Box 23, Colombo 1

## Auditors

KPMG  
Chartered Accountants

## Legal Consultants

Dissanayake Amaratunga Associates

## Bankers

Bank of Ceylon  
Cargills Bank  
Commercial Bank of Ceylon  
Deutsche Bank  
DFCC Bank  
Habib Bank  
HNB Bank  
HSBC Bank  
MCB Bank  
NDB Bank  
Nations Trust Bank  
Pan Asia Bank  
People's Bank  
Sampath Bank  
Seylan Bank  
Standard Chartered Bank  
State Bank of India

## Subsidiary Companies

Cargills Agrifoods Limited  
Cargills Distributors (Private) Limited  
Cargills Food Processors (Private) Limited  
Cargills Food Services (Private) Limited  
Cargills Foods Company (Private) Limited  
Cargills Frozen Products (Private) Limited  
Cargills Quality Confectioneries (Private) Limited  
Cargills Quality Dairies (Private) Limited  
Cargills Quality Foods Limited  
Ceylon Agro Development Company (Private) Limited  
C P C Lanka Limited  
Dawson Office Complex (Private) Ltd  
Kotmale Dairy Products (Private) Limited  
Kotmale Holdings PLC  
Kotmale Marketing (Private) Limited  
Kotmale Milk Foods Limited  
Kotmale Milk Products Limited  
Kotmale Products Limited  
Millers Limited

## Associate Companies

C T Properties Limited  
Cargills Bank Limited

