



CARGILLS (CEYLON) PLC

CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
30 SEPTEMBER 2019

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Management Review

Cargills (Ceylon) PLC is pleased to report its financial results for the period ended 30 September 2019.

The period under review has seen businesses face a challenging external environment amidst weak economic growth, the Easter Sunday attack, political uncertainty, fragile consumer confidence and inclement weather conditions that have caused flooding in parts of the country. However, positive signs have emerged as consumer confidence continues to improve month-on-month, and the recovery in business performance gathered momentum in the 2nd quarter of the financial year.

The FMCG sector continues to drive overall group performance, and recorded a growth in revenue of 16.1% YoY to Rs.9,567Mn and operating profit growth of 21.1% YoY to Rs.1,639Mn for the period. Sector growth was impacted during the quarter due to the inclement weather conditions affecting consumption of the Dairy and Beverages segments. Nonetheless, both segments continued to report strong double digit growth. The Convenience Foods business also reported strong growth during the period. Cargills continued to collect over 150,000 litres of milk per day from local dairy farmers during the quarter, and maintains its position as the 2nd largest milk collector in the country. The Retail sector recorded a growth of 4.9% YoY to Rs. 39,459 Mn for the period, resulting in an operating profit of Rs.1,199Mn, up 39.5% YoY. During the quarter, same store sales growth returned to positive levels amidst a recovery in transaction volumes as consumer sentiment improved during the period. The Restaurants sector reported a 7.5% YoY growth in revenue to Rs.2,013Mn, resulting in an operating profit of Rs.168Mn for the period, a decline of 16.0% YoY.

The Group reported a profit after tax of Rs. 1,148 Mn for the period ended 30 September 2019. Revenue grew 6.9% YoY to Rs. 51,038 Mn, while operating profit rose 24.3% YoY to Rs. 3,190 Mn. Net finance costs rose 97% YoY to Rs.1,304Mn, while Share of Associate profit was recorded at -Rs.110Mn (vs. Rs.21.3Mn in 1H19). The growth in net finance cost (which includes a charge of Rs.589Mn for Interest cost on Lease Liabilities) is due to the adoption of SLFRS 16 – Leases in the preparation of the Financial statements, and the impact to Group profitability from the adoption of the financial reporting standard is -Rs.74Mn for the period.

The gradual recovery in the consumer environment has continued into the key 3rd quarter of the financial year. Same store sales growth in the key retail business is recovering towards mid-single-digit levels, while the Group's FMCG sector continues its robust growth trajectory. Cargills recently opened its 400th foodcity outlet in Wattala on its 36th anniversary, and will continue to grow the Retail store footprint. The FMCG segment continues to report strong performance, and is expected to benefit from new product launches during the quarter, which will supplement growth of our existing product portfolio. Meanwhile in the Restaurant sector, the TGI Friday's outlet at Colombo Fort has been re-located to the One Galle Face mall operated by the Shangri-La Group; the mall also has a KFC outlet, the 40th outlet of the chain. The Group will continue to focus on building brands, growing markets and growing market share as we strive to enhance our contribution towards the local economy and bring new experiences to consumers across the country.

Statement of Profit or Loss and Other Comprehensive Income

	Group					
	For the three months ended 30 September			For the six months ended 30 September		
	2019	2018	Change	2019	2018	Change
	Rs.' 000	Rs.' 000	%	Rs.' 000	Rs.' 000	%
Revenue	25,122,512	23,264,925	7.98	51,038,388	47,729,904	6.93
Cost of sales	(22,211,346)	(20,845,328)	(6.55)	(44,912,209)	(42,525,596)	(5.61)
Gross profit	2,911,166	2,419,597	20.32	6,126,179	5,204,308	17.71
Other income	579,627	506,323	14.48	1,111,629	1,031,910	7.73
Distribution expenses	(657,354)	(602,834)	(9.04)	(1,382,093)	(1,243,612)	(11.14)
Administrative expenses	(1,215,669)	(1,122,462)	(8.30)	(2,369,773)	(2,191,318)	(8.14)
Other expenses	(148,360)	(117,955)	(25.78)	(296,301)	(235,835)	(25.64)
Results from operating activities	1,469,410	1,082,669	35.72	3,189,641	2,565,453	24.33
Net finance costs	(664,910)	(344,812)	(92.83)	(1,303,816)	(662,476)	(96.81)
Share of profit/(loss) of equity accounted investees, net of tax	(28,847)	17,464	(265.18)	(110,423)	21,266	(619.25)
Profit before taxation	775,653	755,321	2.69	1,775,402	1,924,243	(7.74)
Income tax expense	(287,582)	(275,117)	(4.53)	(627,478)	(658,998)	4.78
Profit/(Loss) for the period	488,071	480,204	1.64	1,147,924	1,265,245	(9.27)
Other comprehensive income (OCI)						
items that will not be reclassified to profit or loss						
Share of other comprehensive income						
in equity accounted investee, net of tax	11,572	1,425		21,932	(8,105)	
items that are or may be reclassified subsequently to profit or loss						
Net gain/(loss) on investment in financial assets at fair value through other comprehensive income / available-for-sale investments						
	686	(3,281)		686	(2,482)	
Impairment of investment in financial assets at fair value through other comprehensive income / AFS Investment - reclassified to profit or loss						
	-	-		5,131	-	
Other comprehensive income for the period, net of tax	12,258	(1,856)		27,749	(10,587)	
Total comprehensive income for the period	500,329	478,348		1,175,673	1,254,658	
Profit attributable to :						
Equity shareholders of the parent	484,800	475,954		1,128,243	1,231,917	
Non controlling interest	3,271	4,250		19,681	33,328	
Profit for the period	488,071	480,204		1,147,924	1,265,245	
Total comprehensive income attributable to:						
Equity shareholders of the parent	497,058	474,098		1,155,992	1,221,330	
Non controlling interest	3,271	4,250		19,681	33,328	
Total comprehensive income for the period	500,329	478,348		1,175,673	1,254,658	
Basic Earnings per share (Rs.)	1.88	1.85		4.39	4.79	
Diluted Earnings per share (Rs.)	1.88	1.85		4.38	4.79	

Explanatory notes are given on page 11.

	Company					
	For the three months ended 30 September			For the six months ended 30 September		
	2019 Rs.' 000	2018 Rs.' 000	Change %	2019 Rs.' 000	2018 Rs.' 000	Change %
Revenue	-	235	(100.00)	6,862	2,754	149.16
Cost of sales	(1,902)	(544)	(249.63)	(10,802)	(3,627)	(197.82)
Gross profit	(1,902)	(309)	(515.53)	(3,940)	(873)	(351.32)
Other income	268,584	252,524	6.36	536,031	493,489	8.62
Distribution expenses	(1,169)	(1,047)	(11.65)	(2,698)	(2,019)	(33.63)
Administrative expenses	(169,201)	(177,050)	4.43	(334,204)	(332,749)	(0.44)
Other expenses	(22,680)	(20,730)	(9.41)	(49,327)	(41,413)	(19.11)
Results from operating activities	73,632	53,388	37.92	145,862	116,435	25.27
Net finance costs	(73,585)	(86,614)	15.04	(129,283)	(160,293)	19.35
Profit before taxation	47	(33,226)	100.14	16,579	(43,858)	137.80
Income tax expense	(17,597)	(24,810)	29.07	(20,294)	(56,994)	64.39
Profit/(Loss) for the period	(17,550)	(58,036)	69.76	(3,715)	(100,852)	96.32
Other comprehensive income (OCI)						
items that are or may be reclassified						
subsequently to profit or loss						
Net gain/(loss) on investment in financial assets at fair value through other comprehensive income / available-for-sale investments	686	(3,281)		686	(2,482)	
Impairment of investment in financial assets at fair value through other comprehensive income / AFS Investment - reclassified to profit or loss	-	-		5,114	-	
Other comprehensive income for the period, net of tax	686	(3,281)		5,800	(2,482)	
Total comprehensive income for the period	(16,864)	(61,317)		2,085	(103,334)	
Basic Earnings per share (Rs.)	(0.07)	(0.23)		(0.01)	(0.39)	
Diluted Earnings per share (Rs.)	(0.07)	(0.23)		(0.01)	(0.39)	

Explanatory notes are given on page 11.

Statement of Financial Position

As at	Group		Company	
	30 Sep 2019 Rs.' 000	31 March 2019 Rs.' 000 (Audited)	30 Sep 2019 Rs.' 000	31 March 2019 Rs.' 000 (Audited)
Assets				
Non-current assets				
Property, plant and equipment	28,803,253	27,877,020	2,796,391	2,801,303
Right of use asset	8,644,234	-	151,921	-
Investment property	1,818,798	1,818,798	3,637,553	3,514,555
Intangible assets	1,400,797	1,412,714	4,810	22,203
Investment in subsidiaries	-	-	2,978,390	2,963,591
Investment in equity accounted investees	5,208,141	5,296,632	5,113,672	5,113,672
Other financial assets	14,999	14,537	14,930	14,463
Prepayment on leasehold land and buildings	-	212,108	-	140,208
Deferred tax assets	12,487	10,747	-	-
Total non-current assets	45,902,709	36,642,556	14,697,667	14,569,995
Current assets				
Inventories	9,603,651	9,762,036	1,716	11,943
Trade and other receivables	6,580,922	6,842,456	559,461	1,682,799
Amount due from related companies	937,087	913,394	1,126,737	1,037,244
Other financial assets	856,765	909,601	-	-
Cash and cash equivalents	1,752,920	3,058,884	28,838	230,297
Total current assets	19,731,345	21,486,371	1,716,752	2,962,283
Total assets	65,634,054	58,128,927	16,414,419	17,532,278
Equity				
Stated capital	6,756,591	6,530,709	6,756,591	6,530,709
Other equity	(3,656,694)	(3,456,493)	-	-
Reserves	5,168,079	5,136,662	288,245	256,845
Retained earnings	8,441,714	9,210,192	4,781,285	5,854,635
Total equity attributable to equity holders of the company	16,709,690	17,421,070	11,826,121	12,642,189
Non-controlling interest	478,516	521,831	-	-
Total equity	17,188,206	17,942,901	11,826,121	12,642,189

Statement of Financial Position contd.

	Group		Company	
	30 Sep 2019 Rs.' 000	31 March 2019 Rs.' 000 (Audited)	30 Sep 2019 Rs.' 000	31 March 2019 Rs.' 000 (Audited)
As at				
Liabilities				
Non-current liabilities				
Interest bearing loans and borrowings	8,438,251	409	23,320	-
Deferred tax liabilities	1,085,591	1,386,624	204,625	193,443
Capital Grants	44,678	50,419	-	-
Employee benefit liabilities	1,120,969	1,072,680	426,282	445,935
Put liability	3,656,694	3,456,493	-	-
Total non-current liabilities	14,346,183	5,966,625	654,227	639,378
Current liabilities				
Trade and other payables	12,536,134	14,810,176	389,391	620,367
Current tax liabilities	2,865,145	2,501,500	93,259	90,869
Amount due to related companies	7,330	5,822	196	4,238
Dividend payable	75,470	64,588	75,470	64,589
Interest bearing loans and borrowings	18,615,586	16,837,315	3,375,755	3,470,648
Total current liabilities	34,099,665	34,219,401	3,934,071	4,250,711
Total liabilities	48,445,848	40,186,026	4,588,298	4,890,089
Total equity and liabilities	65,634,054	58,128,927	16,414,419	17,532,278
Net Assets value per share (Rs.)	64.96	67.73	45.98	49.15

Explanatory notes are given on page 11.

I certify that the 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.

Signed on behalf of the Board

(Signed.)

Ranjit Page

(Deputy Chairman / CEO)

(Signed.)

Imtiaz Abdul Wahid

(Managing Director / Deputy CEO)

14th November 2019

Colombo

Statement of Changes in Equity - Group

Group	Stated capital	Capital reserve	Revaluation reserve	General reserve	Available for sale reserve / FVOCI reserve	Other equity	Employee share option reserve	Retained earnings	Non controlling interest	Total
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
Balance as at 1 April 2018	6,530,709	7,928	4,884,927	-	-	(3,089,325)	150,970	7,843,183	491,919	16,820,311
Adjustment on initial application of SLFRS 9 From equity accounted investees, net of tax	-	-	-	-	1,418	-	-	(99,250)	-	(97,832)
Adjusted Balance as at 1 April 2018	6,530,709	7,928	4,884,927	-	1,418	(3,089,325)	150,970	7,743,933	491,919	16,722,479
Profit for the period	-	-	-	-	-	-	-	1,231,917	33,328	1,265,245
Other comprehensive income	-	-	-	-	(2,482)	-	-	(8,105)	-	(10,587)
Total comprehensive income	-	-	-	-	(2,482)	-	-	1,223,812	33,328	1,254,658
Transactions with owners of the company, recognized directly in equity										
Put option over Non-controlling interests	-	-	-	-	-	(178,934)	-	-	-	(178,934)
Equity - Settled share - based payment	-	-	-	-	-	-	48,275	-	-	48,275
Balance as at 30 September 2018	6,530,709	7,928	4,884,927	-	(1,064)	(3,268,259)	199,245	8,967,745	525,247	17,846,478
Balance as at 1 April 2019	6,530,709	7,928	4,884,927	-	(3,713)	(3,456,493)	247,520	9,210,192	521,831	17,942,901
Adjustment on initial application of SLFRS 16, (net of tax)	-	-	-	-	-	-	-	(864,047)	(62,996)	(927,043)
Adjusted Balance as at 1 April 2019	6,530,709	7,928	4,884,927	-	(3,713)	(3,456,493)	247,520	8,346,145	458,835	17,015,858
Profit for the period	-	-	-	-	-	-	-	1,128,243	19,681	1,147,924
Other comprehensive income	-	-	-	-	5,817	-	-	21,932	-	27,749
Total comprehensive income	-	-	-	-	5,817	-	-	1,150,175	19,681	1,175,673
Transactions with owners of the company, recognized directly in equity										
Exercise of share options	225,882	-	-	-	-	-	-	-	-	225,882
Put option over Non-controlling interests	-	-	-	-	-	(200,201)	-	-	-	(200,201)
Equity-settled share-based payment	-	-	-	-	-	-	25,600	-	-	25,600
Dividends	-	-	-	-	-	-	-	(1,054,606)	-	(1,054,606)
Balance as at 30 September 2019	6,756,591	7,928	4,884,927	-	2,104	(3,656,694)	273,120	8,441,714	478,516	17,188,206

Statement of Changes in Equity - Company

Company	Stated capital	Revaluation reserve	General reserve	Available for sale reserve	Employee share option reserve	Retained earnings	Total
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
Balance as at 1 April 2018	6,530,709	14,439	-	-	150,970	4,814,260	11,510,378
Profit for the period	-	-	-	-	-	(100,852)	(100,852)
Other comprehensive income	-	-	-	(2,482)	-	-	(2,482)
Total comprehensive income	-	-	-	(2,482)	-	(100,852)	(103,334)
Transactions with owners of the company, recognized directly in equity							
Equity - Settled share - based payment	-	-	-	-	48,275	-	48,275
Balance as at 30 September 2018	6,530,709	14,439	-	(2,482)	199,245	4,713,408	11,455,319
Balance as at 1 April 2019	6,530,709	14,439	-	(5,114)	247,520	5,854,635	12,642,189
Adjustment on initial application of SLFRS 16, (net of tax)	-	-	-	-	-	(15,029)	(15,029)
Adjusted Balance as at 1 April 2019	6,530,709	14,439	-	(5,114)	247,520	5,839,606	12,627,160
Profit for the period	-	-	-	-	-	(3,715)	(3,715)
Other comprehensive income	-	-	-	5,800	-	-	5,800
Total comprehensive income	-	-	-	5,800	-	(3,715)	2,085
Transactions with owners of the company, recognized directly in equity							
Exercise of share options	225,882	-	-	-	-	-	225,882
Equity-settled share-based payment	-	-	-	-	25,600	-	25,600
Dividends	-	-	-	-	-	(1,054,606)	(1,054,606)
Balance as at 30 September 2019	6,756,591	14,439	-	686	273,120	4,781,285	11,826,121

Statement of Cash Flows

For the six months ended 30 September	Group		Company	
	2019	2018	2019	2018
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
Cash flows from operating activities				
Profit before taxation	1,775,402	1,924,243	16,579	(43,858)
Adjustments for:				
Depreciation on property, plant and equipment	1,246,304	1,199,352	24,479	24,180
Employee benefits	144,011	114,059	53,757	25,910
Amortisation of intangible assets	48,721	39,034	17,393	17,233
Amortisation of prepayment on leasehold land and building	-	2,364	-	1,926
Amortisation of right of use assets	540,335	-	2,121	-
Impairment of financial assets fair valued through other comprehensive income / Available for sale investment	5,350	-	5,333	-
Amortisation of deferred income	(5,741)	(5,742)	-	-
(Gain)/ Loss on sale of property, plant and equipment	6,149	(4,780)	(2,350)	-
Dividend income	(669)	(663)	(669)	(663)
Provision for impairment of inventories	9,600	9,000	-	-
Impairment of / (reversal of impairment) for trade receivables	9,722	8,743	700	-
Net finance costs	1,303,816	662,476	129,283	160,293
Share based payment expenses	24,560	46,314	9,760	18,405
Share of (profit) / loss on equity accounted investees, net of tax	110,423	(21,266)	-	-
Operating profit before working capital changes	5,217,983	3,973,134	256,386	203,426
Changes in working capital				
- (Increase) / decrease in inventories	148,785	1,022,960	10,227	3,161
- (Increase) / decrease in trade and other receivables	251,812	(8,640)	1,114,545	123,404
- (Increase) / decrease in related company receivables	(22,653)	(47,482)	(88,453)	(178,974)
- Increase / (decrease) in trade and other payables	(2,143,303)	(1,580,667)	(230,997)	(80,670)
- Increase / (decrease) in related company payables	1,508	57,307	(4,042)	34,781
Cash generated from operations	3,454,132	3,416,612	1,057,666	105,128
Taxes paid	(343,713)	(514,147)	(3,847)	(124,655)
Interest paid	(714,481)	(790,755)	(189,909)	(220,094)
Retiring gratuity paid	(95,722)	(38,493)	(73,410)	(14,785)
Net cash generated from/(used in) operating activities	2,300,216	2,073,217	790,500	(254,406)

Statement of Cash Flows contd.

For the six months ended 30 September	Group		Company	
	2019 Rs.' 000	2018 Rs.' 000	2019 Rs.' 000	2018 Rs.' 000
Cash flows from investing activities				
Acquisition and construction of property, plant and equipment	(2,181,404)	(2,407,486)	(21,338)	(27,226)
Acquisition and construction of investment property	-	-	(121,227)	(153,555)
Acquisition of intangible assets	(36,804)	(30,563)	-	(1,814)
Interest income received	125,646	128,279	62,093	59,801
Dividend received	669	663	669	663
Proceeds from disposal of property, plant and equipment	2,718	4,783	2,350	-
(Addition) / disposal to other financial assets	52,836	42,337	-	-
Net cash generated from/(used in) investing activities	(2,036,339)	(2,261,987)	(77,453)	(122,131)
Cash flows from financing activities				
Proceeds from issue of shares	225,882	-	225,882	-
Net proceeds from/(repayment of) short term borrowings	(1,047,680)	(869,438)	(590,000)	120,000
Net proceeds from/(repayment of) long term borrowings	(409)	(555)	-	-
Dividend paid	(1,043,724)	(6,075)	(1,043,724)	(3,637)
Net cash generated from/(used in) financing activities	(1,865,931)	(876,068)	(1,407,842)	116,363
Increase / (decrease) in cash and cash equivalents	(1,602,054)	(1,064,838)	(694,795)	(260,174)
Movement in cash and cash equivalents				
At the beginning of the period	239,051	(769,240)	199,649	(35,193)
Movement during the period	(1,602,054)	(1,064,838)	(694,795)	(260,174)
At the end of the period	(1,363,003)	(1,834,078)	(495,146)	(295,367)

Explanatory notes are given on page 11.

Segment Information

For the quarter ended 30th September	Retail		Fast Moving Consumer		Restaurant		Others		Group	
	Goods									
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
Revenue	19,354,551	18,337,389	6,759,783	5,842,109	1,067,211	952,730	-	235	27,181,545	25,132,463
Intra segment revenue	-	-	(42,867)	(42,195)	-	-	-	-	(42,867)	(42,195)
Inter segment revenue	(32,921)	(204,022)	(1,983,245)	(1,621,086)	-	-	-	(235)	(2,016,166)	(1,825,343)
	19,321,630	18,133,367	4,733,671	4,178,828	1,067,211	952,730	-	-	25,122,512	23,264,925
Segment operating profit	485,106	228,823	783,541	690,587	107,760	92,095	93,003	71,164	1,469,410	1,082,669
Net finance cost	(429,847)	(147,624)	(126,000)	(109,698)	(35,633)	(2,749)	(73,430)	(84,741)	(664,910)	(344,812)
Share of equity accounted investees results	-	-	-	-	-	-	(28,847)	17,464	(28,847)	17,464
Profit before taxation	55,259	81,199	657,541	580,889	72,127	89,346	(9,274)	3,887	775,653	755,321

For the six months ended 30th September	Retail		Fast Moving Consumer		Restaurant		Others		Group	
	Goods									
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
Revenue	39,577,390	37,870,970	13,667,561	11,677,923	2,012,533	1,871,421	6,862	2,754	55,264,346	51,423,068
Intra segment revenue	-	-	(66,843)	(99,189)	-	-	-	-	(66,843)	(99,189)
Inter segment revenue	(118,307)	(251,694)	(4,033,946)	(3,339,527)	-	-	(6,862)	(2,754)	(4,159,115)	(3,593,975)
	39,459,083	37,619,276	9,566,772	8,239,207	2,012,533	1,871,421	-	-	51,038,388	47,729,904
Segment operating profit	1,198,818	859,643	1,639,317	1,353,302	168,129	200,153	183,377	152,355	3,189,641	2,565,453
Net finance cost	(846,537)	(274,599)	(256,360)	(226,364)	(71,953)	(5,682)	(128,966)	(155,831)	(1,303,816)	(662,476)
Share of equity accounted investees results	-	-	-	-	-	-	(110,423)	21,266	(110,423)	21,266
Profit before taxation	352,281	585,044	1,382,957	1,126,938	96,176	194,471	(56,012)	17,790	1,775,402	1,924,243
Reportable Segment Assets *	33,466,966	27,336,834	14,471,473	13,578,455	2,389,649	1,790,067	15,305,966	15,423,571	65,634,054	58,128,927
Reportable Segment Liabilities **	28,032,435	21,286,746	9,922,730	9,002,207	2,172,360	1,483,362	8,318,323	8,413,711	48,445,848	40,186,026

* Segment Assets include Investment property and Right of Use Assets

** Segment Liabilities include Lease Liabilities

Explanatory Notes

1. The result for the period ended 30 September 2019 and the Statement of Financial Position as at 30 September 2019 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 2019.
3. Initial adoption of SLFRS 16 - "Leases" which became applicable for financial reporting periods beginning on or after 01 January 2019. SLFRS 16 requires the recognition of lease liabilities and right of use of assets for leases previously classified as operating leases in accordance with LKAS 17 - "Leases". Differences arising from the adoption of SLFRS 16 have been recognised directly in retained earnings as of 1 April 2019. Accordingly, accounting policies and methods of computation were adopted to be compliant with the requirements of the Sri Lanka Accounting Standard SLFRS 16 - " Leases".

The Group results for the Quarter ended 30th September 2019 , Six months ended 30th September 2019 and balances as at 30th September 2019 included the following:

Description	Quarter ended 30th Sep 2019 Rs'000	Six Months ended 30th Sep 2019 Rs'000	As at 30th Sep 2019 Rs'000
Amortization on RoU Assets (Included under Cost of Sales)	258,418	509,103	
Amortization on RoU Assets (Included under Other Expenses)	15,713	31,232	
Interest cost on Lease liabilities (Included under net interest charge)	298,652	589,335	
RoU Assets			8,644,234
Lease Liabilities (Included under borrowings)			10,019,558

4. Freehold Land and Investment Property are respectively shown at the values in existence as at the last date of valuation. Other investments are reflected at values in existence as at the reporting date.
5. The cost of Share Based Payments accounted in the Group's Financial Statements for the period amounted to Rs.24.6 Mn.
6. Where appropriate, the previous year's figures have been reclassified to conform to the current classification. All per share details have been calculated, for all periods, based on the number of shares in issue as at 30th September 2019.
7. 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 2019.
8. Final dividend of Rs. 4.10 per share for the financial year ended 31 March 2019 was paid on 5 August 2019.
9. No events have occurred since the reporting date which would require any adjustment to, or disclosure in, the financial statements.

Investor Relations Supplement

1. General

Stated capital	Rs. 6,756,590,340
Issued shares	257,221,043
Class of shares	Ordinary shares
Voting rights	One vote per ordinary share

2. Stock Exchange Listing

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

3. Share Valuation

The market price per share recorded during the quarter ended 30 September	2019	2018
	Rs	Rs
Highest	195.00	209.00
Lowest	180.00	192.00
Last traded price	185.10	199.00

4. Top 20 Shareholders

The holdings of the top 20 shareholders as at	30 September 2019		30 September 2018	
	Number of Shares	%	Number of Shares	%
C T Holdings PLC	179,713,417	69.87	179,713,417	70.20
Mr. V. R. Page	17,573,814	6.83	17,335,169	6.77
Employees' Provident Fund	8,407,333	3.27	8,407,333	3.28
Ms. M. M. Page	5,823,081	2.26	5,191,023	2.03
Odeon Holdings (Ceylon) (Private) Limited	5,511,909	2.14	5,511,909	2.15
CITI Bank New York S/A Norges A/C No. 2	5,235,234	2.04	3,466,151	1.35
Ceylon Guardian Investment Trust PLC - A/C No.1	4,272,229	1.66	4,772,229	1.86
BNYMSANV RE-LF Ruffer Investment Funds :				
LF Ruffer Pacific And Emerging Markets Fund	3,970,920	1.54	3,970,920	1.55
Seb Ab - Tundra Frontier Opportunities Fund	2,609,579	1.01	2,609,579	1.02
BNYMSANV RE-Butterfield Trust (Bermuda) Limited	1,551,429	0.60	1,551,429	0.61
Mellon Bank N.A. - Florida Retirement System	1,487,771	0.58	1,487,771	0.58
Bank of Ceylon - A/C No. 1	1,484,124	0.58	1,484,129	0.58
GF Capital Global Limited	1,016,000	0.39	1,016,000	0.40
The Associated Newspapers of Ceylon Limited	914,103	0.36	914,103	0.36
Deutsche Bank AG as Trustee for JB Vantage Value Equity Fund	868,675	0.34	1,031,737	0.40
Ceylon Investment PLC A/C No.2	720,502	0.28	720,502	0.28
Sir Chittampalam A Gardiner Trust	643,474	0.25	643,474	0.25
Mr. A. A Page	568,759	0.22	315,608	0.12
Ceylon Guardian Investment Trust PLC - A/C No.2	521,771	0.20	521,771	0.20
Mr. J. C. Page	520,000	0.20	520,000	0.20
	243,414,124	94.63	241,184,254	94.21

Investor Relations Supplement contd.

5. Public Holding

The percentage of shares held by the public and number of public shareholders as at 30 September 2019 is 20.68%. (2018 - 20.28%) and 1,856 (2018 - 1,811) respectively. The total number of shares in issue is 257,221,043, of which Public Holding represents 53,188,498 shares. The float adjusted market capitalisation amounts to Rs 9.84 Bn. Accordingly, the Company complies with the Minimum Public Holding requirement of the Main Board as per Option 2 of Section 7.13.1 (a) of the CSE Listing Rules.

6. Directors' Shareholdings

The Directors' shareholdings in the Company were as follows as at 30 September:	2019	2018
Mr. Louis Page	42,011	42,011
Mr. Ranjit Page	17,573,814	17,335,169
Mr. Imtiaz Abdul Wahid	111,379	4,571
Mr. Priya Edirisinghe	-	57,143
Mr. Sanjeev Gardiner	22,857	22,857
Mr. Sunil Mendis	22,857	22,857
Mr. Joseph Page	520,000	520,000
Mr. Errol Perera	11,429	11,429
Mr. Deva Rodrigo	-	-
Mr. Asoka Pieris	-	-
Mr. Yudhishtan Kanagasabai	-	-

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
Yudhishtan Kanagasabai (w. e. f. 25 Feb 2019)
Asoka Pieris (w. e. f. 25 Feb 2019)

Company Secretary

Sarath Dissanayake

Remuneration Committee

Sunil Mendis (Chairman)
Priya Edirisinghe
Deva Rodrigo

Audit Committee

Priya Edirisinghe (Chairman)
Sunil Mendis
Errol Perera
Deva Rodrigo
Yudhishtan Kanagasabai (w. e. f. 25 Feb 2019)

Related Party Transactions Review Committee

Priya Edirisinghe (Chairman)
Sunil Mendis
Errol Perera
Deva Rodrigo
Yudhishtan Kanagasabai (w. e. f. 25 Feb 2019)

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

Bankers

Bank of Ceylon
Cargills Bank
Commercial Bank of Ceylon
Deutsche Bank
DFCC Bank
Habib Bank
HNB Bank
HSBC Bank
ICICI 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
Standard Chartered Bank
State Bank of India

Subsidiary Companies

Cargills Agrifoods Limited
Cargills Agro Development Company (Private) Limited
Cargills Distributors (Private) Limited
Cargills Enterprise Solutions (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
C P C Lanka Limited
Dawson Office Complex (Private) Limited
Frederick North Hotel Company Limited
Kotmale Dairy Products (Private) Limited
Kotmale Holdings PLC
Kotmale Milk Foods Limited
Kotmale Milk Products Limited
Kotmale Products Limited
Millers Limited
The Empire Investments Company (Private) Limited

Associate Companies

C T Properties Limited
Cargills Bank Limited

* Mr. Anthony A Page - ceased to be a Director at the conclusion of the AGM held on 27 Aug 2018 on having attained 70 years of age on 21 March 2018 and not seeking re-election.

**Messrs. Sidath Kodikara and Prabhu Mathavan resigned from their position as Director on 31 January 2019.



www.cargillsceylon.com

Cargills (Ceylon) PLC

No. 40, York Street, Colombo 1.