

# HAYCARB PLC

Co. Reg. No. PQ 59

No.400, Deans Road, Colombo-10, Sri Lanka



## Interim Report

Three months ended 30th June 2019

<b>Quarter-1 (2018/19)</b>
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## **Corporate Information**

### **NAME OF COMPANY**

Haycarb PLC

(A quoted public company with limited liability, incorporated in Sri Lanka in 1973)

### **COMPANY REGISTRATION NUMBER**

PQ 59

### **STOCK EXCHANGE LISTING**

The ordinary shares of the company are listed with the Colombo Stock Exchange of Sri Lanka

### **DIRECTORS**

Mohan Pandithage (Chairman)

Rajitha Kariyawasan (Managing Director)

Dhammika Perera

Arjun Senaratna

Sarath Ganegoda

Ms Jeevani Abeyratne

Dr Sarath Abayawardana

Sujeewa Rajapakse

M.S.P. Udaya Kumara

Brahman Balaratnarajah

Ms. Yogadinusha Bhaskaran (Alternate director to Mr. Dhammika Perera)

Ms. Sharmila Ragunathan

Ali Asgar Munaver Caderbhoy

James Naylor

M.H. Jamaldeen

### **SUBSIDIARIES AND ASSOCIATES**

Carbokarn Co. Limited (Bangkok, Thailand)

CK Regen Systems Co. Limited (Bangkok, Thailand)

Shizuka Company Limited (Ratchaburi, Thailand)

Eurocarb Products Limited (Bristol, England)

Haycarb Holdings Australia (Pty) Limited (Victoria, Australia)

Haycarb Holdings Bitung Limited (Tortola, British Virgin Islands)

Haycarb USA Inc. (Woodlands, Texas, U.S.A)

PT Mapalus Makawanua Charcoal Industry (Bitung, Indonesia)

Puritas (Pvt) Limited

Recogen (Pvt) Limited

Ultracarb (Pvt) Limited

Haycarb Value Added Products (Pvt) Limited

PT. Haycarb Palu Mitra (Palu, Indonesia)

Carbotels (Pvt) Limited - Associate

Lakdiyatha (Pvt) Limited - Associate

Puricarb Pte.Ltd. (Singapore)

Haycarb Activated Carbon (Pvt) Limited (Chennai, India)

### **SECRETARIES**

Hayleys Group Services (Pvt) Limited

400, Deans Road, Colombo 10, Sri Lanka.

Telephone +94 11 2627650

Fax: +94 11 2627645

E-mail: info.sec@hayleys.com

### **REGISTERED OFFICE**

Hayley Building

400, Deans Road, Colombo 10, Sri Lanka.

Telephone: +94 11 2677364, 2687565, 2691289, 2677363

Fax: +94 11 2627450

E - mail : general@haycarb.com

Website: <http://www.haycarb.com>

**Haycarb PLC**  
**INCOME STATEMENT**

Audited year ended 31.03.19 Rs.'000	For the period ended	Unaudited 3 months to 30.06.19 Rs.'000	Unaudited 30.06.18 Rs.'000	Change % +/( -)
<b>CONSOLIDATED</b>				
20,917,945	<b>Revenue</b>	<b>5,340,800</b>	4,318,123	24
(16,878,500)	Cost of sales	<b>(4,208,618)</b>	(3,494,530)	20
4,039,445	<b>Gross profit</b>	<b>1,132,182</b>	823,593	37
33,707	Other operating income	<b>13,325</b>	9,967	34
(10,239)	Other operating expenses	-	-	-
(160,130)	Selling & distribution expenses	<b>(39,973)</b>	(45,358)	(12)
(2,378,084)	Administrative expenses	<b>(657,563)</b>	(545,781)	20
1,524,699	<b>Results from operating activities</b>	<b>447,971</b>	242,421	85
468,810	Finance income	<b>42,923</b>	71,809	(40)
(764,983)	Finance cost	<b>(125,800)</b>	(130,033)	(3)
(296,173)	Net finance income/ (cost)	<b>(82,877)</b>	(58,224)	42
124,372	Share of profit of equity accounted investees (net of tax)	<b>2,295</b>	(924)	(348)
1,352,898	<b>Profit before income tax</b>	<b>367,389</b>	183,273	100
(271,196)	Tax expense	<b>(65,977)</b>	(23,010)	187
1,081,702	<b>Profit for the period</b>	<b>301,412</b>	160,263	88
<b>Attributable to:</b>				
955,411	Equity holders of the parent	<b>267,717</b>	101,097	165
126,291	Non-controlling interests	<b>33,695</b>	59,166	(43)
1,081,702	<b>Profit for the period</b>	<b>301,412</b>	160,263	88
<b>Earnings per share</b>				
32.16	Basic earnings per share (Rs.)	<b>9.01</b>	3.40	
<b>COMPANY</b>				
7,576,802	<b>Revenue</b>	<b>2,109,181</b>	1,980,149	7
(6,743,216)	Cost of sales	<b>(1,730,546)</b>	(1,851,161)	(7)
833,586	<b>Gross profit</b>	<b>378,635</b>	128,988	194
411,358	Other operating income	<b>39,500</b>	27,274	45
(23,422)	Selling & distribution expenses	<b>(5,292)</b>	(5,806)	(9)
(870,653)	Administrative expenses	<b>(249,063)</b>	(204,270)	22
350,869	<b>Results from operating activities</b>	<b>163,780</b>	(53,814)	(404)
438,966	Finance income	<b>37,712</b>	71,697	(47)
(511,108)	Finance cost	<b>(66,952)</b>	(54,232)	23
(72,142)	Net finance income/(cost)	<b>(29,240)</b>	17,465	(267)
278,727	<b>Profit before income tax</b>	<b>134,540</b>	(36,349)	(470)
(7,594)	Tax expense	<b>(15,000)</b>	-	100
271,133	<b>Profit for the period</b>	<b>119,540</b>	(36,349)	(429)
9.13	Basic earnings per share (Rs.)	<b>4.02</b>	(1.22)	

Notes on pages 7 and 8 form an integral part of these financial statements.

Figures in brackets indicate deductions.

**Haycarb PLC**  
**STATEMENT OF OTHER COMPREHENSIVE INCOME**

For the Three months ended 30th June	<b>Group</b>		<b>Company</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>
<b>Profit for the Period</b>	<b>301,412</b>	<b>160,263</b>	<b>119,540</b>	<b>(36,349)</b>
<b>Other comprehensive income</b>				
Net Exchange differences on translation of foreign entities	65,444	(96,716)	-	-
Net gain/(loss) on available-for-sale financial assets	(11,799)	(26,446)	(11,799)	(26,446)
Movement in reserves of equity accounted investees	(7,319)	(18,697)	-	-
<b>Other comprehensive income for the period (net of tax)</b>	<b>46,326</b>	<b>(141,859)</b>	<b>(11,799)</b>	<b>(26,446)</b>
<b>Total comprehensive income for the period (net of tax)</b>	<b>347,738</b>	<b>18,404</b>	<b>107,741</b>	<b>(62,795)</b>
<b>Attributable to:</b>				
Equity holders of the parent	281,511	(3,618)	107,741	(62,795)
Non-controlling interests	66,227	22,022	-	-
	<b>347,738</b>	<b>18,404</b>	<b>107,741</b>	<b>(62,795)</b>

# Haycarb PLC

## STATEMENT OF FINANCIAL POSITION

Group		As at 30th June	Group		Company	
Audited	Company		Unaudited	Unaudited	Unaudited	Unaudited
31.03.2019	Audited		2019	2018	2019	2018
Rs.'000	Rs.'000		Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>ASSETS</b>						
<b>Non-Current Assets</b>						
5,449,506	1,868,423	Property, plant & equipment	5,524,193	4,977,229	1,904,590	1,763,931
-	-	Right-of-use assets	166,177	-	107,432	-
248,504	17,820	Intangible assets	241,866	273,772	15,634	24,590
-	1,494,769	Investments in subsidiaries	-	-	1,494,770	1,494,770
583,765	92,903	Investment in equity accounted investees	578,742	497,305	92,903	92,903
-	268,000	Non current receivables from subsidiaries	-	-	268,000	134,386
349,619	317,851	Other non-current financial assets	337,504	356,818	306,053	321,921
29,772	-	Deferred tax assets	29,535	79,542	-	-
<b>6,661,166</b>	<b>4,059,766</b>		<b>6,878,017</b>	<b>6,184,666</b>	<b>4,189,382</b>	<b>3,832,501</b>
<b>Current Assets</b>						
6,807,033	1,743,262	Inventories	7,585,577	4,435,133	2,177,749	1,549,117
4,061,569	1,638,249	Trade & other receivables	4,010,793	3,259,751	1,787,329	1,507,520
-	1,041,978	Amounts due from subsidiaries	-	-	1,060,773	905,749
12,090	7,539	Amounts due from related parties	5,628	37,003	-	11,916
16,263	12	Amounts due from equity accounted investees	16,784	24,578	22	1,709
532,870	198,259	Other current assets	602,015	617,029	200,237	311,046
884,141	216,151	Cash and cash equivalents	813,545	865,520	98,709	177,832
<b>12,313,966</b>	<b>4,845,450</b>		<b>13,034,342</b>	<b>9,239,014</b>	<b>5,324,819</b>	<b>4,464,889</b>
<b>18,975,132</b>	<b>8,905,216</b>	<b>Total Assets</b>	<b>19,912,359</b>	<b>15,423,680</b>	<b>9,514,201</b>	<b>8,297,390</b>
<b>EQUITY &amp; LIABILITIES</b>						
<b>Equity</b>						
331,774	331,774	Stated capital	331,774	331,774	331,774	331,774
675,744	442,458	Capital reserves	675,744	648,703	442,458	356,919
7,242,868	3,999,725	Revenue reserves	7,524,379	6,265,471	4,107,466	3,961,052
<b>8,250,386</b>	<b>4,773,957</b>	<b>Total equity attributable to equity holders of the company</b>	<b>8,531,897</b>	<b>7,245,948</b>	<b>4,881,698</b>	<b>4,649,745</b>
1,102,415	-	Non-controlling interests	1,168,642	931,793	-	-
<b>9,352,801</b>	<b>4,773,957</b>	<b>Total equity</b>	<b>9,700,539</b>	<b>8,177,741</b>	<b>4,881,698</b>	<b>4,649,745</b>
<b>Non-Current Liabilities</b>						
55,218	52,427	Interest bearing loans & borrowings	42,857	175,043	40,444	105,938
-	-	Lease liability	168,546	-	108,944	-
203,891	124,499	Deferred tax liabilities	202,893	219,199	124,499	117,630
561,000	449,605	Retirement benefit obligations	580,169	473,392	467,268	399,284
<b>820,109</b>	<b>626,531</b>	<b>Total non-current liabilities</b>	<b>994,465</b>	<b>867,634</b>	<b>741,155</b>	<b>622,852</b>
<b>Current Liabilities</b>						
2,200,996	450,267	Trade & other payables	2,079,628	1,529,204	555,335	275,095
4,285,249	2,567,083	Interest bearing loans & borrowings	4,625,446	3,610,199	2,991,924	2,387,922
552,910	47,454	Other current liabilities	841,311	136,255	25,625	16,929
-	252,239	Amounts due to subsidiaries	-	-	245,338	174,121
1,580,262	187,685	Amounts due to related parties	1,571,702	1,023,594	73,126	170,726
182,805	-	Income tax payable	99,268	79,053	-	-
<b>8,802,222</b>	<b>3,504,728</b>	<b>Total current liabilities</b>	<b>9,217,355</b>	<b>6,378,305</b>	<b>3,891,348</b>	<b>3,024,793</b>
<b>9,622,331</b>	<b>4,131,259</b>	<b>Total liabilities</b>	<b>10,211,820</b>	<b>7,245,939</b>	<b>4,632,503</b>	<b>3,647,645</b>
<b>18,975,132</b>	<b>8,905,216</b>	<b>Total equity and liabilities</b>	<b>19,912,359</b>	<b>15,423,680</b>	<b>9,514,201</b>	<b>8,297,390</b>
<b>277.68</b>	<b>160.67</b>	<b>Net assets per share ( Rs.)</b>	<b>287.15</b>	<b>243.87</b>	<b>164.30</b>	<b>156.49</b>

"It is certified that the financial statements set out on pages 2 to 8 have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007".

Sgd.

Ms. M J A S Abeyratne  
Finance Director

Signed for and on behalf of the Board,

Sgd.

A M Pandithage  
Chairman  
6<sup>th</sup> August 2019

Sgd.

H S R Kariyawasan  
Managing Director

**Haycarb PLC**  
**STATEMENT OF CHANGES IN EQUITY**  
For the period ended 30th June

GROUP	Attributable to equity holders of the parent						Total	Non controlling interest	Total equity
	Stated capital	Capital reserves	Other Reserves			Retained earnings			
			Available -for-sale reserve	Exchange fluctuation on reserve	General reserve				
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Balance as at 01.04.2018	331,774	648,703	307,706	555,980	519,353	5,064,324	7,427,840	909,771	8,337,611
Profit for the period	-	-	-	-	-	101,097	101,097	59,166	160,263
Translation of foreign entities	-	-	-	(59,572)	-	-	(59,572)	(37,144)	(96,716)
Movement in reserves of equity accounted investees	-	-	-	-	-	(18,697)	(18,697)	-	(18,697)
Net gain on available-for-sale financial assets	-	-	(26,446)	-	-	-	(26,446)	-	(26,446)
Other comprehensive income for the period	-	-	(26,446)	(59,572)	-	(18,697)	(104,715)	(37,144)	(141,859)
Dividends	-	-	-	-	-	(178,274)	(178,274)	-	(178,274)
Balance as at 30.06.2018	331,774	648,703	281,260	496,408	519,353	4,968,450	7,245,948	931,793	8,177,741
Balance as at 01.04.2019	331,774	675,745	277,190	808,091	519,353	5,638,234	8,250,386	1,102,415	9,352,801
Profit for the period	-	-	-	-	-	267,717	267,717	33,695	301,412
Translation of foreign entities	-	-	-	32,912	-	-	32,912	32,532	65,444
Movement in reserves of equity accounted investees	-	-	-	-	-	(7,319)	(7,319)	-	(7,319)
Net gain on available-for-sale financial assets	-	-	(11,799)	-	-	-	(11,799)	-	(11,799)
Other comprehensive income for the period	-	-	(11,799)	32,912	-	(7,319)	13,794	32,532	46,326
Balance as at 30.06.2019	331,774	675,745	265,391	841,003	519,353	5,898,632	8,531,897	1,168,642	9,700,539

COMPANY	Stated capital	Capital reserves	General reserve	Available for sale reserve	Retained earnings	Total equity
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Balance as at 01.04.2018	331,774	356,919	519,353	307,706	3,375,062	4,890,814
Profit for the period	-	-	-	-	(36,349)	(36,349)
Net gain on available for sale financial asset	-	-	-	(26,446)	-	(26,446)
Other comprehensive income for the period	-	-	-	(26,446)	-	(26,446)
Dividends	-	-	-	-	(178,274)	(178,274)
Balance as at 30.06.2018	331,774	356,919	519,353	281,260	3,160,439	4,649,745
<b>Balance as at 01.04.2018</b>	<b>331,774</b>	<b>442,458</b>	<b>519,353</b>	<b>277,190</b>	<b>3,203,182</b>	<b>4,773,957</b>
Profit for the period	-	-	-	-	119,540	119,540
Net gain on available for sale financial asset	-	-	-	(11,799)	-	(11,799)
Other comprehensive income for the period	-	-	-	(11,799)	-	(11,799)
Balance as at 31.03.2019	331,774	442,458	519,353	265,391	3,322,722	4,881,698

Haycarb PLC  
Statement Of Cash Flows

Group Audited 31.03.2019 Rs.' 000	Company Audited 31.03.2019 Rs.' 000		Group 2019 Rs.' 000	2018 Rs.' 000	Company 2019 Rs.' 000	2018 Rs.' 000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
1,352,898	278,727	Profit before tax	367,389	183,273	134,540	(36,349)
		<b>Adjustments for :</b>				
479,139	137,572	Depreciation and impairment of property, plant & equipment	138,334	116,609	43,149	33,216
41,682	9,275	Amortization of intangible assets	7,013	12,084	2,186	2,505
(1,594)	-	(Gain)/loss on disposal of property, plant & equipment	(6,915)	-	(5,448)	-
10,521	(308)	Gain/(loss) on translation on foreign currencies	6,891	(20,435)	(3,364)	21,587
105,706	-	Exchange difference on translation of foreign entities	12,030	(14,766)	-	-
10,239	-	Impairment of property, plant & equipment	-	-	-	-
(468,810)	(438,966)	Finance income	(42,923)	(71,809)	(37,711)	(71,697)
764,983	511,108	Finance cost	125,800	130,033	66,952	54,232
-	(261,327)	Dividend income - subsidiaries/associates	-	-	-	-
(124,372)	-	Share of profit from equity accounted investees	(2,295)	924	-	-
15,403	3,000	Provision/(reversal) for slow moving inventory	-	2,377	-	10,674
109,501	-	Provision / (reversal) for unrealized profit on inventories	7,210	8,007	-	-
(4,673)	-	Provision / (reversal) of bad and doubtful debts	-	2,424	-	-
85,934	67,872	Provision for retiring gratuity	22,508	17,789	18,900	15,000
2,376,558	306,953	<b>Operating cash flows before working capital changes</b>	635,042	366,510	219,204	29,168
		Working Capital Adjustments:				
(737,010)	(400,639)	(Increase)/decrease in trade and other receivables and Prepayments	(24,627)	(5,601)	(156,807)	(374,100)
15,139	(85,072)	(Increase)/decrease in amounts receivable from subsidiaries and related parties	5,941	(18,089)	(11,265)	178,698
(2,845,957)	(463,941)	(Increase)/decrease in inventories	(785,754)	(359,537)	(434,487)	(277,470)
750,939	39,142	Increase/(decrease) in trade and other payables	225,364	(334,946)	134,669	(159,627)
392,684	100,546	Increase/(decrease) in amount due to related parties	112,191	(163,988)	6,192	1,092
(47,647)	(503,010)		168,157	(515,651)	(242,494)	(602,239)
(311,998)	(133,383)	Interest paid	(86,602)	(61,471)	(34,497)	(22,757)
(138,173)	(10,248)	Income tax paid	(144,017)	(32,372)	(9,253)	(8,597)
(38,593)	(37,164)	Retiring gratuity paid	(1,237)	(3,171)	(1,237)	(3,171)
(536,411)	(683,805)	<b>Net cash flows from operating activities</b>	(63,699)	(612,665)	(287,481)	(636,764)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
5,384	-	Proceeds from sale of property, plant & equipment	7,740	-	5,760	-
(389,598)	(118,889)	Purchase of property, plant & equipment	(148,677)	(54,596)	(73,975)	(9,506)
-	(7,874)	Investment in subsidiary Shares	-	-	-	(7,875)
9,342	-	Proceeds from long-term loans and receivables	1,448	2,612	-	-
5,724	45,367	Interest received	2,441	1,697	12,305	10,137
3,716	3,716	Dividend received from equity accounted investees	-	-	-	-
28,774	290,099	Other dividends received	-	11,916	-	11,916
(336,658)	212,419	<b>Net cash flows used in investing activities</b>	(137,048)	(38,371)	(55,910)	4,672
(873,069)	(471,386)	<b>Net cash inflow/(outflow) before financing activities</b>	(200,747)	(651,035)	(343,391)	(632,092)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
(229,807)	(84,124)	Repayment of borrowings	(58,406)	(57,479)	(23,737)	(21,302)
-	-	Lease rentals paid	(14,849)	-	(7,633)	-
(235,150)	(235,150)	Dividends paid to equity holders of the parent company	(179,082)	-	(179,082)	-
(47,286)	-	Dividends paid to non-controlling interests	-	-	-	-
(512,243)	(319,274)	<b>Net cash flows from / (used in) financing activities</b>	(252,337)	(57,479)	(210,452)	(21,302)
(1,385,312)	(790,659)	<b>Net increase/(decrease) in cash and cash equivalents</b>	(453,084)	(708,514)	(553,843)	(653,395)
(1,830,274)	(1,472,572)	<b>Cash and cash equivalents at the beginning of period</b>	(3,215,586)	(1,830,274)	(2,263,231)	(1,472,572)
(3,215,586)	(2,263,231)	<b>Cash and cash equivalents at the end of period (Note A)</b>	(3,668,670)	(2,538,788)	(2,817,074)	(2,125,966)
<b>Analysis of cash and cash equivalents as at 30th June</b>						
762,226	205,843	A) Bank and cash balances	690,151	817,994	88,380	175,361
121,915	10,308	Short term deposits	123,394	47,526	10,329	2,471
884,141	216,151		813,545	865,520	98,709	177,832
(4,099,727)	(2,479,382)	Bank overdrafts & short term loans	(4,482,215)	(3,404,308)	(2,915,783)	(2,303,798)
(3,215,586)	(2,263,231)	<b>Cash and cash equivalents</b>	(3,668,670)	(2,538,788)	(2,817,074)	(2,125,966)

## Haycarb PLC SEGMENT ANALYSIS

### BUSINESS SEGMENTS

#### Turnover-Net

	External Rs.'000	Intra-group Rs.'000	Group 30.06.2019 Rs.'000	30.06.2018 Rs.'000
Activated carbon	4,856,441	2,199,189	7,055,630	6,421,694
Environmental engineering	484,359	398	484,757	53,871
	<u>5,340,800</u>	<u>2,199,587</u>	<u>7,540,387</u>	<u>6,475,565</u>
Intra-group sales			(2,199,587)	(2,157,442)
			<u>5,340,800</u>	<u>4,318,123</u>

### Industry segment results

#### Profit before tax

	Group 30.06.2019 Rs.'000	30.06.2018 Rs.'000
Activated carbon	401,935	210,029
Environmental engineering	(18,836)	(19,318)
Purification associate	(4,558)	140
Leisure - associate	6,854	(1,064)
	<u>385,395</u>	<u>189,787</u>
Consolidation adjustments	(12,705)	1,494
Unrealised profit on intra-group sales	(5,301)	(8,008)
	<u>367,389</u>	<u>183,273</u>

### INVESTOR INFORMATION

	Three months ended	
	30.06.2019	30.06.2018
<b>Market value of shares</b>		
Closing price	130.00 (28/06/2019)	127.00 (06/29/2018)
Highest price recorded for the period (Rs.)	137.50 (08/04/2019)	146.20 (05/18/2018)
Lowest price recorded for the period (Rs.)	122.20 (26/04/2019)	119.10 (04/05/2018)
Market capitalisation (Rs.)	3,862,608,750	3,773,471,625
P/E ratio	3.61	9.33
<b>Dividend payments</b>		
(1st and final 2017/18 Rs. 6/- Per share )	-	178,274,250
Total for the Period	-	178,274,250
<b>Share trading information</b>		
No of transactions	198	232
No of shares traded	49,313	240,281
Value of shares traded (Rs.)	6,576,478	30,647,337

**Haycarb PLC**  
**Notes**

As at 30th June	2019 Rs.'000	2018 Rs.'000
<b>1. Issued and fully paid ordinary shares</b>		
At the beginning of the year-29,712,375 (01.04.18 - 29,712,375)	<b>331,774</b>	331,774
As at 30th June	<b>331,774</b>	331,774

**2. Changes in Accounting policies and disclosures**  
**New and amended standards and interpretations**

These un audited interim financial statements have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRS/LKAS). They also provide the information required by the Colombo Stock Exchange and LKAS 34 - Interim Financial Reporting. There were no changes to the Accounting Policies and methods of computation since the publication of the Annual Report for the year ended March 31, 2019 except for the Accounting Policies and methods of computation adopted to be in compliant with the requirements of the Sri Lanka Accounting Standard SLFRS - 16 on Leases, which became effective for Annual Financial periods from January 01, 2019. SLFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('Lessee') and the supplier ('Lessor'). SLFRS 16 replaced Sri Lanka Accounting Standard – LKAS 17 (Leases) and related interpretations. “

The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. The Company has adopted SLFRS 16 using modified retrospective method from 1 April 2019, without restating comparatives for the 2018/19 reporting period, as permitted under the specific transitional provisions in the standard.

**The effect of adoption of SLFRS 16 (increase/(decrease) is as follows:**

	<u>Group</u>	<u>Company</u>
Right of use assets - as at 1st April 2019	177,932	113,086
Lease liability - as at 1st April 2019	177,932	113,086

Set out below, are the carrying amounts of right of use assets and lease liability and the movements for the period.

	<u>Group</u>		<u>Company</u>	
	<u>Right of use asset</u>		<u>Right of use asset</u>	
	<u>Land and buildings</u>	<u>Total</u>	<u>Land and buildings</u>	<u>Total</u>
As at 1 April 2019	177,932	177,932	113,086	113,086
Amortisation expense	(11,755)	(11,755)	(5,654)	(5,654)
<b>As at 30 June 2019</b>	<b>166,177</b>	<b>166,177</b>	<b>107,432</b>	<b>107,432</b>
	<u>Lease liability</u>		<u>Lease liability</u>	
	<u>Land and buildings</u>	<u>Total</u>	<u>Land and buildings</u>	<u>Total</u>
As at 1 April 2019	177,932	177,932	113,086	113,086
Net settlement	(9,386)	(9,386)	(4,142)	(4,142)
<b>As at 30 June 2019</b>	<b>168,546</b>	<b>168,546</b>	<b>108,944</b>	<b>108,944</b>

- There are no material post balance sheet events that require adjustments to or disclosure in the financial statements,
- There has not been a significant change in the nature of the contingent liabilities which are disclosed in the Annual Report for the year ended 31st March 2019.
- Where necessary, comparative figures have been re-classified to conform with the current period's presentation

## HAYCARB PLC

### FIRST TWENTY SHAREHOLDERS AS AT 30TH JUNE, 2019

	Name of the Shareholder	No. of Shares as at 30/06/2019	%
1	Hayleys PLC No.3 Share Investment Account	20,125,103	67.73
2	Employees Provident Fund	1,417,565	4.77
3	Employees Trust Fund Board	780,829	2.63
4	Mr. T. Ueda	417,206	1.40
5	National Savings Bank	412,714	1.39
6	Promar Overseas SA	397,682	1.34
7	Mrs. J. K. P. Singh	290,376	0.98
8	Bank of Ceylon No.1 Account	251,067	0.84
9	Dr. D. Jayanntha	230,000	0.77
10	Harnam Holdings SDN BHD	185,000	0.62
11	E.W. Balasuriya & Co. (Pvt) Ltd	152,089	0.51
12	Mr. Z .G. Carimjee	135,000	0.45
13	Mr. S. Krishnananthan (Deceased)	128,717	0.43
14	Mr. H. S. Gill	123,000	0.41
15	Hallsville Trading Group Inc.	120,000	0.40
16	Commercial Bank of Ceylon PLC A/C No.04	107,100	0.36
17	Mr. J. S. A. B. Singh & Mrs. G. K. A. H. Singh	100,000	0.34
18	J.B. Cocoshell (Pvt) Ltd	96,356	0.32
19	Cocoshell Activated Carbon Company Limited	92,300	0.31
20	Mr. A. Thakshanan	71,078	0.24
	Others	4,079,193	13.73
	<b>TOTAL</b>	<b>29,712,375</b>	<b>100.00</b>

### DIRECTORS SHAREHOLDING AS AT 30.06.2019

Name of the Director	No. of Shares as at 30.06.2019
Mr.A.M.Pandithage	2,379
Mr.S.C.Ganegoda	1,815
Mr. H. S. R. Kariyawasan *	15,500
Mr. M.S.P. Udaya Kumara	462
Mr. B. Balaratnarajah	1,004
<b>Total</b>	<b>21,160</b>

\* Shares held jointly with Mrs. K. H. S. Kariyawasan

Percentage of public holding as at 30.06.2019	32.20%
Total No. of Shareholders representing the public holding	2102
Float adjusted market capitalization (Rs.)	1,243,760,017.50
Mr.K.D.D.Perera holds directly and indirectly 50.44% of the total issued shares of Hayleys PLC which has 20,125,103 shares in Haycarb PLC.	
The Company complies with option 5 of the Listing Rules 7.13.1 (a) – Less than Rs.2.5Bn Float Adjusted Market Capitalization which requires 20% minimum Public Holding.	