

ADAM INVESTMENTS PLC

(Company Registration Number - PV 78150 PQ)



QUARTERLY FINANCIAL STATEMENTS

FOR THE QUARTER ENDED

30TH JUNE 2015

ADAM INVESTMENTS PLC

NO:264,GRANDPASS ROAD,

COLOMBO 14.

STATEMENT OF FINANCIAL POSITION

FOR QUARTER ENDED 30TH JUNE 2015

In LKR	Company			Group		
	Un Audited Period Ended 30th June 2015	Audited Year Ended 31st Dec. 2014	Un Audited Period Ended 30th June 2014	Un Audited Period Ended 30th June 2015	Audited Year Ended 31st Dec. 2014	Un Audited Period Ended 30th June 2014
ASSETS						
Property, plant and equipment	3,040,692	3,379,247		201,834,417	200,458,255	
Investment in Subsidiaries	253,507,540	253,507,540	40	-	-	
Investment in Equity accounted Associates	100,500,000	100,500,000	202,507,500	127,998,976	122,652,863	217,997,858
Good will on Acquisition	-	-		5,000,000	5,000,000	3,267,708
NON CURRENT ASSETS	357,048,232	357,386,787	202,507,540	334,833,392	328,111,118	221,265,566
Inventories	-	-		68,214,171	72,820,640	8,051,834
Investments	913,818,444	912,146,107	700,576,364	913,818,444	912,146,107	700,576,364
Trade & Other Receivable	1,618,290	1,018,355		79,004,662	78,583,999	743,000
Amount Due from Related Companies	317,863,196	360,322,006	397,892,688	416,286,249	467,539,375	399,041,340
Cash & cash equivalents	29,192	28,593	170,868,265	1,837,092	1,522,023	171,304,005
CURRENT ASSETS	1,233,329,121	1,273,515,061	1,269,337,316	1,479,160,618	1,532,612,144	1,279,716,542
TOTAL ASSETS	1,590,377,353	1,630,901,848	1,471,844,858	1,813,994,010	1,860,723,262	1,500,982,109
EQUITY						
Stated capital	714,508,200	714,508,200	714,508,200	714,508,200	714,508,200	714,508,200
AFS Reserve	124,363,674	139,183,792	248,287,272	124,363,674	139,183,792	248,287,272
Retained profit / (loss) for the Year	64,433,925	102,248,090	90,836,048	191,972,811	219,968,444	110,325,647
Total Equity Attributable to Equity Holders	903,305,799	955,940,081	1,053,631,521	1,030,844,685	1,073,660,436	1,073,121,120
Non Controlling Interest	-	-		21,408,849	21,159,805	
TOTAL EQUITY				1,052,253,534	1,094,820,240	
LIABILITIES						
NON CURRENT LIABILITIES						
Long Term Loan	532,344,736	509,718,209	260,000,000	532,344,736	511,316,797	260,000,000
Deferred Tax Liabilities				(377,660)	(19,743)	
Defined Benefit Plans				264,835	340,963	
CURRENT LIABILITIES						
Interest bearing borrowings	131,985,418	158,215,688		136,553,862	174,632,665	
Taxation	21,600	21,600		21,600	2,204,132	
Trade & other payable	1,988,082	1,533,083	127,123,901	56,894,388	61,369,369	127,123,901
Amount Due to Related Companies	518,740	518,740	31,084,797	12,843,149	8,117,759	40,732,450
Bank Overdraft	20,212,978	4,954,447	4,639	23,195,564	7,941,079	4,639
TOTAL LIABILITIES	687,071,554	674,961,766	418,213,337	761,740,475	765,903,022	427,860,990
TOTAL EQUITY & LIABILITIES	1,590,377,353	1,630,901,848	1,471,844,858	1,813,994,010	1,860,723,262	1,500,982,109

Net Assets per shares 2.01 2.13 2.35 2.34 2.44 2.39

We certify that these financial statements have been prepared in compliance with the requirements of the company act No. 07 of 2007.

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

Dr.Lawrence Mervyn Fritsgerald Adams
Director

Malayandi Jeyapragash
Director

APPROVED BY THE BOARD ON

14th August 2015

ADAM INVESTMENTS PLC

NO:264,GRANDPASS ROAD,

COLOMBO 14.

STATEMENT OF COMPREHENSIVE INCOME

FOR QUARTER ENDED 30TH JUNE 2015

In LKR	Company			Group		
	Un Audited		Audited	Un Audited		Audited
	Quater Ended 30th June 2015	Quater Ended 30th June 2014	Year Ended 31st Dec. 2014	Quater Ended 30th June 2015	Quater Ended 30th June 2014	Year Ended 31st Dec. 2014
<u>CONTINUING OPERATION</u>						
Turn Over	-	-	-	51,017,460	2,207,000	9,130,500
Cost of sales	-	-	-	(39,225,654)	(1,633,277)	(8,083,677)
Direct Income	-	-	-	-	-	-
GROSS PROFIT	-	-	-	11,791,806	573,723	1,046,823
Other Income	90,000	115,680	62,508,121	90,000	115,680	157,783,814
Selling and Distribution Expenses	-	-	-	(2,575,451)	-	(94,426)
Administrative expenses	(2,342,933)	(3,932,358)	(22,282,145)	(7,193,615)	(4,144,483)	(23,593,372)
RESULT FROM OPERATING ACTIVITIES	(2,252,933)	(3,816,677)	40,225,976	2,112,741	(3,455,080)	135,142,838
Finance cost	(16,217,867)	(11,472,773)	(56,930,452)	(18,075,927)	(11,473,148)	(56,931,221)
NET FINANCE COST	(16,217,867)	(11,472,773)	(56,930,452)	(18,075,927)	(11,473,148)	(56,931,221)
Post tax Share of Equity accounted Associate's Profit	-	-	-	2,390,955	3,229,640	9,588,116
					-	
PROFIT BEFORE TAX	(18,470,800)	(15,289,450)	(16,704,476)	(13,572,231)	(11,698,588)	87,799,733
Tax expense	-	-	(21,600)	(106,678)	-	(21,600)
PROFIT FROM CONTINUING OPERATION	(18,470,800)	(15,289,450)	(16,726,076)	(13,678,909)	(11,698,588)	87,778,133
<u>DISCONTINUING OPERATION</u>						
	-	-	-	-	-	-
PROFIT FOR THE PERIOD	(18,470,800)	(15,289,450)	(16,726,076)	(13,678,909)	(11,698,588)	87,778,133
<u>OTHER COMPREHENSIVE INCOME</u>						
Net changing fair value of available for sale financial assets	181,899,064	267,500,878	158,397,398	181,899,064	267,500,878	158,397,398
Defined benefit plan actuarial gains (losses)	-	-	-	-	-	-
Tax on other comprehensive income	-	-	-	-	-	-
OTHER COMPREHENSIVE INCOME FOR THE PERIOD (NET OF TAX)	181,899,064	267,500,878	158,397,398	181,899,064	267,500,878	158,397,398
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	163,428,264	252,211,428	141,671,323	168,220,155	255,802,290	246,175,531
EPS	(0.04)	(0.03)	(0.04)	(0.03)	(0.03)	0.20

ADAM INVESTMENTS PLC

NO:264,GRANDPASS ROAD, COLOMBO 14.

STATEMENT OF CHANGES IN EQUITY

FOR QUARTER ENDED 30TH JUNE 2015

Company	Stated capital	AFS Reserve	Minority Interest	Retained profit / (loss)	Total
In LKR					
Balance at 1st April 2015	714,508,200	(57,535,391)		68,459,593	725,432,402
Impacts of changers in accounting policies	-	-	-	-	-
Prior year adjustments - Retirement benefit under provision	-	-	-	-	-
Restated Balance at 30th June 2015	714,508,200	(57,535,391)	-	68,459,593	725,432,402
Profit	-		-	(18,470,800)	(18,470,800)
Revaluation of property plant & equipment	-	-	-	-	-
Adjustments for Inter Company Interest				14,445,133	
Net changing fair value of available for sale financial assets	-	181,899,064	-	-	181,899,064
Total comprehensive income for the period	-	181,899,064	-	(4,025,667)	163,428,264
Issue of shares		-	-	-	-
Dividends	-	-	-	-	-
Total contribution by and distribution to the owners of the company	-	-	-	-	-
Restated Balance at 30th June 2015	714,508,200	124,363,674		64,433,925	888,860,666
Group	Stated capital	AFS Reserve	Minority Interest	Retained profit / (loss)	Total
In LKR					
Balance at 1st April 2015	714,508,200	(57,535,391)	21,282,837	191,332,600	869,588,247
Impacts of changers in accounting policies	-	-	-	-	-
Prior year adjustments - Retirement benefit under provision	-	-	-	-	-
Restated Balance at 30th June 2015	714,508,200	(57,535,391)	21,282,837	191,332,600	869,588,247
Profit	-	-	126,012	(13,804,922)	(13,678,909)
Revaluation of property plant & equipment	-	-			-
Adjustments for Inter Company Interest				14,445,133	
Net changing fair value of available for sale financial assets	-	181,899,064	-	-	181,899,064
Total comprehensive income for the period	-	181,899,064	126,012	640,211	168,220,155
Issue of shares	-	-	-	-	-
Dividends	-	-	-	-	-
Total contribution by and distribution to the owners of the company	-	-	-	-	-
Restated Balance at 30th June 2015	714,508,200	124,363,674	21,408,849	191,972,811	1,037,808,402

ADAM INVESTMENTS PLC

NO:264,GRANDPASS ROAD,

COLOMBO 14.

STATEMENT OF CASH FLOW- SUMMARY

FOR QUARTER ENDED 30TH JUNE 2015

In LKR	Company			Group		
	Un Audited Qtr. Ended 30-Jun-2015	Audited Year Ended 31-Dec-2014	Un Audited Year Ended 30-Jun-2014	Un Audited Qtr. Ended 30-Jun-2015	Audited Year Ended 31-Dec-2014	Un Audited Qtr. Ended 30-Jun-2014
Net cash from operating activities	4,499,712	(207,533,315)	(321,301,309)	19,741,575	(354,900,372)	(320,899,889)
Net cash used in investing activities	(16,153,900)	(269,797,666)	(36,932,524)	(17,868,617)	(118,297,666)	(36,932,524)
Net cash used in financing activities	(3,603,742)	476,171,825	532,864,160	(16,812,374)	472,441,430	532,864,160
Net increase / (decrease) in cash and cash equivalents	(15,257,930)	(1,159,156)	174,630,327	(14,939,416)	(756,608)	175,031,747
Cash and cash equivalent at the Beginning of the Period	(4,925,856)	(3,766,700)	(3,766,700)	(6,419,058)	(5,662,450)	(3,732,380)
Cash and cash equivalent at 30th June 2015	(20,183,785)	(4,925,856)	170,863,627	(21,358,474)	(6,419,058)	171,299,367

ADAM INVESTMENTS PLC

Notes to the interim financial statements

(In the notes all amounts are shown in Sri Lanka Rupees millions unless otherwise stated)

1. General Information

Adam Investments PLC is a Public Limited Company domiciled in Sri Lanka. It is an investment holding company which holds shares of privately held companies operating in various industries such as manufacturing and exporting of garments for leading global fashion labels, Importing & supplying of Information Technology and total solution provider to computers and accessories , manufacturing of metal hardware items ,importing and installing of Air Conditioners and importing vehicles and vehicle spare parts. The registered office of business is 264, Grandpass Road, Colombo 14.

2. Basis of preparation

The condensed interim financial statements of Adam Investments PLC are for the quarter ended 30th June 2015. They have been prepared in accordance with LKAS 34, Interim Financial Reporting. These interim financial statements have been prepared in accordance with the SLFRS standards and IFRIC interpretations issued and effective as at the time of preparing these statements. The condensed interim financial statements do not include all of the information required for full annual financial statements and have not been audited.

3. Summary of significant accounting policies

The accounting policies adopted are consistent with most recent Audited Financial Statements for the year ended 31st December 2014.

4. Events after the Reporting Period

There have been no material events after the reporting period.

5. Investments in Subsidiaries

Adam Investments PLC has increased its shareholding in PCH Holdings PLC up to 53.5% in December 2014. However financial statements of Adam Capital PLC are not completed due to non-availability of books of accounts and source documents. Therefore Adam Investments PLC has decided not to consolidate Adam Capital PLC as a subsidiary in the quarter ended 30th June 2015. Therefore shareholding of Adam Capital PLC has been treated as an available for sale financial asset. Adam Investments PLC will consolidate with Adam Capital PLC subsequent to finalizing accounts of Adam Capital PLC.

6. Comparatives

Comparatives are provided for the statement of financial position at the date of the last published annual report (31st December 2014) and for the quarter ended 30th June 2014.

7. Contingent Liabilities

There have been no material changes to the contingent assets or contingent liabilities since the last annual reporting period.

8. Market Price Per Share

For the Quarter ended 30th June 2015

	2015 – 02 nd Quarter		2014 – 02 nd Quarter	
	Date	Price (Rs)	Date	Price (Rs)
Highest	24-04-2015	3.40	30-06-2014	6.00
Lowest	26-06-2015	2.70	10-06-2014	3.30
Closing	-	2.80	-	5.90

9. Issued Share Capital

The number of Shares issued and fully paid of the Company as at 30th June 2015 is 449,276,200 and values of the Shares are Rs.714, 508,200.

10. Net assets per share

	Company		Group	
	30 th June 2015	31 st Dec. 2014	30 th June 2015	31 st Dec. 2014
Net assets per share	2.01	2.13	2.34	2.44

DIRECTORS' AND CEO'S SHAREHOLDING AS AT 30TH JUNE 2015

			NO. OF SHARES	%
1	DESHABANDHU. DR A A S GULAMHUSEIN	150,360,000	} 335,020,200	74.569
	PAN ASIA BANKING CORPORATION PLC / DESHABANDHU. DR A A S GULAMHUSEIN	184,660,200		
2	REV. DR. L M F ADAMS		NIL	NIL
3	MRS. D M GULAMHUSEIN		NIL	NIL
4	MR. T A GULAMHUSEIN		NIL	NIL
5	MR. I SHABBIR	4,083,998	} 4,087,098	0.910
	MR. I SHABBIR JOINT WITH MS. F SHABBIR	3,100		
6	MR. M JEYAPRAKASH		1,000,000	0.223
7	MR. L W W PRIYANKARA		1,000,000	0.223
8	MR G RAMANAN	Nil	} 8,333,400	1.855
	SEYLAN BANK PLC/MR G RAMANAN	8,333,400		
9	MR. I ZAHIR		NIL	NIL

ADAM INVESTMENTS PLC
20 MAJOR SHAREHOLDERS AS AT 30TH JUNE 2015

		No of Shares	(%)
1	PAN ASIA BANKING CORPORATION PLC/MR. G H A A SHABBIR	184,660,200	41.102
2	DR. G H A A SHABBIR	150,360,000	33.467
3	SAMPATH BANK PLC/DR T SENTHILVERL	43,550,906	9.694
4	MRS L N BALDSING	19,046,649	4.239
5	SEYLAN BANK PLC/GOVINDASAMY RAMANAN	8,333,400	1.855
6	MR G I SHABBIR	4,083,998	0.909
7	COMMERCIAL BANK OF CEYLON PLC/CEYLON & FOREIGN TRADES PLC	2,980,000	0.663
8	MR A Y TYEBKHAN	2,265,604	0.504
9	BANK OF CEYLON A/C CEYBANK UNIT TRUST	1,909,512	0.425
10	COMMERCIAL BANK OF CEYLON PLC/S A GULAMHUSEIN	1,889,000	0.420
11	MR S C HITHTHATIYAGE	1,289,505	0.287
12	MR M JEYAPRAGASH	1,000,000	0.223
13	MR S A RATNAM	1,000,000	0.223
14	MR L W W PRIYANKARA	1,000,000	0.223
15	FIRST CAPITAL MARKETS LIMITED/DR L M F ADAMS	1,000,000	0.223
16	FIRST CAPITAL MARKETS LIMITED/BIMPUTH FINANCE PLC	862,700	0.192
17	MR C R PERERA	800,000	0.178
18	MR W JINADASA	720,000	0.160
19	MR S R LIYANAARACHCHI	492,222	0.110
20	MR D S VANDORT	488,307	0.109
		427,732,003	95.205
	OTHERS	21,544,197	4.795
	TOTAL	449,276,200	100.00

Public Holding Percentage as at 30th June 2015 being 11.864 % comprising of 1,031 shareholders.