

ADAM INVESTMENTS PLC



INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST DECEMBER 2015

ADAM INVESTMENTS PLC

STATEMENT OF FINANCIAL POSITION

FOR THE PERIOD ENDED 31ST DECEMBER 2015

	Group		Company	
	Period Ended 31st Dec. 2015	Audited Year Ended 31st Dec. 2014	Period Ended 31st Dec. 2015	Audited Year Ended 31st Dec. 2014
ASSETS				
Property, Plant and Equipment	1,172,440,404	200,458,255	3,847,950	3,379,247
Investment in Subsidiaries	-	-	800,873,152	253,507,540
Investment in Associates	-	122,652,863		100,500,000
Intangible Assets	13,090,814			
Goodwill on Acquisition	232,801,935	5,000,000	-	-
	1,418,333,153	328,111,118	804,721,102	357,386,787
Inventories	342,383,633	72,820,640	-	-
Investments	413,863,817	912,146,107	357,063,817	912,146,107
Trade & Other Receivable	408,377,608	78,583,999	176,355	1,018,355
Amount Due from Related Companies	420,505,760	467,539,375	211,820,792	360,322,006
Cash & Cash Equivalents	82,216,549	1,522,023	29,192	28,593
CURRENT ASSETS	1,667,347,367	1,532,612,144	569,090,156	1,273,515,061
TOTAL ASSETS	3,085,680,517	1,860,723,262	1,373,811,256	1,630,901,848
EQUITY				
Stated Capital	714,508,200	714,508,200	714,508,200	714,508,200
Reserve	84,824,903	139,183,792	(80,913,063)	139,183,792
Revaluation Surplus	-			
Retained Profit / (Loss) for The Year	219,260,944	219,968,444	66,360,923	102,248,090
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	1,018,594,047	1,073,660,436	699,956,060	955,940,081
Non Controlling Interest	452,488,828	21,159,805	-	-
TOTAL EQUITY	1,471,082,875	1,094,820,240	699,956,060	955,940,081
LIABILITIES				
Interest Bearing Borrowings	636,212,223	511,316,797	383,622,507	509,718,209
Deferred Tax Liabilities	(7,445,931)	(19,743)	-	-
Defined Benefit Plans	6,412,827	340,963	-	-
NON CURRENT LIABILITIES	635,179,119	511,638,016	383,622,507	509,718,209
Trade & Other Payables	113,467,397	61,369,369	2,885,890	1,533,083
Interest Bearing Borrowings	585,172,308	174,632,665	281,512,120	158,215,688
Taxation	11,078,484	2,204,132	325,148	21,600
Amounts Due to Related Companies	226,902,078	8,117,759	-	518,740
Bank Overdraft	42,798,257	7,941,079	5,509,532	4,954,447
CURRENT LIABILITIES	979,418,523	254,265,005	290,232,690	165,243,558
TOTAL LIABILITIES	1,614,597,642	765,903,022	673,855,196	674,961,766
TOTAL EQUITY & LIABILITIES	3,085,680,517	1,860,723,262	1,373,811,256	1,630,901,848

Net Assets per shares

2.27

2.39

1.56

2.13

I 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.

Sgd.

L W W Priyankara
Director

Sgd.

A M Pasqual
Chairman

Approved by the board on 29th February 2016

FOR THE PERIOD ENDED 31ST DECEMBER 2015

	Group				Company			
	12 Months Ended		03 Months Ended		12 Months Ended		03 Months Ended	
	31st Dec. 2015	31st Dec. 2014	31st Dec. 2015	31st Dec. 2014	31st Dec. 2015	31st Dec. 2014	31st Dec. 2015	31st Dec. 2014
CONTINUING OPERATION								
Revenue	548,401,322	9,130,500	273,738,379	1,575,500	-	-	-	-
Cost of Sales	(425,485,913)	(8,083,677)	(211,161,141)	(1,504,748)	-	-	-	-
GROSS PROFIT	122,915,409	1,046,823	62,577,238	70,752	-	-	-	-
Other Income	26,133,746	157,783,814	8,761,664	2,325,243	(527,634)	62,508,121	(1,357,990)	2,325,243
Selling and Distribution Expenses	(25,471,608)	(94,426)	(10,831,172)	-	-	-	-	-
Administrative Expenses	(71,629,666)	(23,593,372)	(18,921,196)	(6,841,021)	(8,017,465)	(22,282,145)	(1,108,832)	(6,526,529)
RESULT FROM OPERATING ACTIVITIES	51,947,881	135,142,838	41,586,534	(4,445,026)	(8,545,099)	40,225,976	(2,466,822)	(4,201,286)
Finance Cost	(71,355,820)	(56,931,221)	(38,449,463)	(17,633,413)	(57,393,290)	(56,930,452)	(23,951,626)	(17,633,413)
Finance Income	18,266,637	-	5,611,783	-	30,354,769	-	5,611,783	-
NET FINANCE COST	(53,089,182)	(56,931,221)	(32,837,680)	(17,633,413)	(27,038,520)	(56,930,452)	(18,339,843)	(17,633,413)
PROFIT AFTER FINANCE COST	(1,141,302)	78,211,618	8,748,854	(22,078,439)	(35,583,619)	(16,704,476)	(20,806,665)	(21,834,699)
Share of Associate Company's Profit	5,346,112	9,588,116	-	3,925,134	-	-	-	-
PROFIT BEFORE TAX	4,204,810	87,799,733	8,748,854	(18,153,306)	(35,583,619)	(16,704,476)	(20,806,665)	(21,834,699)
Tax Expense	(1,530,217)	(21,600)	(766,745)	-	(303,548)	(21,600)	(55,299)	-
PROFIT FROM CONTINUING OPERATION	2,674,593	87,778,133	7,982,109	(18,153,306)	(35,887,167)	(16,726,076)	(20,861,964)	(21,834,699)
DISCONTINUING OPERATION								
Profit (loss) from Discontinuing Operation (Net of Tax)	-	-	-	-	-	-	-	-
PROFIT FOR THE PERIOD	2,674,593	87,778,133	7,982,109	(18,153,306)	(35,887,167)	(16,726,076)	(20,861,964)	(21,834,699)
OTHER COMPREHENSIVE INCOME								
Surplus on revaluation of property, plant and equipment	309,731,748	-	-	-	-	-	-	-
Net Changing Fair Value of Available for Sale Financial Assets	(220,096,853)	158,397,398	(158,290,675)	(91,137,180)	(220,096,853)	158,397,398	(158,290,675)	(91,137,180)
Defined Benefit Plan Actuarial Gains / (losses)	-	-	-	-	-	-	-	-
OTHER COMPREHENSIVE INCOME FOR THE PERIOD	89,634,895	158,397,398	(158,290,675)	(91,137,180)	(220,096,853)	158,397,398	(158,290,675)	(91,137,180)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	92,309,488	246,175,531	(150,308,565)	(109,290,486)	(255,984,020)	141,671,323	(179,152,639)	(112,971,879)
Total Profit for The Year Attributable To:								
Equity Holder of The Parent	(707,500)	87,778,133	(1,549,511)	(18,153,306)	(35,887,167)	(16,726,076)	(20,861,964)	(21,834,699)
Non Controlling Interest	3,382,093	0	9,531,620	0	0	0	0	0
Profit for The Period	2,674,593	87,778,133	7,982,109	(18,153,306)	(35,887,167)	(16,726,076)	(20,861,964)	(21,834,699)
Total Other Comprehensive Income Attributable To:								
Equity Holders of The Parent	(54,358,887)	158,397,398	(158,290,675)	(91,137,180)	(220,096,853)	158,397,398	(158,290,675)	(91,137,180)
Non Controlling Interest	143,993,781	0	0	0	0	0	0	0
	89,634,895	158,397,398	(158,290,675)	(91,137,180)	(220,096,853)	158,397,398	(158,290,675)	(91,137,180)
Earnings Per Share - Basis	(0.002)	0.20	(0.003)	(0.04)	(0.08)	(0.04)	(0.05)	(0.05)

ADAM INVESTMENTS PLC

STATEMENT OF CHANGES IN EQUITY

(Expressed in Sri Lankan Rupees)

FOR THE PERIOD ENDED 31ST DECEMBER 2015

Company	Stated capital	Reserve	Minority Interest	Retained profit / (loss)	Total
In LKR					
Balance at 1st Jan 2014	316,660,200	(19,213,606)	-	123,958,005	421,404,599
Impacts of change in accounting policies	-	-	-	-	-
Restated Balance at 1st Jan 2014	316,660,200	(19,213,606)	-	123,958,005	421,404,599
Current Year Profit/(Loss)	-	-	-	(16,726,076)	(16,726,076)
IPO expenses	-	-	-	(4,983,840)	(4,983,840)
Net changing fair value of available for sale financial assets	-	158,397,398	-	-	158,397,398
Total comprehensive income for the year	-	158,397,398	-	(21,709,916)	136,687,483
Issue of share	397,848,000	-	-	-	397,848,000
Dividends	-	-	-	-	-
Total contribution by and distribution to the owners of the company	397,848,000	-	-	-	397,848,000
Restated Balance at 31st December 2014	714,508,200	139,183,792	-	102,248,090	955,940,081
Balance as at 01st of January 2015	714,508,200	139,183,790	-	102,248,090	955,940,080
Impacts of changers in accounting policies	-	-	-	-	-
Prior year adjustments - Retirement benefit under provision	-	-	-	-	-
Restated Balance at 31st Dec. 2015	714,508,200	139,183,790	-	102,248,090	955,940,080
Profit	-	-	-	(35,887,167)	(35,887,167)
Revaluation of property plant & equipment	-	-	-	-	-
Changes in Aquisition	-	-	-	-	-
Net changing fair value of available for sale financial assets	-	(220,096,853)	-	-	(220,096,853)
Total comprehensive income for the period	-	(220,096,853)	-	(35,887,167)	(255,984,020)
Issue of shares	-	-	-	-	-
Dividends	-	-	-	-	-
Total contribution by and distribution to the owners of the company	-	-	-	-	-
Restated Balance at 31st Dec. 2015	714,508,200	(80,913,063)	-	66,360,923	699,956,060

Group	Stated capital	Reserve	Minority Interest	Retained profit / (loss)	Total
In LKR					
Balance at 1st Jan 2014	316,660,200	(19,213,606)	-	137,174,151	434,620,745
Impacts of Change in Accounting Policies	-	-	-	-	-
Restated Balance at 1st Jan 2014	316,660,200	(19,213,606)	-	137,174,151	434,620,745
Current Year Profit/(Loss)	-	-	-	87,778,133	87,778,133
IPO Expenses	-	-	-	(4,983,840)	(4,983,840)
Minority Interest on Business Acquisition	-	-	21,159,805	-	21,159,805
Other Comprehensive Income	-	158,397,398	-	-	158,397,398
Total Comprehensive Income for The Year	-	158,397,398	21,159,805	82,794,293	262,351,496
Issue of Shares	397,848,000	-	-	-	397,848,000
Dividends	-	-	-	-	-
Total Contribution by and Distribution to The Owners of The Company	397,848,000	-	-	-	397,848,000
Restated Balance at 31st December 2014	714,508,200	139,183,792	21,159,805	219,968,444	1,094,820,240
Balance as at 01st of January 2015	714,508,200	139,183,790	21,159,805	219,968,444	1,094,820,239
Impacts of changers in accounting policies	-	-	-	-	-
Prior year adjustments - Retirement benefit under provision	-	-	-	-	-
Restated Balance at 31st Dec. 2015	714,508,200	139,183,790	21,159,805	219,968,444	1,094,820,239
Profit	-	-	3,382,093	(707,500)	2,674,593
Changes in Aquisition on 31st Dec. 2015	-	-	125,163,075	-	125,163,075
Changes in Aquisition on 01st of July 2015	-	-	158,790,073	-	158,790,073
Surplus on revaluation of property, plant and equipment	-	165,737,967	143,993,781	-	309,731,748
Net changing fair value of available for sale financial assets	-	(220,096,853)	-	-	(220,096,853)
Total comprehensive income for the period	-	(54,358,887)	431,329,023	(707,500)	376,262,636
Issue of shares	-	-	-	-	-
Dividends	-	-	-	-	-
Total contribution by and distribution to the owners of the company	-	-	-	-	-
Restated Balance at 31st Dec. 2015	714,508,200	84,824,903	452,488,828	219,260,944	1,471,082,875

ADAM INVESTMENTS PLC
STATEMENT OF CASH FLOW

(Expressed in Sri Lankan Rupees)

FOR THE PERIOD ENDED 31ST DECEMBER 2015

	Group		Company	
	Period Ended 31st Dec. 2015	Audited Year Ended 31st Dec. 2014	Period Ended 31st Dec. 2015	Audited Year Ended 31st Dec. 2014
Net Cash Flow from Operating Activities	(158,904,172)	(354,900,372)	115,614,086	(207,533,315)
Cash Flow from Investment Activities	(382,363,549)	(118,297,666)	(113,672,850)	(269,797,666)
Cash Flow from Financing Activities	542,955,096	472,441,430	(2,495,721)	476,171,825
Net Change in Cash & Cash Equivalents	1,687,375	(756,608)	(554,485)	(1,159,156)
Cash & Cash Equivalents at The Beginning of The Year	(6,419,058)	(3,732,380)	(4,925,856)	(3,766,700)
Opening Balances of the Acquired Subsidiaries	44,149,955	(1,930,070)	-	-
Cash & Cash Equivalents at End of The Quarter	39,418,272	(6,419,058)	(5,480,341)	(4,925,856)

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 31st December 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 Capital PLC has been consolidated in to Adam Investments accounts in the period ended 31st December 2015

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 31st December 2014.

7. Contingent Liabilities

There have not been any material changes to the contingent assets or contingent liabilities since the last annual reporting period.

8. Market Price Per Share

For the Quarter ended 31st December 2015

	2015 – 4 th Quarter		2014 – 4 th Quarter	
	Date	Price (Rs)	Date	Price (Rs)
Highest	09-10-2015	3.70	13-11-2014	4.80
Lowest	30-12-2015	2.60	27-11-2014	3.50
Closing	-	2.80	-	3.90

9. Issued Share Capital

The number of Shares issued and fully paid of the Company as at 31st December 2015 is 449,276,200 and values of the Shares are Rs.714, 508,200.

10. Net assets per share

	Company		Group	
	31 st Dec. 2015	31 st Dec. 2014	31 st Dec. 2015	31 st Dec. 2014
Net assets per share	1.56	2.13	2.27	2.39

DIRECTORS' AND CEO'S SHAREHOLDING AS AT 31ST DECEMBER 2015

			NO. OF SHARES	%
1	MR. A M PASQUAL		NIL	NIL
2	REV. DR. L M F ADAMS	NIL	1,000,000	0.223
	FIRST CAPITAL MARKETS LIMITED/ DR. L M F ADAMS	1,000,000		
3	MRS. D M GULAMHUSEIN (Nee Wethasinghe)		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 (Resigned with effect from 21st Dec. 2015)		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. M I R ZAHIR		NIL	NIL

ADAM INVESTMENTS PLC
20 MAJOR SHAREHOLDERS AS AT 31ST DECEMBER 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	16,100,000	3.584
5	SEYLAN BANK PLC / GOVINDASAMY RAMANAN	8,333,400	1.855
6	MR G H I SHABBIR	4,083,998	0.909
7	COMMERCIAL BANK OF CEYLON PLC / CEYLON & FOREIGN TRADES PLC	2,780,000	0.619
8	BIMPUTH FINANCE PLC	2,587,700	0.576
9	MR A Y TYEBKHAN	2,265,604	0.504
10	BANK OF CEYLON A/C CEYBANK UNIT TRUST	1,929,512	0.429
11	COMMERCIAL BANK OF CEYLON PLC / S A GULAMHUSEIN	1,564,000	0.348
12	MR D S VANDORT	1,500,000	0.334
13	MR M JEYAPRAGASH	1,000,000	0.223
14	MRS. R I L SIMONSZ	1,000,000	0.223
15	MR L W W PRIYANKARA	1,000,000	0.223
16	FIRST CAPITAL MARKETS LIMITED / DR L M F ADAMS	1,000,000	0.223
17	BANSEI SECURITIES FINANCE (PVT) LTD/SONAKSHI TRUST (PRIVATE) LIMITED	983,563	0.219
18	MR. R E RAMBUKWELLE	903,174	0.201
19	MR. M M A S HEMAMAL	833,555	0.186
20	MR C R PERERA	800,000	0.178
		427,235,612	95.094
	OTHERS	22,040,588	4.906
	TOTAL	449,276,200	100.00

Public Holding Percentage as at 31st December 2015 being 11.6863% comprising of 1,029 shareholders.