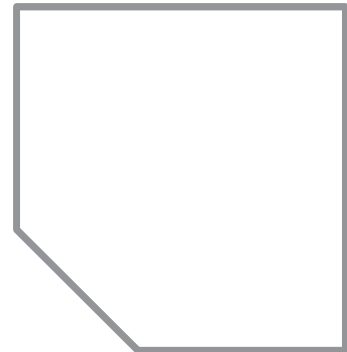
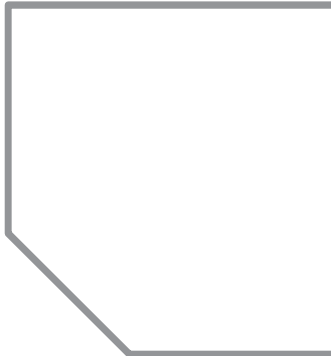
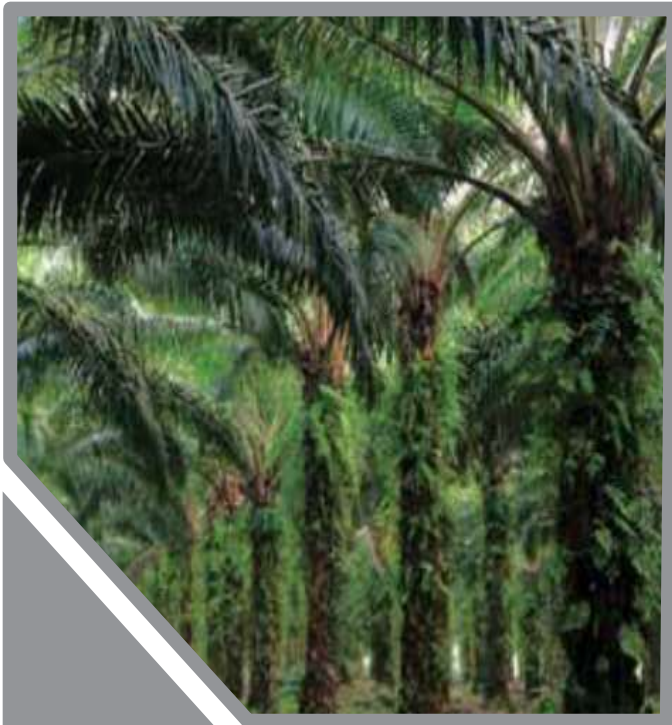




Goodhope

A CARSON CUMBERBATCH COMPANY



Indo-Malay PLC

**Summarised Financial Report
for the year ended
31st March 2019**

INDO-MALAY PLC
Statement of Profit or Loss

(All figures in Sri Lankan Rupees '000)

	Note	Quarter ended			Year ended		
		31st March		Change	31st March		Change
		2019	2018		2019	2018	
				%			%
Revenue	(Note 3)	775	345	125%	2,142	3,754	-43%
Other income		3,283	2,375	38%	3,283	2,375	38%
Administrative expenses		(660)	(240)	175%	(2,697)	(1,499)	80%
Foreign exchange gain/(loss)		-	-	-	-	(4,851)	-100%
Profit / (Loss) before tax for the period		3,398	2,480	37%	2,728	(221)	-1334%
Income tax expense		-	719	-100%	-	(202)	-100%
Profit / (Loss) for the period		3,398	3,199	6%	2,728	(423)	-745%
Earnings per ordinary share (expressed in Rs.)		0.71	0.66		0.57	(0.09)	

Statement of comprehensive income	Quarter ended			Year ended		
	31st March		Change	31st March		Change
	2019	2018		2019	2018	
			%			%
Profit/(Loss) for the period	3,398	3,199	6%	2,728	(423)	-745%
Other Comprehensive Income						
Other Comprehensive Income not to be reclassified to Profit or Loss in subsequent periods						
Gain on Change in Fair Value of Financial Assets classified under Fair Value Through Other Comprehensive Income (FVOCI)	174,308	202,778	-14%	174,308	202,778	-14%
Deferred Tax attributable to Gain on Change in Fair Value of Financial Assets classified under FVOCI (Note 8)	23,013	(23,013)	-200%	23,013	(23,013)	-200%
Net Other Comprehensive Income not to be reclassified to Profit or Loss in subsequent periods	197,321	179,765	10%	197,321	179,765	10%
Other Comprehensive Income for the period, net of tax	197,321	179,765	10%	197,321	179,765	10%
Total comprehensive income for the period, net of tax	200,719	182,964	10%	200,049	179,342	12%

Changes represent the percentage change in current period's results compared to corresponding period of last year.

Figures in brackets indicate deductions/negative changes.

The above figures are subject to audit.

INDO-MALAY PLC
Statement of financial position

(All figures in Sri Lankan Rupees '000)

	Note	As at 31.03.2019	As at 31.03.2018
ASSETS			
Non-Current Assets			
Non-current financial assets	(Note 4 / Note 2.1.1)	5,957,773	5,783,465
Total Non- Current Assets		5,957,773	5,783,465
Current Assets			
Prepayments and other receivable		165	165
Income tax receivable		643	643
Short term investments		26,305	-
Cash and cash equivalents		21,120	36,154
Total Current Assets		48,233	36,962
Total Assets		6,006,006	5,820,427
EQUITY AND LIABILITIES			
Equity			
Stated capital	(Note 7)	70,033	70,033
Retained earnings		47,642	44,914
Other reserves		5,819,628	5,622,307
Total Shareholders' Funds		5,937,303	5,737,254
Non-Current Liabilities			
Deferred tax liability	(Note 8)	-	23,013
Total Non-Current Liabilities		-	23,013
Current Liabilities			
Trade and other payables		1,915	1,830
Unclaimed dividend		66,788	58,330
Total Current Liabilities		68,703	60,160
Total Liabilities		68,703	83,173
Total Equity and Liabilities		6,006,006	5,820,427
Net Asset per share (Rs.)		1,234.01	1,192.43

I certify that these financial statements are in compliance with the requirements of the Companies Act No. 7 of 2007.

(Sgd.)

Aneesh Dudeja

President / Chief Financial Officer

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

Approved & signed for and on behalf of the Managers,

Approved & signed for and on behalf of the Board,

(Sgd.)

(Sgd.)

(Sgd.)

M.R. Jiffrey

Director

Agro Harapan Lestari (Pvt) Ltd

26th April 2019

The above figures are subject to audit.

H. Selvanathan

Chairman

M. Selvanathan

Director

INDO-MALAY PLC**Statement of Changes in Equity**

(All figures in Sri Lankan Rupees '000)

	Stated Capital	Available-for-sale reserve	Retained Earnings	Total Shareholders' Funds
Balance as at 1st April 2017	70,033	5,442,542	45,337	5,557,912
Loss for the year	-	-	(423)	(423)
Other comprehensive income/(loss)	-	179,765	-	179,765
Total comprehensive income/(loss) for the year	-	179,765	(423)	179,342
Balance as at 31st March 2018	70,033	5,622,307	44,914	5,737,254

Note	Stated Capital	Available-for-sale reserve	Fair Value Reserve	Retained Earnings	Total Shareholders' Funds
Balance as at 31st March 2018	70,033	5,622,307	-	44,914	5,737,254
Effect of adoption of SLFRS 9 (Note 2.1.1)	-	(5,622,307)	5,622,307	-	-
Balance as at 1st April 2018	70,033	-	5,622,307	44,914	5,737,254
Profit for the year	-	-	-	2,728	2,728
Other comprehensive income for the year	-	-	197,321	-	197,321
Total comprehensive income for the year	-	-	197,321	2,728	200,049
Balance as at 31st March 2019	70,033	-	5,819,628	47,642	5,937,303

*The above figures are subject to audit.**Figures in brackets indicate deductions/negative changes.*

INDO-MALAY PLC
Cash Flow Statement

For the year ended 31st March

(All figures in Sri Lankan Rupees '000)

	2019	2018
Net cash outflows from operating activities	(2,612)	(26,330)
Net cash (outflows) / inflows from investing activities	(24,163)	3,754
Net cash inflows / (outflows) from financing activities	11,741	(181,045)
Decrease in cash and cash equivalents	(15,034)	(203,621)
Cash and cash equivalents at the beginning of the year	36,154	239,775
Cash and cash equivalents at the end of the year	21,120	36,154
Cash and cash equivalents:		
Cash and bank balances	17,572	17,314
Short-term deposits	3,548	18,840
	21,120	36,154

The above figures are subject to audit.

INDO-MALAY PLC

1. Basis of preparation of Summarised Financial Report

The interim condensed financial statements have been prepared in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting. These interim condensed financial statements should be read in conjunction with the annual financial statements for the year ended 31st March 2018 and Note 02 disclosed below on adoption of new standards.

Further, provisions of the Companies Act no.7 of 2007 have been considered in preparing the interim financial statements of the Company.

2. Accounting policies

The same accounting policies and methods of computation as stated in the annual financial statements for the year ended 31st March 2018 are followed in the preparation of these Interim Condensed Financial Statements except for the changes required due to adoption of new Standards which is disclosed under Note 2 below.

The comparative information have been reclassified wherever necessary to conform to the current year classification.

2.1 New Standards effective from 01st January 2018

2.1.1 Adoption of SLFRS 9 - Financial Instruments

The Sri Lanka Accounting Standard – SLFRS 9 on “Financial Instruments”, which replaces the existing guidance on LKAS 39 on “Financial Instruments: Recognition and Measurement” has become effective for annual reporting periods beginning on or after January 01, 2018 bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Company has applied SLFRS 9 retrospectively, but has elected not to restate comparative information based on the transitional provisions available in SLFRS 9. In the first year of SLFRS 9 implementation, the accounting policy relevant to the comparative information on financial instruments is reported under LKAS 39. As a result, the comparative information provided continues to be accounted for in accordance with the company’s previous accounting policy.

(a) Classification and measurement of financial instruments

The Financial Assets categorised as Available -for -Sale Investments under LKAS 39 is now reclassified under Equity Investements at Fair Value through OCI (FVOCI) under SLFRS 9 after assessing the business model that applies to the financial assets held by the Company. This category only includes the equity instruments, which the Company intends to hold for the foreseeable future and which the Company has irrevocably elected to classify upon initial recognition or transition. There is no recycling of gains or losses to profit or loss on derecognition and the dividend received as a result of holding this investment will be recognized to profit or loss.

These reclassifications have no impact on the measurement categories. On the date of initial application 01st April 2018, the main effects resulting from this reclassification of Financial Assets are as follows:

	Available-For-Sale Financial Assets (AFS)	Equity Investments at Fair Value through OCI (FVOCI)	Net Effect
<i>As at 01.04.2018</i>	(Rs.'000)	(Rs.'000)	(Rs.'000)
Opening balance - LKAS 39	5,783,465	-	
Reclassify equity investments from AFS to FVOCI	(5,783,465)	5,783,465	-
Opening balance - SLFRS 9	-	5,783,465	

The impact of these changes on the Company's equity is as follows;

	Effect on Available- for-sale Reserve	Effect on Fair Value Reserve	Net Effect
<i>As at 01.04.2018</i>	(Rs.'000)	(Rs.'000)	(Rs.'000)
Opening balance - LKAS 39	5,622,307	-	
Reclassify equity investments from AFS to FVOCI	(5,622,307)	5,622,307	-
Opening balance - SLFRS 9	-	5,622,307	

INDO-MALAY PLC

2. Accounting policies and comparative information (Contd.)

2.1.2 Adoption of SLFRS 15 - Revenue from Contracts with Customers

SLFRS 15 supersedes LKAS 11 Construction Contracts, LKAS 18 Revenue and related Interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers.

Based on the assessment performed, the Company concluded that SLFRS 15 does not have an impact on Company's Financial Statements

3. Revenue

For the year ended 31st March

	2019 Rs'000	2018 Rs'000
External Revenue		
Interest income	2,142	3,754
	<u>2,142</u>	<u>3,754</u>

4. Fair Value Measurement

The following table provides the fair value measurement hierarchy of the Company's financial assets which are stated as fair values.

Fair value measurement hierarchy for financial assets as at 31st March 2019 and 31st March 2018 are as follows :

		Fair value measurement using			
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(All figures in Sri Lankan Rupees '000)	Date of valuation	Total			
Non Current Financial Assets Measured at Fair Value:					
As at 31st March 2019					
<u>Equity Investments at Fair Value through OCI (FVOCI) (Note 2.1.1)</u>					
<u>Quoted equity shares</u>					
Shalimar (Malay) PLC (Note 5(b))	31st March 2019	178,885	178,885	-	-
<u>Unquoted Equity Shares</u>					
Shalimar Developments Sdn.Bhd. (Note 5(a))	31 December 2018	5,778,888	-	-	5,778,888
FVOCI financial assets as at 31st March 2019		5,957,773	178,885	-	5,778,888
As at 31st March 2018					
<u>Available-For-Sale financial assets (AFS) (Note 2.1.1)</u>					
<u>Quoted equity shares</u>					
Shalimar (Malay) PLC (Note 5(b))	31st March 2018	178,885	178,885	-	-
<u>Unquoted Equity Shares</u>					
Shalimar Developments Sdn.Bhd. (Note 5(a))	31 December 2017	5,604,580	-	-	5,604,580
AFS financial assets as at 31st March 2018		5,783,465	178,885	-	5,604,580

5. Non-current financial assets

a). Equity Investments at Fair Value through OCI - Unquoted Equity Shares

The Company holds a 13.33% equity investment (2018: 13.33%) in Shalimar Development Sdn. Bhd. (SDSB), an investment holding company incorporated in Malaysia. The sole equity investment of SDSB is in PT Agro Indomas (PTAI), an oil palm plantation company based in Indonesia, in which it has a controlling interest. The Company has designated its investment in SDSB as a financial assets classified under Fair Value Through OCI, and is measured at fair value.

INDO-MALAY PLC

5. Non-current financial assets

a). Equity Investments at Fair Value through OCI - Unquoted Equity Shares (contd.)

The Company obtained the services of PricewaterhouseCoopers Advisory Services Sdn. Bhd., Malaysia (PwC) to carry out an independent indicative fair market valuation of the equity interest in the unquoted investment in SDSB as at valuation date of 31 December 2018. Unquoted equity shares of Shalimar Developments Sdn. Bhd. has been valued based on adjusted net asset basis. Such net assets represent the investment value of PT Agro Indomas (PTAI) which was determined based on income approach using discounted cash flow method.

The fair value of the equity investment of SDSB in PTAI has been valued based on the following key assumptions/bases:

- (a) Estimated economic life of the oil palm plantations of PTAI is 26 years (including the immature period).
- (b) Consider one planting cycle (i.e. no replantation at the end of the economic life).
- (c) Yield per hectare based on year of planting, maturity profile and terrain.
- (d) CPO ex-mill prices in FY2019 and FY2020 are projected at USD 468/MT and USD 489/MT, respectively, which eventually reaches a peak of USD 702/MT in FY 2031.
- (e) Weighted average cost of capital (WACC) of 14%.
- (f) Indonesian corporate taxation rate at 25% p.a.
- (g) Inflation assumed approximately 3.8% p.a.

Sensitivity of the key assumptions used

The significant unobservable inputs used in the above fair value measurement categorised within Level 3 of the fair value hierarchy (Note 04) together with a quantitative sensitivity analysis are as shown below:

The below values are based on 13.33% (2018: 13.33%) equity stake in SDSB and base case is at WACC of 14%.

	WACC		CPO ex – mill price		Yield	
	1% Increase Rs'000	1% Decrease Rs'000	5% Increase Rs'000	5% Decrease Rs'000	5% Increase Rs'000	5% Decrease Rs'000
Effect of fair value in unquoted equity shares in SDSB designated as Financial Assets classified under FVOCI	(642)	694	2,476	(2,476)	1,307	(1,244)

b). Equity Investments at Fair Value through OCI - Quoted Equity Shares

The Company holds a non-controlling interests of 2.21% (March 2018 : 2.21%) in Shalimar (Malay) PLC. The fair value of the said investment is determined by reference to published price quotations in the Colombo Stock Exchange.

6. Contingent Liabilities, Assets Pledged & Events After the Reporting Period

6.1 Contingent Liabilities

There are no material contingent liabilities as at the reporting date.

6.2 Assets Pledged

There were no assets pledged as at the reporting date.

6.3 Events After the Reporting Period

There were no any circumstances which required adjustment to or disclosures in these interim condensed Financial Statements.

7. Stated Capital

Stated capital of the company consists of,

Fully paid ordinary shares (voting)

As at 31.03.2019	As at 31.03.2018
<u>4,811,400</u>	<u>4,811,400</u>

INDO-MALAY PLC

8. Deferred Tax Liability

The Inland Revenue Act no 24 of 2017, Sec (r) of Schedule III, provides an exemption in respect of the potential gains that may arise from the disposal of shares in a non-resident Company provided the holding exceeds 10% or more of the value of the shares and the voting power. Accordingly, the provision made in the previous year has been reversed.

9. Related Party Transactions

9.1 Recurrent Related Party Transactions

9.1.1 Secretarial Fee

The Secretarial fee charged by Carsons Management Services (Private) Limited of Rs.0.2 mn (31st March 2018 : Rs.0.4 mn) has been charged in arriving at the profit before income tax for the year ended 31st March 2019.

All the above recurrent related party transactions have been conducted on agreed commercial terms with the respective parties on an arm's length basis.

9.2 Non-Recurrent Related Party Transactions

There are no non-recurrent related party transactions for the year ended 31st March 2019.

10. Going Concern

The financial statements of the Company have been prepared on a going concern basis as the Company continues to hold its main investment in SDSB. The directors have a reasonable expectation that the Company's investment segment operation will continue for the foreseeable future.

11. Segmental Analysis

The principal activity of the Company is managing and holding of an investment portfolio. The Company has sold the Malaysian plantation assets during the Financial year 2016/17 and exited from the Oil Palm Plantation business segment.

INVESTOR INFORMATION

Share information

Highest price per share (Rs.)
Lowest price per share (Rs.)
Last traded price (Rs.)
Volume traded (No. of shares)

	Quarter ended		Year ended
	31.03.2019	31.03.2018	31.03.2019
Highest price per share (Rs.)	1,600.00	1,600.00	1,620.00
Lowest price per share (Rs.)	977.10	1,100.60	977.10
Last traded price (Rs.)	1,300.00	1,300.00	1,300.00
Volume traded (No. of shares)	100	35	178

INDO-MALAY PLC**Additional Notes****I Names and the Number of Shares (voting) held by the top 20 shareholders as at 31st March 2019.**

	Name of Shareholders	Number of Shares	%
1	Goodhope Asia Holdings Ltd	4,192,867	87.14
2	Mr. R. Chandra (Decd)	148,052	3.08
3	Mr. S.R. Dean	64,540	1.34
4	Mr. R.T. Stoneham	36,546	0.76
5	Mrs. I. Raymond	33,746	0.70
6	Ms. M.E. Turner	33,590	0.70
7	Mr. F.W. Obeyesekere (Decd)	24,882	0.52
8	Mrs. B.F. Guzdar	23,328	0.48
9	Mr. C.S.A. Perera	20,080	0.42
10	Mrs. A. Ohman (Decd)	19,440	0.40
11	Mr. D. Thomson (Decd)	15,552	0.32
12	Mr. R.G. Bartholomew (Decd)	15,552	0.32
13	Mr. D.D. Dubash	15,552	0.32
14	Mr. R. Prasada Singh (Decd)	15,552	0.32
15	Mr D.S. Cameron	15,552	0.32
16	Mr. N.J.P. Hewett	13,372	0.28
17	Mrs M.D. Abeysuriya	12,960	0.27
18	Mr. J.M. Urquhart (Decd)	9,330	0.19
19	Admin.of the estate of E.Ramiah (Decd)	8,396	0.17
20	MRS. R.T. Allbon	7,776	0.16
21	MR. W.F.J. Deutrom	7,776	0.16
		4,734,441	98.40

II Ordinary Shares of the Company held by the public as at 31st March 2019 are as follows;

Number of public shareholders	334
Percentage of public holding	12.85%
Float adjusted market capitalization (Rs.)	803,744,370

The Company is not in compliance with the minimum public holding requirements set out in Rule 7.13.1 (a) of the Listing Rules of the Colombo Stock Exchange.

III Directors shareholdings as at 31st March 2019

Name of Director	Number of Shares
Mr. H. Selvanathan	-
Mr. M. Selvanathan	1
Mr. I. Paulraj	-
Mr. D.C.R.Gunawardena	-
Mr. Sanjiv Alles	-
Mr. S. Mahendrarajah (Director & Alternate Director to I.Paulraj)	75

IV PT Agro Indomas, the Company's investment made through Shalimar Developments Sdn. Bhd. (Investment vehicle in Malaysia) is located in Kalimantan province, Indonesia. The total land area of PT Agro Indomas is approximately 26,981 Ha.

Operational performance information is given below.

Operational performance indicators	2019 March	2018 March
Crop Production (MT)	711,427	495,381
CPO (MT)	139,405	98,891
PK (MT)	31,559	21,939
CPO Ex Mill Price (US\$)	459	572
FFB Yeild (MT per Hectare)	26.57	19.90
CPO/ Ha (MT)	5.24	4.00
Milling Capacity (MT per Hour)	225	225

MT-Metric Tones

CORPORATE INFORMATION

Name of the Company

Indo - Malay PLC

Company Registration No.

PQ 45

Legal Form

A Public Quoted Company with Limited Liability
Incorporated in Sri Lanka in 1906.

Directors

Hariharan Selvanathan (Chairman)
Manoharan Selvanathan
Israel Paulraj
D. Chandima R. Gunawardena
Sanjiv Alles
Subramaniam Mahendrarajah - Director & Alternate Director
for Israel Paulraj

Bankers

Standard Chartered Bank
Commercial Bank of Ceylon PLC
Deutsche Bank

Auditors of the Company

Messrs. Ernst & Young
Chartered Accountants
201, De Saram Place
Colombo 10
Sri Lanka.
Tel: + 94 11 2463500
Fax: + 94 11 2697369

Managers

Agro Harapan Lestari (Pvt) Ltd
Level 20
East Tower
World Trade Centre
Echelon Square
Colombo 01
Sri Lanka.
Tel : +94 114357777
Fax : +94 114357788

Secretaries

Carsons Management Services (Private) Limited.
61, Janadhipathi Mawatha
Colombo 01
Sri Lanka.
Tel: +94 11 2039200
Fax: +94 11 2039300

Registered Office

61, Janadhipathi Mawatha
Colombo 01
Sri Lanka.
Tel: +94 11 2039200
Fax: +94 11 2039300

Corporate Website

www.goodhopeholdings.com

Holding Company

Goodhope Asia Holdings Ltd

Ultimate Parent & Controlling Entity

Bukit Darah PLC