



Selinsing PLC

Summarised Financial Report
for the nine months ended
31st December 2017

SELINSING PLC

Review of operations for the period ended 31st December 2017

As disclosed to the shareholders and to the market via circulars and also Annual financial statements, with due approval from shareholders and regulatory authorities of Malaysia and Sri Lanka, the Company completed the sale of the Malaysian plantation assets during the previous financial year.

The company recorded a profit after tax of Rs. 4.0 mn from the continuing operations during the period under review compared to the profit of Rs. 23.2 mn recorded in the corresponding period of the previous financial year.

Minimum Public Holding

As per the directive issued by the Securities and Exchange Commission of Sri Lanka (SEC) dated 17th November 2016, a Listed Entity on the Main Board having a public holding below the specified requirement in terms of the said directive, has to ensure that the public holding of such entity is maintained at a defined public holding percentage of shares in the hands of a minimum number of 500 public shareholders on or before 30th June 2017. The Company does not at present satisfy the requirement relating to minimum public holding.

In this regard, I wish to highlight that the objective of the voluntary offer made to all shareholders in 2011 was to acquire the entire minority shareholding as a step towards the consolidation of the oil palm plantation business segment of Carsons group. The offer documents also mentioned that upon completion of the voluntary offer, the rationale for remaining listed will be evaluated. Since the voluntary offer did not result in the acquisition of the entire minority shareholding, the Company continued to remain listed.

Taking into consideration that a voluntary offer had been made and also considering that there is no requirement for additional capital infusion to the Company and resultantly there being no plans for issuing of new shares nor a dilution by the majority shareholder, and as previously communicated to shareholders through market disclosures and Annual Reports, the Company would not be in compliance with the said requirements and we would report on the proposed course of action in consultation with the regulator.

Agro Harapan Lestari (Pvt) Ltd

Managers

02nd February 2018

SELINSING PLC
Statement of Profit or Loss

(All figures in Sri Lankan Rupees '000)

	Quarter ended		Change	Nine months ended		Change
	31st December			31st December		
	2017	2016		2017	2016	
		%			%	
Continuing operations						
Revenue	2,142	22,945	-91%	6,761	23,363	-71%
Administrative expenses	(330)	-	100%	(1,196)	-	100%
Foreign exchange gain/(loss)	(0)	-	0%	(43)	-	100%
Profit before tax for the period from continuing operations	1,812	22,945	-92%	5,521	23,363	-76%
Income tax expense	(428)	(27)	1487%	(1,510)	(129)	1071%
Profit for the period from continuing operations	1,384	22,918	-94%	4,011	23,234	-83%
Discontinued operations						
Profit for the period from discontinued Overseas Branch operations	-	12,201	-100%	-	65,085	-100%
Profits from disposal of Overseas plantation assets	-	227,320	-100%	-	227,320	-100%
Transfer from translation reserve on discontinued Overseas Branch operations	-	(367,306)	-100%	-	(367,306)	-100%
	-	(127,785)	-100%	-	(74,901)	-100%
Profit for the period	1,384	(104,867)	-101%	4,011	(51,667)	-108%
Earnings Per Share from Continuing and Discontinued Operations (Rs.)	0.24	(15.11)		0.71	(7.44)	
Earnings Per Share for Continuing Operations (Rs.)	0.24	3.30		0.71	3.35	
Earnings Per Share for Discontinued Operations (Rs.)	-	(18.41)		-	(10.79)	

Statement of comprehensive income

	Quarter ended		Change	Nine months ended		Change
	31st December			31st December		
	2017	2016		2017	2016	
		%			%	
Profit / (Loss) for the period	1,384	(104,867)	-101%	4,011	(51,667)	-108%
Other comprehensive income						
Other Comprehensive Income/(Loss) to be reclassified to profit or loss in subsequent periods						
Exchange Differences on translation of Financials of Foreign Operations	-	(77,714)	-100%	-	(136,872)	-100%
Transfer of translation reserve on discontinued Overseas Branch operations	-	367,306	-100%	-	367,306	-100%
Gain/(Loss) on Change in Fair Value of Available - For -Sale Financial Assets	-	-	-	-	17,284	-100%
Net other Comprehensive Income/(Loss) to be reclassified to profit or loss in subsequent periods	-	289,592	-100%	-	247,718	-100%
Other Comprehensive Income/(Loss) for the period, net of tax	-	289,592	-100%	-	247,718	-100%
Total Comprehensive Income for the period, net of tax	1,384	184,725	-99%	4,011	196,051	-98%

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.

SELINSING PLC
Statement of financial position

(All figures in Sri Lankan Rupees '000)

	As at 31.12.2017	As at 31.03.2017
ASSETS		
Non-Current Assets		
Non-current financial assets	6,374,896	6,374,896
Total Non- Current Assets	6,374,896	6,374,896
Current Assets		
Advances and Prepayments	-	266
Cash and cash equivalents	111,810	109,466
Total Current Assets	111,810	109,732
Total Assets	6,486,706	6,484,628
EQUITY AND LIABILITIES		
Equity		
Stated capital	69,401	69,401
Retained earnings	301,114	297,103
Other reserves	6,075,530	6,075,530
Total Shareholders' Funds	6,446,045	6,442,034
Current Liabilities		
Trade and other payables	1,765	2,471
Taxation payable	428	1,160
Unclaimed dividend	38,468	38,963
Total Current Liabilities	40,661	42,594
Total Equity and Liabilities	6,486,706	6,484,628
Net Asset per share (Rs.)	1,135.22	1,134.51

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

(Sgd.)

Aneesh Dudeja

President

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.)

M.R. Jeffrey

Director

Agro Harapan Lestari (Pvt) Ltd

02nd February 2017

The above figures are subject to audit.

(Sgd.)

H. Selvanathan

Director

(Sgd.)

M. Selvanathan

Chairman

SELINSING PLC
Statement of Changes in Equity

(All figures in Sri Lankan Rupees '000)

	Stated Capital	Capital Reserves	Currency Translation Reserve	Available-for-sale reserve	Retained Earnings	Total Shareholders' Funds
Balance as at 1st April, 2016	69,401	1,793,070	(177,167)	6,338,131	302,513	8,325,948
Profit for the year from continuing operations	-	-	-	-	356,403	356,403
Profit for the year from discontinued operations	-	-	-	-	(32,917)	(32,917)
Exchange differences on translation of financials of foreign operations	-	-	(146,994)	-	-	(146,994)
Transfer of translation reserve on discontinued overseas branch operations to the statement of profit or loss	-	-	324,161	-	-	324,161
Gain on Sale of financial assets	-	-	-	(321,552)	-	(321,552)
Gain on change in fair value of Available - for - sale financial assets	-	-	-	58,951	-	58,951
Other comprehensive income/(loss) for the period	-	-	177,167	(262,601)	-	(85,434)
Total comprehensive income/(loss) for the period	-	-	177,167	(262,601)	323,486	238,052
Realization of revaluation reserve due to disposal of Malaysian property	-	(1,793,070)	-	-	1,793,070	-
Share repurchase	-	-	-	-	(1,703,222)	(1,703,222)
Transaction cost on share repurchase	-	-	-	-	(2,188)	(2,188)
Interim Dividend -2016/17	-	-	-	-	(416,556)	(416,556)
Balance as at 31st March 2017	69,401	-	-	6,075,530	297,103	6,442,034

	Stated Capital	Capital Reserves	Currency Translation Reserve	Available-for-sale reserve	Retained Earnings	Total Shareholders' Funds
Balance as at 1st April, 2016	69,401	1,793,070	(177,167)	6,338,131	302,513	8,325,948
Profit for the period from continuing operations	-	-	-	-	23,234	23,234
Profit for the period from discontinued operations	-	-	-	-	(74,901)	(74,901)
Exchange Differences on translation of Financials of Foreign Operations	-	-	(136,872)	-	-	(136,872)
Gain/(Loss) on Change in Fair Value of Available - For -Sale Financial Assets	-	-	-	17,284	-	17,284
Transfer of translation reserve on discontinued Overseas Branch operations	-	-	367,306	-	-	367,306
Other comprehensive income/(loss) for the period	-	-	230,434	17,284	-	247,718
Total comprehensive income/(loss) for the period	-	-	230,434	17,284	(51,667)	196,051
Realization of revaluation reserve due to disposal of Malaysian property	-	(1,793,070)	-	-	1,793,070	-
Share Repurchase	-	-	-	-	(1,703,222)	(1,703,222)
Transaction Cost on Share Repurchased	-	-	-	-	(2,059)	(2,059)
Balance as at 31st December 2016	69,401	-	53,267	6,355,415	338,635	6,816,718

	Stated Capital	Capital Reserves	Currency Translation Reserve	Available-for-sale reserve	Retained Earnings	Total Shareholders' Funds
Balance as at 1st April, 2017	69,401	-	-	6,075,530	297,103	6,442,034
Profit for the period from continuing operations	-	-	-	-	4,011	4,011
Other comprehensive income/(loss) for the period	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	-	-	4,011	4,011
Balance as at 31st December 2017	69,401	-	-	6,075,530	301,114	6,446,045

Figures in brackets indicate deductions/negative changes

The above figures are subject to audit.

SELINSING PLC
Cash Flow Statement

For the period ended 31st December
 (All figures in Sri Lankan Rupees '000)

	2017	2016	31.03.2017
Net cash (outflows) / inflows from operating activities	(3,921)	(23,516)	68,814
Net cash inflows from investing activities	6,760	1,843,850	2,144,656
Net cash outflows from financing activities	(495)	(1,703,806)	(2,119,601)
(Decrease)/Increase in cash and cash equivalents	2,344	116,528	93,869
Cash and cash equivalents at the beginning of the period	109,466	15,597	15,597
Cash and cash equivalents at the end of the period	111,810	132,125	109,466
Cash and cash equivalents:			
Cash and bank balances	(Note A) 8,593	128,706	11,060
Short-term deposits	103,217	3,419	98,406
	111,810	132,125	109,466

Note A :

Cash & bank balances of the current period include cash and bank balances of continuing operations whereas cash and bank balances of comparative period include cash and bank balances of both continuing and discontinued operations.

The above figures are subject to audit.

SELINSING 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 2017.

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 2017 are followed in the preparation of these Interim Condensed Financial Statements.

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

3. Revenue

Revenue details are given in the segmental analysis in Note 12 to the Summarised Financial Report.

4. Discontinued Operations

The results of the discontinued Malaysian branch operations (Oil Palm Plantations Segment) included in the profit for the comparative period are set out below.

4.1 Profit from discontinued operations

	Quarter ended 31.12.2016 Rs. '000	Nine months ended 31.12.2016 Rs. '000
Revenue from Sale of Fresh Fruit Bunches (FFB)	23,160	128,330
Other income and gains	4,904	4,906
	<u>28,064</u>	<u>133,236</u>
Direct operating costs	(3,605)	(24,773)
Administrative expenses	(5,062)	(20,246)
Finance Expense	-	(26)
Profit before tax from discontinued operations	<u>19,397</u>	<u>88,191</u>
Income tax expense	(7,196)	(23,106)
Profit for the period from discontinued operations	<u>12,201</u>	<u>65,085</u>
Profits from disposal of Overseas plantation assets	227,320	227,320
Transfer from translation reserve on discontinued Overseas Branch operations	(367,306)	(367,306)
	<u>(139,986)</u>	<u>(139,986)</u>
Total profit for the period from discontinued operations	<u>(127,785)</u>	<u>(74,901)</u>
Earnings Per Share for Discontinued Operations (Rs.)	(18.41)	(10.79)

Segment information related to discontinued operations are disclosed under Note 12.

4.2 The net cash flows from discontinued operations

	31.12.2016 Rs. '000
Net Cash Outflows from Operating Activities	(23,451)
Net Cash Inflows from Investing Activities	1,820,486
Net Cash Outflows from Financing Activities	(26)
Net Cash Inflows	<u>1,797,009</u>

SELINSING PLC

5. Fair Value Measurement

The following table provides the fair value measurement hierarchy of the Company's financial assets which are stated as fair value. Fair value measurement hierarchy for financial assets as at 31st December 2017 and 31st March 2017 are as follows :

(All figures in Sri Lankan Rupees '000)

	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Non Current Financial Assets Measured at Fair Value:					
As at 31st December 2017					
Available-For-Sale financial assets (AFS)					
<u>Quoted equity shares</u>					
Shalimar (Malay) PLC (Note 6(b))	31st December 2017	1,000,448	1,000,448	-	-
<u>Unquoted Equity Shares</u>					
Shalimar Developments Sdn.Bhd. (Note 6(a))	December 2016	5,374,448	-	-	5,374,448
AFS financial assets as at 31st December 2017		6,374,896	1,000,448	-	5,374,448
As at 31st March 2017					
Available-For-Sale financial assets					
<u>Quoted equity shares</u>					
Shalimar (Malay) PLC (Note 6(b))	31st March 2017	1,000,448	1,000,448	-	-
<u>Unquoted Equity Shares</u>					
Shalimar Developments Sdn.Bhd. (Note 6(a))	December 2016	5,374,448	-	-	5,374,448
AFS financial assets as at 31 March 2017		6,374,896	1,000,448	-	5,374,448

6. Non-current financial assets

a). Available-for-sale investment - Unquoted Equity Shares

The Company holds a 13.33% equity investment (March 2017: 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 an available-for-sale investment.

The Company obtained the services of PricewaterhouseCoopers Capital Sdn. Bhd, Malaysia (PWC) to carry out an independent indicative fair market value of the equity interest in the unquoted investment in SDSB as at valuation date of 31 December 2016. The primary approach adopted was the Income Approach using discounted cash flows method. This valuation is carried out annually.

b). Available-for-sale investment - Quoted Equity Shares

The Company holds a non-controlling interests of 10.73% (March 2017 : 10.73%) in Shalimar (Malay) PLC. The fair value of the said investment is determined by reference to published price quotations in the Colombo Stock Exchange.

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

7.1 Contingent Liabilities

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

7.2 Events After the Reporting Period

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

7.3 Assets Pledged

There were no assets pledged as at the reporting date.

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8. Stated Capital

Stated capital of the company consists of,

As at 31.12.2017	As at 31.03.2017
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Fully paid ordinary shares (voting)

5,678,247 5,678,247

9. Exchange Rates

The Financial Statements are presented in Sri Lankan Rupees, which is the company's presentation currency. As at the reporting date, the assets and liabilities of the Malaysian Operations are translated in to the presentation currency (Sri Lankan Rupee) at the rate of exchange ruling at the reporting date and the items in the Statement of Profit or Loss are translated at the average exchange rate for the period. The resultant exchange differences on the translation are recognised in Other Comprehensive Income.

31.12.2017	31.12.2016	31.03.2017
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Malaysian Ringgit

Average rate	36.02	35.24	34.90
Period end rates	37.63	33.40	34.28

US Dollar

Average rate	152.99	146.52	147.61
Period end rates	153.23	149.75	151.99

10. Related Party Transactions

10.1 Recurrent Related Party Transactions

10.1.1 Management Fee

For the period ended 31st December 2016, the Management fee, Performance incentive and Sales commission charged by Agro Harapan Lestari Sdn. Bhd., of Rs. 12.28 mn has been charged in arriving at the profit before income tax.

10.1.2 Data Processing and IT Support Fee

The IT support and Data Processing fee charged by AHL Business Solutions (Pvt) Ltd. and Goodhope Investments (Pvt) Ltd., fellow subsidiaries, of Rs.1.02 mn and Rs.0.63 mn respectively have been included in Administrative Expenses for the period ended 31st December 2016.

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

10.2 Non-Recurrent Related Party Transactions

There are no non-recurrent related party transactions for the period ended 31st December 2017.

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11. 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.

12. Segmental Analysis

The following information is based on the Primary Segment (Industry Segment) results.

For the nine months ended 31st December (All figures in Sri Lankan Rupees '000)	Oil Palm Plantation		Investments		Company	
	(Discounted Operations)		(Continuing Operations)			
	2017	2016	2017	2016	2017	2016
External Revenue						
Sale of fresh fruit bunches	-	128,330	-	-	-	128,330
Dividend Income	-	-	-	22,823	-	22,823
Interest income	-	-	6,761	540	6,761	540
	-	128,330	6,761	23,363	6,761	151,693
Result						
Segment result	-	(51,795)	5,521	23,363	5,521	(28,432)
Taxation	-	(23,106)	(1,510)	(129)	(1,510)	(23,235)
Profit for the period	-	(74,901)	4,011	23,234	4,011	(51,667)

The above figures are subject to audit.

PLANTATION OPERATIONS

Production

Crop (MT)

Nine months ended		Year ended
31.12.2017	31.12.2016	31.03.2017
-	6,116	6,116

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
31.12.2017	31.12.2016	31.03.2017
745.00	1,350.00	1,650.00
611.00	1,020.00	1,020.00
700.20	1,349.80	1,449.90
1,093	274	1,157

SELINSING PLC
Additional Notes

I Names and the Number of Shares (voting) held by the top 20 shareholders as at 31st December 2017.

	Name of Shareholders	Number of Shares	%
1	Goodhope Asia Holdings Ltd	5,432,943	95.68
2	Mr. D.A. Campbell	37,713	0.66
3	Mr. H.V. Cartwright (Decd)	23,328	0.41
4	Executer of the Estate of C. Peters(Decd)	20,605	0.36
5	Mr. F.W. Obeyesekere (Decd)	19,440	0.34
6	Mr. T. Velupillai(Decd)	15,552	0.27
7	Mr. K.C. Vignarajah	14,825	0.26
8	Admin. of the Estate of H.S. Gour (Decd)	9,720	0.17
9	Mr. S.T.S. Chettiar	9,486	0.17
10	Administratrix of the Estate of Ramiah (Decd)	7,776	0.14
11	Executer of the Estate of C. Stoddart (Decd)	7,776	0.14
12	Mrs. H.L. Keiller (Decd)	7,776	0.14
13	Miss. M. Mack	7,776	0.14
14	Executer of the Estate of C.S. Nicol (Decd)	6,480	0.11
15	Mrs. S. Vignarajah	4,676	0.08
16	Mr. N.J.P. Hewett	4,042	0.07
17	Mrs. V. Cotton	3,888	0.07
18	Mrs. I.C. Smith(Decd)	3,888	0.07
19	Mr. W.P. Brown	3,447	0.06
20	Mr. P. Whitton.	2,592	0.05
		5,643,729	99.39

II Ordinary Shares of the Company held by the public as at 31st December 2017 are as follows;

Number of public shareholders	374
Percentage of public holding	4.32%
Float adjusted market capitalization (Rs.)	171,759,249

III Directors shareholdings as at 31st December 2017.

Name of Director	Number of Shares
Mr. H. Selvanathan	-
Mr. M. Selvanathan	1
Mr. I. Paulraj	-
Mr. D.C.R. Gunawardena	-
Mr. S Mahendrarajah	66
Sanjiv Alles (Appointed w.e.f 01st November 2017)	-

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 26,861 Ha.

Operational performance information is given below.

Operational performance indicators	2017 December	2016 December
Crop Production (MT)	402,589	323,626
CPO (MT)	80,570	74,167
PK (MT)	17,810	17,078
CPO Ex Mill Price (US\$)	562	487
FFB Yeild (MT per Hectare)	15.99	16.21
CPO/ Ha (MT)	3.22	3.15
Milling Capacity (MT per Hour)	225	225
Value of biological assets & property, plant and equipment. (US\$ Mn)	Note 01	194.12

MT-Metric Tones

Note 01

Upto 31st March 2016, the PT Agro Indomas had fair valued biological assets in line LKAS 41. With effect from 1st April 2016, PTAI adopted the amendments to LKAS 41 and LKAS 16. Accordingly, Biological assets have been recognised at accumulated cost less depreciation (as a PPE). The valuation of SDSB was carried out by an independent professional valuer as explained in note 5 reflect the fair value of the investment which also considers the fair value of PTAI.

CORPORATE INFORMATION

Name of the Company

Selinsing PLC

Company No

PQ 46

Legal Form

A Public Quoted Company with
Limited Liability.
Incorporated in Sri Lanka in 1907.

Directors

M. Selvanathan (Chairman)
H. Selvanathan
I. Paulraj
D.C.R. Gunawardena
S. Mahendrarajah
Sanjiv Alles (Appointed w.e.f 01st November 2017)

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

Secretaries

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

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