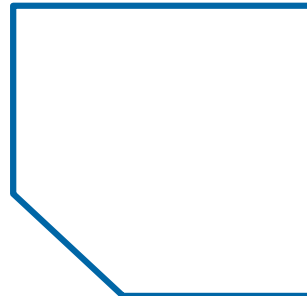
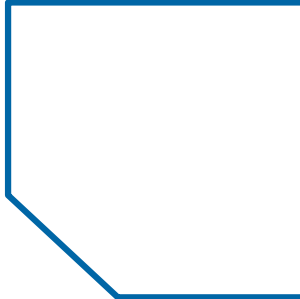




Goodhope

A CARSON CUMBERBATCH COMPANY



Shalimar (Malay) PLC

**Summarised Financial Report
for the three months ended
30th June 2022**

SHALIMAR (MALAY) PLC

Review of operations for the period ended 30th June 2022

The minority equity investments the Company holds in Shalimar Developments Sdn. Bhd. (SDSB) is the main business of the Company. SDSB's investee company carries out palm oil plantation operations in Indonesia.

The investee Company continues to take measures to ensure that its business operations are carried out efficiently amidst several market and economic challenges. The Crude Palm Oil (CPO) prices which saw an upward trend in the fourth quarter of the previous year, witnessed a reversal in the latter part of the first quarter under review, due to multiple reasons, including a global price correction of commodities, the duty on CPO sales introduced by the Indonesian government and higher build-up of stocks in the Indonesian domestic market. In the backdrop of these unfolding challenges, the investee Company is focused in managing its resources to ensure that it is able to preserve the long term inherent value of the investment to its stakeholders.

The only source of income for the period is the interest income earned from the Company's short-term deposits in Sri Lanka. Accordingly, the Company recorded an after tax loss of Rs. 0.37 Mn from its operations during the period under review; compared to a profit of Rs. 0.04 Mn recorded in the corresponding period of the previous financial year.

Minimum Public Holding

As previously informed, the Company is not in compliance with the minimum public holding requirements in relation to a Company Listed on the Main Board of the Colombo Stock Exchange (CSE) as per Rule 7.14.1 (a) of the Listing Rules of CSE, due to which the Company was transferred to the 'Watch List' of the CSE in terms of Rule 7.14.2 (b) of the previous Listing Rules of the CSE with effect from 2nd July 2018.

However, the CSE via their Circular No. 03/2019 dated 3rd October 2019 amended the Listing Rules on enforcement actions applicable for non-compliance with minimum public holding requirements with effect from 12th September 2019. Accordingly, in terms of Rule 7.14.2 of the Listing Rules of the CSE, the company was transferred to the Second Board with effect from 15th November 2019.

We wish to highlight that the objective of the voluntary offer made to all shareholders on 17th March 2011 was to acquire the entire minority shareholding as a step towards the consolidation of the oil palm plantation business. 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 and in terms of the revised Listing Rules, we will report the proposed course of action.

Agro Harapan Lestari (Pvt) Ltd

Managers

04th August 2022

SHALIMAR (MALAY) PLC
Statement of Profit or Loss

(All figures in Sri Lankan Rupees '000)

	Three Months ended		Change
	30th June		
	2022	2021	%
Interest income	149	527	-72%
Administrative expenses	(517)	(484)	7%
(Loss) / Profit before tax for the period	(368)	43	-956%
Income tax expense	-	-	-
(Loss) / Profit for the period	(368)	43	-956%
Earnings Per Share (Rs.)	(0.07)	0.01	

Statement of comprehensive income

	Three Months ended		Change
	30th June		
	2022	2021	%
(Loss) / Profit for the period	(368)	43	-956%
Other Comprehensive Income for the period, net of tax	-	-	0%
Total Comprehensive (Expenses) / Income for the period, net of tax	(368)	43	-956%

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.

SHALIMAR (MALAY) PLC
Statement of Financial Position

(All figures in Sri Lankan Rupees '000)

	As at 30.06.2022	As at 31.03.2022
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	265	311
Non-current financial assets	10,486,435	10,486,435
Total Non- Current Assets	10,486,700	10,486,746
Current Assets		
Advances and Prepayments	299	438
Income tax receivable	764	764
Short term investments	8,386	8,286
Cash and cash equivalents	2,575	3,000
Total Current Assets	12,024	12,488
Total Assets	10,498,724	10,499,234
EQUITY AND LIABILITIES		
Equity		
Stated capital	69,401	69,401
Retained earnings	34,524	34,892
Other reserves	10,394,601	10,394,601
Total Shareholders' Funds	10,498,526	10,498,894
Current Liabilities		
Provisions and Accrued Expenses	182	324
Unclaimed dividend	16	16
Total Current Liabilities	198	340
Total Liabilities	198	340
Total Equity and Liabilities	10,498,724	10,499,234
Net Asset per share (Rs.)	1,944.95	1,945.02

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.)

Rushdi Azeez

Director

Agro Harapan Lestari (Pvt) Ltd

04th August 2022

The above figures are subject to audit.

H. Selvanathan

Chairman

M. Selvanathan

Director

SHALIMAR (MALAY) PLC
Statement of Changes in Equity
(All figures in Sri Lankan Rupees '000)

	Stated Capital	Fair Value Reserve	Retained Earnings	Total Shareholders' Funds
Balance as at 1st April 2021	69,401	6,804,301	63,289	6,936,991
Profit for the year	-	-	19,644	19,644
Other comprehensive income for the year	-	3,590,300	-	3,590,300
Total comprehensive income for the year	-	3,590,300	19,644	3,609,944
Interim dividend	-	-	(48,041)	(48,041)
Balance as at 31st March 2022	69,401	10,394,601	34,892	10,498,894

	Stated Capital	Fair Value Reserve	Retained Earnings	Total Shareholders' Funds
Balance as at 1st April 2021	69,401	6,804,301	63,289	6,936,991
Profit for the period	-	-	43	43
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	43	43
Balance as at 30th June 2021	69,401	6,804,301	63,332	6,937,034

	Stated Capital	Fair Value Reserve	Retained Earnings	Total Shareholders' Funds
Balance as at 1st April 2022	69,401	10,394,601	34,892	10,498,894
Loss for the period	-	-	(368)	(368)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	(368)	(368)
Balance as at 30th June 2022	69,401	10,394,601	34,524	10,498,526

Figures in brackets indicate deductions/negative changes

The above figures are subject to audit.

SHALIMAR (MALAY) PLC
Cash Flow Statement

For the three months ended 30th June

(All figures in Sri Lankan Rupees '000)

	2022	2021	31.03.2022
Net cash outflows from operating activities	(588)	(1,034)	(1,844)
Net cash inflows from investing activities	163	157	50,327
Net cash outflows from financing activities	-	-	(48,041)
(Decrease) /Increase in cash and cash equivalents	(425)	(877)	442
Cash and cash equivalents at the beginning of the period	3,000	2,558	2,558
Cash and cash equivalents at the end of the period	<u>2,575</u>	<u>1,681</u>	<u>3,000</u>
Cash and cash equivalents:			
Cash and bank balances	758	1,681	1,233
Short-term deposits	1,817	-	1,767
	<u>2,575</u>	<u>1,681</u>	<u>3,000</u>

The above figures are subject to audit.

SHALIMAR (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 2022.

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 2022 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. 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 30th June 2022 and 31st March 2022 are as follows :

(All figures in Sri Lankan Rupees '000)

	Date of valuation	Fair value measurement using			
		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 30th June 2022					
<u>Equity Investments at Fair Value through OCI (FVOCI)</u>					
<u>Unquoted Equity Shares</u>					
Shalimar Developments Sdn.Bhd. (Note 4(a))	31 December 2021	10,486,435	-	-	10,486,435
FVOCI financial assets as at 30th June 2022		10,486,435	-	-	10,486,435
As at 31st March 2022					
<u>Equity Investments at Fair Value through OCI (FVOCI)</u>					
<u>Unquoted Equity Shares</u>					
Shalimar Developments Sdn.Bhd. (Note 4(a))	31 December 2021	10,486,435	-	-	10,486,435
FVOCI financial assets as at 31 March 2022		10,486,435	-	-	10,486,435

SHALIMAR (MALAY) PLC

4. Non-current financial assets

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

The Company holds a 13.33% equity investment (March 2022: 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.

The Company obtained the services of PricewaterhouseCoopers (Private) Ltd (PwC Sri Lanka) to carry out an independent indicative fair market valuation of the equity interest in the unquoted investment in SDSB as at valuation date of 31st December 2021. This independent professional valuation is carried out annually and recognized as at 31st March 2022. Any changes in fair value accordingly, is recognized on an annual basis.

The primary approach adopted was income approach. The fair market valuation of the equity interest in the unquoted investment in SDSB was derived using adjusted net assets basis, which was very much dependent on the fair value of the palm oil plantation held by PTAI. The fair market valuation of the equity interest in the unquoted investment of SDSB in PTAI was derived using discounted cash flows 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 FY 2022/23 is estimated to be USD 658/MT and this is assumed to change in line with the World Bank CPO Price forecast (Oct 2021) adjusted for the Indonesia Palm oil levy that prevailed, i.e until FY 2040/41. After FY 2030/31 prices are assumed to remain unchanged.
- (e) Weighted average cost of capital (WACC) of 8.88%.
- (f) Indonesian corporate taxation rate at 22% in FY 2022 and beyond.
- (g) Indonesian Inflation assumed approximately 3%.

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 03) together with a quantitative sensitivity analysis are as shown below:

The below values are based on 13.33% equity stake in SDSB and base case is at WACC of 8.88%.

	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	(831)	894	2,871	(2,871)	2,018	(2,018)

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

5.1 Contingent Liabilities

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

5.2 Assets Pledged

There were no assets pledged as at the reporting date.

SHALIMAR (MALAY) PLC

5.3 Events After the Reporting Period

There have been no material events occurring after the reporting date that require adjustments to or disclosures in the financial statements.

6. Stated Capital

Stated capital of the company consists of,

As at 30.06.2022	As at 31.03.2022
5,397,840	5,397,840

Fully paid ordinary shares (voting)

7. Related Party Transactions

7.1 Recurrent Related Party Transactions

7.1.1 Secretarial Fee

The Secretarial fee charged by Carsons Management Services (Private) Limited of Rs. 0.07 Mn (30th June 2021: Rs.0.05 Mn) has been charged in arriving at the profit before income tax for the period ended 30th June 2022.

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

7.2 Non-Recurrent Related Party Transactions

There are no non-recurrent related party transactions for the period ended 30th June 2022.

8. 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. The Company assesses the impact due to COVID-19 will not have a material impact on the Company's ability to continue as a going concern. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going concern basis.

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
	30.06.2022	30.06.2021	31.03.2022
Highest price per share (Rs.)	1,195.50	1,275.00	1,374.00
Lowest price per share (Rs.)	920.25	1,000.00	960.00
Last traded price (Rs.)	956.75	1,036.50	1,209.50
Volume traded (No. of shares)	346	485	1,827

SHALIMAR (MALAY) PLC

Additional Notes

I Names and the Number of Shares (voting) held by the top 20 shareholders as at 30th June 2022.

	Name of Shareholders	Number of Shares	%
1	Goodhope Asia Holdings Ltd	4,491,047	83.20
2	Selinsing PLC	579,432	10.73
3	Good Hope PLC	167,328	3.10
4	Indo-Malay PLC	119,448	2.21
5	Mr. K.C. Vignarajah	21,644	0.40
6	Mrs. S. Vignarajah	3,716	0.07
7	Mr. J.A.A. Chandrasiri	1,798	0.03
8	Dr. D. Jayanthan	1,480	0.03
9	Best Real Invest Co Services (Private) Limited	1,329	0.02
10	Miss. K.R. Vignarajah	810	0.02
11	Dr. R.D. Kahandawa Arachchi	700	0.01
12	Mr. M.M.A. Ameen	558	0.01
13	Mr. N.K. Punchihewa	531	0.01
14	Mr. M.A.J. Wahid	501	0.01
15	Mrs. N.A.L. Keerthi	415	0.01
16	Mr. V.H.D.S.S. Siriwardena (Deceased)	409	0.01
17	Mr. U.I. Suriyabandara	376	0.01
18	Mr. N.S.C. De Silva	362	0.01
19	Mr. V. Baskarasundaram	351	0.01
20	Mr. S. Kunjithapatham	319	0.01
		5,392,554	99.90

- II Ordinary Shares of the Company held by the public as at 30th June 2022 are as follows;**
- | | |
|--|-------------------|
| Number of public shareholders | 340 |
| Percentage of public holding | 0.75% |
| Float adjusted market capitalization (Rs.) | 38,732,876 |

The Company is not in compliance with the minimum public holding requirements set out in Rule 7.14.1 (a) of the Listing Rules of the Colombo Stock Exchange.

III Directors shareholdings as at 30th June 2022.

Name of Director	Number of Shares
Mr. H. Selvanathan	-
Mr. M. Selvanathan	1
Mr. I. Paulraj	-
Mr. D.C.R.Gunawardena	-
Mr. K.C.N.Fernando	-
Mr. D. P. De Silva	-
Mr. S. Mahendrarajah	53

- 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 26,516 Ha.**

Operational performance information is given below.

Operational performance indicators	Three Months ended	
	30th June	
	2022	2021
Crop Production - Internal (MT)	132,471	125,771
Crop Production - External (MT)	105,230	35,101
Total Crop Production (MT)	237,701	160,872
Total CPO (MT)	47,850	34,143
Total PK (MT)	11,253	7,927
CPO Ex Mill Price (US\$)	995	430
FFB Yield (MT per Hectare)	6.66	6.32
CPO/ Ha (MT)	1.41	1.37
Milling Capacity (MT per Hour)	225	225

MT-Metric Tones

CORPORATE INFORMATION

Name of the Company

Shalimar (Malay) PLC

Company No

PQ 51

Legal Form

A Public Quoted Company with Limited Liability.
Incorporated in Sri Lanka in 1909.

Directors

H. Selvanathan
M. Selvanathan
I. Paulraj
D.C.R. Gunawardena
K.C.N. Fernando
S. Mahendrarajah
D. P. De Silva

Bankers

Standard Chartered Bank
Commercial Bank of Ceylon PLC

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
No. 61, Janadhipathi Mawatha
Colombo 01
Sri Lanka
Tel: +94 11 2039200
Fax: +94 11 2039300

Managers

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Dharmapala Mawatha
Colombo 7
Sri Lanka.

Tel : +94 114357777
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Registered Office

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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