

HAYCARB PLC

Co. Reg. No. PQ 59
No.400, Deans Road, Colombo-10, Sri Lanka



Interim Report
Year ended 31st March 2020

Quarter-4
(2019/20)

Corporate Information

NAME OF COMPANY

Haycarb PLC

(A quoted public company with limited liability, incorporated in Sri Lanka in 1973)

COMPANY REGISTRATION NUMBER

PQ 59

STOCK EXCHANGE LISTING

The ordinary shares of the company are listed with the Colombo Stock Exchange of Sri Lanka

DIRECTORS

Mohan Pandithage (Chairman)

Rajitha Kariyawasan (Managing Director)

Dhammika Perera

Arjun Senaratna

Sarath Ganegoda

Ms Jeevani Abeyratne

Dr Sarath Abayawardana

Sujeewa Rajapakse

M.S.P. Udaya Kumara

Brahman Balaratnarajah

Ms. Yogadinusha Bhaskaran (Alternate director to Mr. Dhammika Perera)

Ms. Sharmila Ragunathan

Ali Asgar Munaver Caderbhoy

James Naylor

M.H. Jamaldeen

SUBSIDIARIES AND ASSOCIATES

Carbokarn Co. Limited (Bangkok, Thailand)

CK Regen Systems Co. Limited (Bangkok, Thailand)

Shizuka Company Limited (Ratchaburi, Thailand)

Eurocarb Products Limited (Bristol, England)

Haycarb Holdings Australia (Pty) Limited (Victoria, Australia)

Haycarb Holdings Bitung Limited (Tortola, British Virgin Islands)

Haycarb USA Inc. (Woodlands, Texas, U.S.A)

PT Mapalus Makawanua Charcoal Industry (Bitung, Indonesia)

Puritas (Pvt) Limited

Recogen (Pvt) Limited

Ultracarb (Pvt) Limited

Haycarb Value Added Products (Pvt) Limited

PT. Haycarb Palu Mitra (Palu, Indonesia)

Carbotels (Pvt) Limited - Associate

Lakdiyatha (Pvt) Limited - Associate

Puricarb Pte.Ltd. (Singapore)

Haycarb Activated Carbon (Pvt) Limited (Chennai,India)

SECRETARIES

Hayleys Group Services (Pvt) Limited

400, Deans Road, Colombo 10, Sri Lanka.

Telephone +94 11 2627650

Fax: +94 11 2627645

E-mail: info.sec@hayleys.com

REGISTERED OFFICE

Hayley Building

400, Deans Road, Colombo 10, Sri Lanka.

Telephone: +94 11 2677364, 2687565, 2691289, 2677363

Fax: +94 11 2627450

E - mail : general@haycarb.com

Website: <http://www.haycarb.com>

Haycarb PLC
INCOME STATEMENT

For the period ended	Unaudited		Change % +/(-)	Audited	
	12 months to			3 months to	
	31.03.2020	31.03.2019		31.03.2020	31.03.2019
	Rs.'000	Rs.'000		Rs.'000	Rs.'000
CONSOLIDATED					
Revenue	22,822,743	20,917,945	9	5,241,958	6,604,106
Cost of sales	<u>(17,432,984)</u>	<u>(16,878,500)</u>	3	<u>(3,811,583)</u>	<u>(5,386,659)</u>
Gross profit	5,389,759	4,039,445	33	1,430,375	1,217,447
Other operating income	115,901	33,707	244	18,123	(11,681)
Other operating expenses	-	(10,239)	-	-	(10,239)
Selling & distribution expenses	(196,827)	(160,130)	23	(72,641)	(66,139)
Administrative expenses	<u>(2,807,214)</u>	<u>(2,378,084)</u>	18	<u>(720,811)</u>	<u>(624,295)</u>
Results from operating activities	2,501,619	1,524,699	64	655,046	505,093
Finance income	233,131	468,810	(50)	105,897	(131,063)
Finance cost	<u>(555,699)</u>	<u>(764,983)</u>	(27)	<u>(167,481)</u>	<u>(7,316)</u>
Net finance income/ (cost)	(322,568)	(296,173)	9	(61,584)	(138,379)
Share of profit of equity accounted investees (net of tax)	<u>(3,245)</u>	124,372	(103)	4,085	131,719
Profit before income tax	2,175,806	1,352,898	61	597,547	498,433
Tax expense	<u>(409,762)</u>	<u>(271,196)</u>	51	<u>(106,829)</u>	<u>(89,541)</u>
Profit for the period	1,766,044	1,081,702	63	490,718	408,892
Attributable to:					
Equity holders of the parent	1,558,596	955,411	63	462,830	439,619
Non-controlling interests	<u>207,448</u>	<u>126,291</u>	64	<u>27,888</u>	<u>(30,727)</u>
Profit for the period	1,766,044	1,081,702	63	490,718	408,892
Earnings per share					
Basic earnings per share (Rs.)	52.46	32.16		15.58	14.80
COMPANY					
Revenue	8,229,711	7,576,802	9	1,863,924	1,939,479
Cost of sales	<u>(6,437,032)</u>	<u>(6,743,216)</u>	(5)	<u>(1,419,392)</u>	<u>(1,639,363)</u>
Gross profit	1,792,679	833,586	115	444,532	300,116
Other operating income	455,494	411,358	11	169,548	282,857
Selling & distribution expenses	(31,981)	(23,422)	37	(10,115)	(5,462)
Administrative expenses	<u>(1,113,866)</u>	<u>(870,653)</u>	28	<u>(292,922)</u>	<u>(215,215)</u>
Results from operating activities	1,102,326	350,869	214	311,043	362,296
Finance income	212,761	438,966	(52)	86,281	(67,542)
Finance cost	<u>(272,191)</u>	<u>(511,108)</u>	(47)	<u>(60,624)</u>	<u>(6,195)</u>
Net finance income/(cost)	(59,430)	(72,142)	(18)	25,657	(73,737)
Profit before income tax	1,042,896	278,727	274	336,700	288,559
Tax expense	<u>(95,084)</u>	<u>(7,594)</u>	1,152	<u>(15,350)</u>	8,475
Profit for the period	947,812	271,133	250	321,350	297,034
Basic earnings per share (Rs.)	31.90	9.13		10.82	10.00

Notes on pages 7 and 8 form an integral part of these financial statements.

Figures in brackets indicate deductions.

Haycarb PLC
STATEMENT OF OTHER COMPREHENSIVE INCOME

For the Twelve months ended 31st March	Group		Company	
	2020 Rs. '000	2019 Rs. '000	2020 Rs. '000	2019 Rs. '000
Profit for the Period	1,766,044	1,081,702	947,812	271,133
Other comprehensive income				
Net Exchange differences on translation of foreign entities	46,447	341,646	-	-
Net gain/(loss) on available-for-sale financial assets	(85,443)	(30,516)	(85,443)	(30,516)
Actuarial gains and (losses) on defined benefit plans	(2,883)	(39,836)	2,722	(31,442)
Revaluation of land and buildings	-	195,945	-	99,464
Tax effect on OCI Adjustments	720	(16,675)	(381)	(9,523)
Movement in reserves of equity accounted investees	30,562	(53,817)	-	-
Other comprehensive income for the period (net of tax)	(10,597)	396,747	(83,102)	27,983
Total comprehensive income for the period (net of tax)	1,755,447	1,478,449	864,710	299,116
Attributable to:				
Equity holders of the parent	1,522,418	1,238,519	864,710	299,116
Non-controlling interests	233,029	239,930	-	-
	1,755,447	1,478,449	864,710	299,116
For the Three months ended 31st March	2020	2019	2020	2019
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Profit for the Period	490,718	408,892	321,350	297,034
Other comprehensive income				
Net Exchange differences on translation of foreign entities	(247,720)	(100,239)	-	-
Net gain/(loss) on available-for-sale financial assets	(109,855)	(28,482)	(109,855)	(28,482)
Actuarial gains and (losses) on defined benefit plans	(2,883)	(39,836)	2,722	(31,442)
Revaluation of land and buildings	-	195,945	-	99,464
Tax effect on OCI Adjustments	720	(16,675)	(381)	(9,523)
Movement in reserve in equity accounted investees	5,855	(6,545)	-	-
Other comprehensive income for the period (net of tax)	(353,883)	4,168	(107,514)	30,017
Total comprehensive income for the period (net of tax)	136,835	413,060	213,836	327,051
Attributable to:				
Equity holders of the parent	181,694	443,221	213,836	327,051
Non-controlling interests	(44,859)	(30,161)	-	-
	136,835	413,060	213,836	327,051

Haycarb PLC

STATEMENT OF FINANCIAL POSITION

As at 31st March	Group		Company	
	Unaudited 2020	Audited 2019	Unaudited 2020	Audited 2019
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
ASSETS				
Non-Current Assets				
Property, plant & equipment	5,609,128	5,449,506	2,190,303	1,868,423
Right-of-use assets	130,614	-	90,469	-
Intangible assets	226,873	248,504	10,111	17,820
Investments in subsidiaries	-	-	1,494,769	1,494,769
Investment in equity accounted investees	609,503	583,765	92,903	92,903
Non current receivables from subsidiaries	-	-	238,000	268,000
Other non-current financial assets	273,825	349,619	232,408	317,851
Deferred tax assets	49,229	29,772	-	-
	<u>6,899,172</u>	<u>6,661,166</u>	<u>4,348,963</u>	<u>4,059,766</u>
Current Assets				
Inventories	6,674,679	6,807,033	2,178,919	1,743,262
Trade & other receivables	4,109,050	4,061,569	1,452,863	1,638,249
Amounts due from subsidiaries	-	-	468,744	1,041,978
Amounts due from related parties	16,887	12,090	8,137	7,539
Amounts due from equity accounted investees	13,881	16,263	125	12
Other current assets	586,852	532,870	135,866	198,259
Cash and cash equivalents	1,145,131	884,141	359,979	216,151
	<u>12,546,480</u>	<u>12,313,966</u>	<u>4,604,633</u>	<u>4,845,450</u>
Total Assets	<u>19,445,652</u>	<u>18,975,132</u>	<u>8,953,596</u>	<u>8,905,216</u>
EQUITY & LIABILITIES				
Equity				
Stated capital	331,774	331,774	331,774	331,774
Capital reserves	675,744	675,744	442,458	442,458
Revenue reserves	8,313,697	7,242,868	4,418,749	3,999,725
Total equity attributable to equity holders of the company	<u>9,321,215</u>	<u>8,250,386</u>	<u>5,192,981</u>	<u>4,773,957</u>
Non-controlling interests	1,335,444	1,102,415	-	-
Total equity	<u>10,656,659</u>	<u>9,352,801</u>	<u>5,192,981</u>	<u>4,773,957</u>
Non-Current Liabilities				
Interest bearing loans & borrowings	150,340	55,218	150,340	52,427
Lease liability non current	98,969	-	76,052	-
Deferred tax liabilities	157,979	203,891	94,193	124,499
Retirement benefit obligations	648,202	561,000	514,000	449,605
Total non-current liabilities	<u>1,055,490</u>	<u>820,109</u>	<u>834,585</u>	<u>626,531</u>
Current Liabilities				
Trade & other payables	2,156,971	2,200,996	654,466	450,267
Interest bearing loans & borrowings	2,936,426	4,285,249	1,650,121	2,567,083
Lease liability current	42,259	-	19,667	-
Other current liabilities	494,134	552,910	75,445	47,454
Amounts due to subsidiaries	-	-	237,293	252,239
Amounts due to related parties	1,875,289	1,580,262	251,929	187,685
Income tax payable	228,424	182,805	37,109	-
Total current liabilities	<u>7,733,503</u>	<u>8,802,222</u>	<u>2,926,030</u>	<u>3,504,728</u>
Total liabilities	<u>8,788,993</u>	<u>9,622,331</u>	<u>3,760,615</u>	<u>4,131,259</u>
Total equity and liabilities	<u>19,445,652</u>	<u>18,975,132</u>	<u>8,953,596</u>	<u>8,905,216</u>
Net assets per share (Rs.)	313.71	277.68	174.78	160.67

"It is certified that the financial statements set out on pages 2 to 8 have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007".

Sgd.

Ms. M J A S Abeyratne
Finance Director

Signed for and on behalf of the Board,

Sgd.

A M Pandithage
Chairman
12th June 2020

Sgd.

H S R Kariyawasan
Managing Director

Haycarb PLC
STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March

GROUP	Attributable to equity holders of the parent						Total	Non controlling interest	Total equity
	Stated capital	Capital reserves	Other Reserves			Retained earnings			
			Available -for-sale reserve	Exchange fluctuation on reserve	General reserve				
Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	
Balance as at 01.04.2018	331,774	648,703	307,706	555,980	519,353	5,064,324	7,427,840	909,771	8,337,611
Profit for the period	-	-	-	-	-	955,411	955,411	126,291	1,081,702
Revaluation during the year	-	165,192	-	-	-	-	165,192	30,753	195,945
Translation of foreign entities	-	-	-	252,111	-	-	252,111	89,535	341,646
Actuarial gains and (losses) on defined benefit plans	-	-	-	-	-	(33,020)	(33,020)	(6,816)	(39,836)
Income tax on other comprehensive income	-	(20,351)	-	-	-	3,509	(16,842)	167	(16,675)
Movement in reserves of equity accounted investees	-	(117,800)	-	-	-	63,983	(53,817)	-	(53,817)
Net gain on available-for-sale financial assets	-	-	(30,516)	-	-	-	(30,516)	-	(30,516)
Other comprehensive income for the period	-	27,041	(30,516)	252,111	-	34,472	283,108	113,639	396,747
Dividends	-	-	-	-	-	(415,973)	(415,973)	(47,286)	(463,259)
Balance as at 31.03.2019	331,774	675,744	277,190	808,091	519,353	5,638,234	8,250,386	1,102,415	9,352,801
Balance as at 01.04.2019	331,774	675,744	277,190	808,091	519,353	5,638,234	8,250,386	1,102,415	9,352,801
Effect of transition to SLFRS 16	-	-	-	(128)	-	(5,775)	(5,903)	-	(5,903)
Profit for the period	-	-	-	-	-	1,558,596	1,558,596	207,448	1,766,044
Translation of foreign entities	-	-	-	18,763	-	-	18,763	27,684	46,447
Unclaimed dividend write back	-	-	-	-	-	-	-	-	-
Actuarial gains and (losses) on defined benefit plans	-	-	-	-	-	(212)	(212)	(2,671)	(2,883)
Income tax on other comprehensive income	-	-	-	-	-	152	152	568	720
Movement in reserves of equity accounted investees	-	-	-	-	-	30,562	30,562	-	30,562
Net gain on available-for-sale financial assets	-	-	(85,443)	-	-	-	(85,443)	-	(85,443)
Other comprehensive income for the period	-	-	(85,443)	18,763	-	30,502	(36,178)	25,581	(10,597)
Dividends	-	-	-	-	-	(445,686)	(445,686)	-	(445,686)
Balance as at 31.03.2020	331,774	675,744	191,747	826,726	519,353	6,775,871	9,321,215	1,335,444	10,656,659

COMPANY	Stated capital	Capital reserves	General reserve	Available for sale reserve	Retained earnings	Total equity
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Balance as at 01.04.2018	331,774	356,919	519,353	307,706	3,375,062	4,890,814
Profit for the period	-	-	-	-	271,133	271,133
Revaluation during the year	-	99,464	-	-	-	99,464
Actuarial gains and (losses) on defined benefit plans	-	-	-	-	(31,442)	(31,442)
Income tax on other comprehensive income	-	(13,925)	-	-	4,402	(9,523)
Net gain on available for sale financial asset	-	-	-	(30,516)	-	(30,516)
Other comprehensive income for the period	-	85,539	-	(30,516)	(27,040)	27,983
Dividends	-	-	-	-	(415,973)	(415,973)
Recovery for the period	-	-	-	-	-	-
Balance as at 31.03.2019	331,774	442,458	519,353	277,190	3,203,182	4,773,957
Balance as at 01.04.2018	331,774	442,458	519,353	277,190	3,203,182	4,773,957
Profit for the period	-	-	-	-	947,812	947,812
Actuarial gains and (losses) on defined benefit plans	-	-	-	-	2,722	2,722
Income tax on other comprehensive income	-	-	-	-	(381)	(381)
Net gain on available for sale financial asset	-	-	-	(85,443)	-	(85,443)
Other comprehensive income for the period	-	-	-	(85,443)	2,341	(83,102)
Dividends	-	-	-	-	(445,686)	(445,686)
Recovery for the period	-	-	-	-	-	-
Balance as at 31.03.2020	331,774	442,458	519,353	191,747	3,707,649	5,192,981

Haycarb PLC
STATEMENT OF CASH FLOWS

	Consolidated		Company	
	Unaudited	Audited	Unaudited	Audited
	2020	2019	2020	2019
Operating activities				
Profit before tax from continuing operations	2,175,806	1,352,898	1,042,896	278,727
Non-cash adjustment to reconcile profit before tax to net cash flows:				
Depreciation and impairment of property, plant equipment	559,002	479,139	173,018	137,572
Amortisation of intangible assets	25,966	41,682	8,715	9,275
(Gain) / loss on disposal of property, plant and equipment	(7,898)	(1,594)	(6,396)	-
(Gain) / loss on translation of foreign currencies	5,418	10,521	39,552	(308)
Exchange difference on translation of foreign entities	61,310	105,706	-	-
Impairment of property, plant & equipment	-	10,239	-	-
Finance income	(233,131)	(468,810)	(212,761)	(438,966)
Finance costs	555,699	764,983	272,191	511,108
Dividend income - subsidiaries	-	-	(295,693)	(261,327)
Share of profit of an associate	3,245	(124,372)	-	-
Provision for slow moving inventory	25,612	15,403	22,074	3,000
Provision for unrealized profit on inventories	82,145	109,501	-	-
Provision / (reversal) for bad and doubtful debts	12,610	(4,673)	-	-
Provision for employee benefit obligation	101,991	85,934	79,763	67,872
Cash generated from operations before working capital changes	3,367,775	2,376,558	1,123,359	306,953
Working capital adjustments:				
(Increase)/decrease in trade and other receivables and prepayments	(143,731)	(737,010)	247,779	(400,639)
(Increase)/decrease in amounts receivable from related parties	(2,416)	15,139	602,523	(85,072)
(Increase)/decrease in inventories	24,597	(2,845,957)	(457,727)	(463,941)
Increase/(decrease) in trade and other payables	(135,977)	750,939	199,014	39,142
Increase/(decrease) in amounts due to related parties	234,652	392,684	(11,078)	100,546
	3,344,900	(47,647)	1,703,870	(503,010)
Interest paid	(321,033)	(311,998)	(131,670)	(133,383)
Income tax paid	(399,135)	(138,173)	(88,661)	(10,248)
Employee benefit paid	(16,763)	(38,593)	(12,647)	(37,164)
Net cash flows from operating activities	2,607,969	(536,411)	1,470,892	(683,805)
Investing activities				
Proceeds from sale of property, plant and equipment	9,515	5,384	6,708	-
Purchase of property, plant and equipment	(691,559)	(389,598)	(472,593)	(118,889)
Invest in subsidiary Shares	-	-	-	(7,874)
Loans for plant development	(12,918)	-	-	-
Proceeds from long term loans and receivables	4,673	9,342	-	-
Acquisition of intangible assets	(2,991)	-	(1,007)	-
Interest received	12,120	5,724	44,175	45,367
Dividend received from equity accounted investee	1,579	3,716	1,579	3,716
Other dividends received	16,724	28,774	310,837	290,099
Net cash flows from / (used) in investing activities	(662,857)	(336,658)	(110,301)	212,419
Net cash inflow/(outflow) before financing activities	1,945,112	(873,069)	1,360,591	(471,386)
Financing activities				
Proceeds from borrowings	179,840	-	179,840	-
Repayment of borrowings	(184,128)	(229,807)	(99,216)	(84,124)
Lease rentals paid	(59,981)	-	(30,530)	-
Dividends paid to equity holders of the parent	(352,136)	(235,150)	(352,136)	(235,150)
Dividends paid to non-controlling interests	-	(47,286)	-	-
Net cash flows from/(used in) financing activities	(416,405)	(512,243)	(302,043)	(319,274)
Net increase/(decrease) in cash and cash equivalents	1,528,707	(1,385,312)	1,058,548	(790,659)
Net foreign exchange difference				
Cash and cash equivalents at the beginning of period	(3,215,586)	(1,830,274)	(2,263,231)	(1,472,572)
Cash and cash equivalents at the end of period	(1,686,879)	(3,215,586)	(1,204,683)	(2,263,231)
Analysis of cash and cash equivalents as at 31st March				
Bank and cash balances	865,160	762,226	158,817	205,843
Short term deposits	279,971	121,915	201,162	10,308
	1,145,131	884,141	359,979	216,151
Bank overdrafts & short term loans	(2,832,010)	(4,099,727)	(1,564,662)	(2,479,382)
Cash and cash equivalents	(1,686,879)	(3,215,586)	(1,204,683)	(2,263,231)

Haycarb PLC SEGMENT ANALYSIS

BUSINESS SEGMENTS

Turnover-Net

	External Rs.'000	Intra-group Rs.'000	Group	
			31.03.2020 Rs.'000	31.03.2019 Rs.'000
Activated carbon	19,276,649	8,010,806	27,287,455	25,972,036
Environmental engineering	3,546,094	3,789	3,549,883	2,896,850
	<u>22,822,743</u>	<u>8,014,595</u>	30,837,338	28,868,886
Intra-group sales			(8,014,595)	(7,950,941)
			<u>22,822,743</u>	<u>20,917,945</u>

Industry segment results

Profit before tax

	Group	
	31.03.2020 Rs.'000	31.03.2019 Rs.'000
Activated carbon	1,923,000	927,484
Environmental engineering	256,050	301,042
Purification associate	(15,642)	(5,644)
Leisure - associate	12,398	130,016
	<u>2,175,806</u>	<u>1,352,898</u>

INVESTOR INFORMATION

	Twelve months ended		Three months ended	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Market value of shares				
Closing price	160.00 (20/03/2020)	127.00 (29/03/2019)	160.00 (20/03/2020)	127.00 (29/03/2019)
Highest price recorded for the period (Rs.)	198.90 (01/11/2019)	154.90 (14/01/2019)	197.00 (06/02/2020)	154.90 (14/01/2019)
Lowest price recorded for the period (Rs.)	122.20 (26/04/2019)	119.10 (05/04/2018)	159.90 (20/03/2020)	120.00 (22/03/2019)
Market capitalisation (Rs.)	4,753,980,000	3,773,471,625	4,753,980,000	3,773,471,625
P/E ratio	3.05	3.95		
Dividend declared				
1st Interim dividend - 3/- (2018/19 - Rs. 2/ per share)			89,137,125	59,424,750
2nd Interim dividend - 3/- (2018/19 - Rs. 6/- per share)			89,137,125	178,274,250
3rd Interim dividend - 2018/19 - Rs. 9/- per share			267,411,375	
(1st and final 2017/18 Rs. 6/- Per share)				178,274,250
Total for the Period			<u>445,685,625</u>	<u>415,973,250</u>
Share trading information				
No of transactions	1,546	374	490	142
No of shares traded	772,380	345,503	86,340	105,222
Value of shares traded (Rs.)	121,940,586	43,755,056	16,168,267	13,107,719

Haycarb PLC
Notes

As at 31st March	2020 Rs.'000	2019 Rs.'000
1. Issued and fully paid ordinary shares		
At the beginning of the year- 29,712,375 (01.04.18 - 29,712,375)	331,774	331,774
As at 31st March	331,774	331,774

2. Changes in Accounting policies and disclosures
New and amended standards and interpretations

These un audited interim financial statements have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRS/LKAS). They also provide the information required by the Colombo Stock Exchange and LKAS 34 - Interim Financial Reporting. There were no changes to the Accounting Policies and methods of computation since the publication of the Annual Report for the year ended March 31, 2019 except for the Accounting Policies and methods of computation adopted to be in compliant with the requirements of the Sri Lanka Accounting Standard SLFRS - 16 on Leases, which became effective for Annual Financial periods from January 01, 2019. SLFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('Lessee'] and the supplier ('Lessor']. SLFRS 16 replaced Sri Lanka Accounting Standard – LKAS 17 (Leases) and related interpretations. “

The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. The Company has adopted SLFRS 16 using modified retrospective method from 1 April 2019, without restating comparatives for the 2018/19 reporting period, as permitted under the specific transitional provisions in the standard.

The effect of adoption of SLFRS 16 (increase/(decrease) is as follows:

Assets	<u>Group</u>	<u>Company</u>
Right of use assets - as at 1st April 2019	<u>174,287</u>	<u>113,086</u>
Equity and liabilities		
Exchange reserve	(128)	-
Revenue reserves	(5,775)	-
Lease liability - as at 1st April 2019	<u>180,190</u>	<u>113,086</u>
	<u>174,287</u>	<u>113,086</u>

Set out below, are the carrying amounts of right of use assets and lease liability and the movements for the period.

	<u>Group</u>		<u>Company</u>	
	<u>Right of use asset</u>		<u>Right of use asset</u>	
	<u>Land and buildings</u>	<u>Total</u>	<u>Land and buildings</u>	<u>Total</u>
As at 1 April 2019	174,287	174,287	113,086	113,086
Amortisation expense	<u>(43,673)</u>	<u>(43,673)</u>	<u>(22,617)</u>	<u>(22,617)</u>
As at 31 March 2020	<u>130,614</u>	<u>130,614</u>	<u>90,469</u>	<u>90,469</u>
	<u>Lease liability</u>		<u>Lease liability</u>	
	<u>Land and buildings</u>	<u>Total</u>	<u>Land and buildings</u>	<u>Total</u>
As at 1 April 2019	180,190	180,190	113,086	113,086
Net settlement	<u>(38,962)</u>	<u>(38,962)</u>	<u>(17,367)</u>	<u>(17,367)</u>
As at 31 March 2020	<u>141,228</u>	<u>141,228</u>	<u>95,719</u>	<u>95,719</u>

- There are no material post balance sheet events that require adjustments to or disclosure in the financial statements,
- There has not been a significant change in the nature of the contingent liabilities which are disclosed in the Annual Report for the year ended 31st March 2019.
- Where necessary, comparative figures have been re-classified to conform with the current period's presentation

HAYCARB PLC

FIRST TWENTY SHAREHOLDERS AS AT 31ST MARCH, 2020

	Name of the Shareholder	No. of Shares as at 31/03/2020	%
1	Hayleys PLC No. 3 Share Investment Account	20,125,103	67.73
2	Employees Provident Fund	1,417,565	4.77
3	Employees Trust Fund Board	780,829	2.63
4	Mr. T. Ueda	417,206	1.40
5	Promar Overseas SA	397,682	1.34
6	Mrs. J. K. P. Singh	290,376	0.98
7	J.B. Cocoshell (Pvt) Ltd	280,265	0.94
8	Bank of Ceylon No.1 Account	251,067	0.84
9	Dr. D. Jayantha	240,000	0.81
10	Harnam Holdings SDN BHD	168,050	0.57
11	E.W. Balasuriya & Co. (Pvt) Ltd	152,089	0.51
12	National Savings Bank	151,813	0.51
13	Mr. Z .G. Carimjee	135,000	0.45
14	Mrs. L. Sivagurunathan	128,717	0.43
15	Mr. H. S. Gill	123,000	0.41
16	Hallsville Trading Group Inc.	120,000	0.40
17	Commercial Bank of Ceylon PLC A/C No.04	107,100	0.36
18	Mr. J. S. A. B. Singh & Mrs. G. K. A. H. Singh	100,000	0.34
19	Miss M. P. Radhakrishnan	76,610	0.26
20	Miss. A. Radhakrishnan	76,500	0.26
	OTHERS	4,173,403	14.05
	TOTAL	29,712,375	100.00

Name of the Director	No. of Shares as at 31.03.2020
Mr.A.M.Pandithage	2,379
Mr.S.C.Ganegoda	1,815
Mr. H. S. R. Kariyawan *	15,500
Mr. M.S.P. Udaya Kumara	462
Mr. B. Balaratnarajah	1,004
Total	21,160

* Shares held jointly with Mrs. K. H. S. Kariyawan

Percentage of public holding as at 31.03.2020	32.20%
Total No. of Shareholders representing the public holding	2146
Float adjusted market capitalization (Rs.)	1,530,781,560.00
Mr.K.D.D.Perera holds directly and indirectly 51.01% of the total issued shares of Hayleys PLC which has 20,125,103 shares in Haycarb PLC.	
The Company complies with option 5 of the Listing Rules 7.13.1 (a) – Less than Rs.2.5Bn Float Adjusted Market Capitalization which requires 20% minimum Public Holding.	