



SUNSHINE HOLDINGS PLC

**INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED**

30TH JUNE 2019

SUNSHINE HOLDINGS PLC

GROUP MANAGING DIRECTOR'S MESSAGE

Dear Shareholder,

The Group recorded a consolidated revenue of LKR 5.2 billion for the three months ended 30th June 2019 (3MFY19/20), down by LKR 365 million or 6.5% YoY compared to the same period last year. The Group revenue which predominantly includes revenue from Healthcare, Consumer goods and agribusiness sectors, contributed 43.7%, 23.2% and 24.6% respectively. Healthcare sectors recorded significant YoY growth at 10.5% against the same period last year, despite a dip in the Consumer goods & Agri sector respectively by 5.8% and 24.5%.

The gross profit margin for 3MFY19/20 was at 27.5% above the same period last year by 239 basis points. The gross profit improved by LKR 33 million up 2.3% YoY compared to the same period previous year backed by the significant contribution from the Healthcare sectors. The Group EBIT closed at LKR 911 million with an increase of 52.1% YoY which includes the gain on disposal of Hatton Plantation PLC during the period.

The Healthcare sector recorded revenue of LKR 2.5 billion in 3MFY19/20, an increase of 10.5% YoY over the same period last year. EBIT for the sector increased by 55.6% YoY to LKR 230 million from LKR 148 million. The Healthcare sector Profit After Tax (PAT) amounted to LKR 141 million, significantly increasing 60.8% YoY, due to strong performance in medical devices division.

The Consumer Goods sector reported a 5.8% YoY contraction in revenue to LKR 1.3 billion. The PAT decreased by LKR 32 million (36.0% degrowth YoY) to LKR 58 million due to lower sales against same period last year.

The Agri sector performance was challenged during the three months under review due to the drop-in revenue by LKR 452 million YoY (24.5% degrowth YoY) due to unfavorable weather conditions coupled with lower tea prices. The Gross Profit has decreased by LKR 2 million YoY (0.7% degrowth YoY), compared to the same period last year. The Group divested a majority stake of 51.0% held in Hatton plantation PLC to Lotus Renewable Energy (Private) Limited on 28th May 2019. Results of Hatton Plantations PLC weren't consolidated post divestment, hence the Agri sector revenue was reduced during the quarter compared to the same quarter last year.

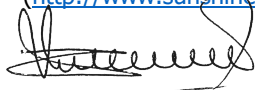
Power sector revenue decreased to LKR 26 million from LKR 92 million due to lower rain falls in the catchment areas and the plant maintenance. This has resulted in a PAT loss of LKR 42 million compared to a PAT LKR 44 million in the same period last year.

Group PAT amounted to LKR 573 million in 3MFY19/20 compared to LKR 341 million reported during the same period last year. Profits attributable to equity shareholders (PATMI) from operations of Sunshine Holdings PLC increased by 75.7% YoY to LKR 333 million for 3MFY19/20.

Your Group continues to enhance shareholder value by pursuing strategic investments and continue to pursue strategic investments that fits our Group's long-term interest.

Further details of the Group's performance is available in the company website.

<http://www.sunshineholdings.lk/investor%20relations/index.php>



V. Govindasamy
Group Managing Director
05th August 2019
Colombo

SUNSHINE HOLDINGS PLC
STATEMENT OF COMPREHENSIVE INCOME - GROUP

	Unaudited			Audited
	Quarter ended	Quarter ended	Change	Year ended
	30th June 2019	30th June 2018		31st March 2019
	LKR	LKR	%	LKR
Revenue	5,209,996,586	5,574,647,943	(7)	22,641,987,898
Cost of sales	(3,775,521,264)	(4,172,747,651)	(10)	(16,942,697,288)
Gross profit	1,434,475,322	1,401,900,292	2	5,699,290,610
Other income	84,546,997	75,040,037	13	322,242,226
Administration expenses	(499,121,834)	(480,556,996)	4	(2,069,243,200)
Selling & distribution expenses	(451,524,217)	(397,277,063)	14	(1,733,958,817)
Gain on disposal of subsidiary	231,046,933	-	-	-
Gain on deemed disposal of subsidiary	111,665,092	-	-	-
Results from operating activities	911,088,293	599,106,270	52	2,218,330,819
Finance income	51,189,963	24,726,442	107	228,475,382
Finance cost	(162,715,448)	(115,902,492)	40	(560,068,282)
Net finance cost	(111,525,485)	(91,176,049)	22	(331,592,900)
Share of profit of equity accounted investees	(136,505)	(1,611,179)	-	(5,161,318)
Profit before tax	799,426,302	506,319,042	58	1,881,576,601
Income tax expense	(226,805,368)	(165,220,380)	37	(735,942,442)
Profit for the period	572,620,934	341,098,662	68	1,145,634,159
Other comprehensive income				
Equity investments at FVOCI – net change in fair value	-	-	-	28,108,968
Exchange gain/(Loss) on foreign operation translation	-	(173,133)	-	2,884,093
Defined benefit plan actuarial gain/(loss)	-	-	-	(291,058,626)
Tax on other comprehensive income	-	-	-	35,238,729
Total other comprehensive income for the period	-	(173,133)	-	(224,826,836)
Total comprehensive income for the period	572,620,934	340,925,529	68	920,807,323
Profit attributable to:				
Owners of the parent company	332,976,696	189,661,824	76	646,984,059
Non-controlling interest	239,644,238	151,436,838	58	498,650,100
Other comprehensive income attributable to:				
Owners of the parent company	-	(103,880)	-	(93,772,867)
Non-controlling interest	-	(69,253)	-	(131,053,970)
Total comprehensive income for the period	572,620,934	340,925,529	68	920,807,323
Basic earnings per share	2.23	1.39		4.43

Figures in brackets indicate deductions.
The above figures are not audited

SUNSHINE HOLDINGS PLC
STATEMENT OF COMPREHENSIVE INCOME - COMPANY

	Unaudited			Audited
	Quarter ended 30th June 2019 LKR	Quarter ended 30th June 2018 LKR	Change %	Year ended 31st March 2019 LKR
Revenue	442,949,396	34,895,649	1,169	514,907,500
Cost of sales	-	-	n/m	-
Gross profit	442,949,396	34,895,649	1,169	514,907,500
Other income	62,867,984	56,409,836	n/m	273,005,752
Administration expenses	(94,564,512)	(87,026,404)	9	(396,210,061)
Impairment of investment in subsidiary	-	(20,000,000)		(87,766,423)
Results from operating activities	411,252,869	(15,720,919)	(2,716)	303,936,768
Finance income	37,396,428	16,163,271	131	114,918,099
Finance cost	(44,986,349)	(43,112,831)	(4)	(178,218,809)
Net finance cost	(7,589,921)	(26,949,560)	(72)	(63,300,710)
Profit before tax	403,662,948	(42,670,479)	(1,046)	240,636,058
Income tax expense	-	-		19,250,174
Profit for the period	403,662,948	(42,670,479)	(1,046)	259,886,232
Other comprehensive income				
Equity investments at FVOCI – net change		-	-	22,418,968
Defined benefit plan actuarial gain/(loss)				(2,351,050)
Income tax on other comprehensive income				(5,619,017)
Total other comprehensive income for the period	-	-		14,448,901
Total comprehensive income for the period	403,662,948	(42,670,479)	(1,046)	274,335,133
Basic earnings per share from continuing operations	2.70	(0.31)		1.78

Figures in brackets indicate deductions.

The above figures are not audited

n/m- not meaningful

SUNSHINE HOLDINGS PLC
STATEMENT OF FINANCIAL POSITION - GROUP

	Unaudited As at 30th June 2019 LKR	Audited As at 31st March 2019 LKR
ASSETS		
Non current assets		
Property, plant and equipment	4,606,360,950	5,800,454,817
Leasehold right to bare land	76,378,000	183,963,000
Biological assets	3,377,384,720	4,694,037,000
Investment property	468,736,880	327,205,000
Intangible assets	179,863,025	192,415,059
Investment in associates	2,661,791	2,798,296
Other investments	968,396,435	976,129,267
Deferred tax assets	56,840,096	57,495,833
Total non-current assets	9,736,621,897	12,234,498,271
Current assets		
Inventories	3,142,848,530	3,906,410,205
Biological assets-growing crops on bearer plants	38,292,627	45,883,000
Derivative assets on SWAP agreement	206,857,710	203,742,135
Current tax assets	12,879,661	9,893,358
Trade & other receivables	3,925,922,521	3,788,362,024
Amounts due from related parties	1,845,592	27,998,528
Cash & cash equivalent	2,732,272,170	1,843,593,507
	10,060,918,811	9,825,882,757
Assets Held for Sale	484,175,254	-
Total current assets	10,545,094,066	9,825,882,757
Total assets	20,281,715,962	22,060,381,028
EQUITY AND LIABILITIES		
Equity		
Stated capital	1,641,715,247	1,641,715,247
Reserves	386,181,165	386,181,165
Retained earnings	5,816,100,978	5,488,287,477
Equity attributable to owners of the company	7,843,997,390	7,516,183,889
Non-controlling interests	3,183,746,103	3,476,651,011
Total equity	11,027,743,493	10,992,834,900
Non-current liabilities		
Loans and borrowings	2,947,597,458	3,299,921,582
Employee benefits	494,942,827	1,499,417,004
Deferred income and capital grants	180,465,975	320,693,000
Deferred tax	469,628,939	512,234,939
Total non-current liabilities	4,092,635,199	5,632,266,525
Current liabilities		
Bank overdraft	927,695,663	826,769,498
Current tax liabilities	332,270,515	227,763,976
Loans and borrowings	1,442,898,440	1,113,040,848
Trade and other payables	2,451,603,413	3,242,514,434
Amounts due to related parties	6,869,239	25,190,848
Total current liabilities	5,161,337,270	5,435,279,603
Total equity and liabilities	20,281,715,962	22,060,381,028

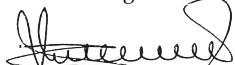
Net asset value per share (Rs.)

52.45

50.26

Figures in brackets indicate deductions.

The above figures are not audited



Group Managing Director
05th August 2019
Colombo



Director



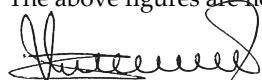
Group Chief Financial Officer

SUNSHINE HOLDINGS PLC
STATEMENT OF FINANCIAL POSITION - COMPANY

	Unaudited As at 30th June 2019 LKR	Audited As at 31st March 2019 LKR
ASSETS		
Non-current assets		
Property, Plant and Equipment	15,807,185	16,333,639
Intangible assets	21,637	27,247
Investment in subsidiaries	3,388,401,971	3,313,401,971
Investment in associate	9,000,000	9,000,000
Other investments	649,302,873	647,625,267
Deferred tax assets	17,997,095	17,997,095
Total non-current assets	4,080,530,761	4,004,385,218
Current assets		
Derivative assets on SWAP agreement	206,857,710	203,742,135
Current tax assets	3,158,748	3,158,748
Trade & other receivables	186,081,423	102,434,027
Amounts due from related parties	270,173,828	225,727,276
Cash & cash equivalent	1,361,858,899	1,042,331,375
Total current assets	2,028,130,609	1,577,393,561
Total assets	6,108,661,370	5,581,778,780
EQUITY AND LIABILITIES		
Equity		
Stated capital	1,641,715,247	1,641,715,247
Reserves	380,153,740	380,153,740
Retained earnings	2,184,774,238	1,781,111,290
Equity attributable to owners of the company	4,206,643,225	3,802,980,277
Non-controlling interests	-	-
Total equity	4,206,643,225	3,802,980,277
Non-current liabilities		
Loans and borrowings	1,142,914,219	1,235,793,320
Employee benefits	91,086,409	87,068,694
Total non-current liabilities	1,234,000,629	1,322,862,014
Current liabilities		
Bank overdraft	28,887,656	-
Current tax liabilities	4,365,938	-
Loans and borrowings	489,055,991	429,114,709
Trade and other payables	144,268,246	26,821,780
Amounts due to related parties	1,439,685	-
Total current liabilities	668,017,516	455,936,489
Total equity and liabilities	6,108,661,370	5,581,778,780
Net asset value per share (Rs.)	28.13	25.43

Figures in brackets indicate deductions.

The above figures are not audited



Group Managing Director
05th August 2019
Colombo



Director



Group Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY - GROUP

Attributable to owners of the company

In LKR	Stated capital	Reserve on exchange gain or loss	Reserve on rearrangement	General reserve	Fair value gain or loss reserve on AFS	Retained earnings	Total		Non-controlling interest	Total equity
Balance as at 01st April 2018	798,504,357	217,517	23,965,012	1,257,725	365,453,500	5,185,526,424	6,374,924,536	3,427,198,621	9,802,123,157	
Total comprehensive income for the period										
Profit from continuing operations for the three months						189,661,824	189,661,824	151,436,838	341,098,662	
Total other comprehensive income for the three months		(103,880)				-	(103,880)	(69,253)	(173,133)	
Total comprehensive income for the three months		(103,880)				189,661,824	189,557,944	151,367,585	340,925,529	
Share issues										
Effect on percentage change in holding of Energy Group										
Dividend paid to owners for 2017/18										
Total contributions by and distributions to owners of the company										
Balance as at 30th June 2018	798,504,357	113,637	23,965,012	1,257,725	365,453,500	5,375,188,249	6,564,482,480	3,578,566,206	10,143,048,686	
Total Comprehensive Income for the balance period										
Profit from continuing operations for the nine months						457,322,235	457,322,235	347,213,262	804,535,497	
Profit from discontinued operations for the nine months						-	-	-	-	
Total other comprehensive income for the nine months		1,834,336	-	-	17,521,967	(113,025,290)	(93,668,987)	(130,984,717)	(224,653,703)	
Total comprehensive income for the nine months		1,834,336			17,521,967	344,296,945	363,653,248	216,228,546	579,881,794	
Dividend paid 2017/18						(136,527,501)	(136,527,501)	(366,485,596)	(503,013,097)	
Reserve on re-arrangement in Hatton Plantations PLC			(23,965,012)			13,240,669	(10,724,343)	10,724,343	(0)	
Issue of Shares-Scrip dividend	68,210,885					(68,210,885)	-	37,617,512	37,617,512	
Issue of Shares-Private placement	775,000,005						775,000,005		775,000,005	
Share issuing cost						(39,700,000)			(39,700,000)	
	843,210,890	-	(23,965,012)	-	-	(231,197,717)	588,048,161	(318,143,741)	269,904,420	
Balance as at 31st March 2019	1,641,715,247	1,947,973	-	1,257,725	382,975,467	5,488,287,477	7,516,183,889	3,476,651,011	10,992,834,900	
Total comprehensive income for the period										
Profit from continuing operations for the three months						332,976,696	332,976,696	239,644,238	572,620,934	
Total other comprehensive income for the three months		-	-	-	-	-	-	-	-	
Total comprehensive income for the three months						332,976,696	332,976,696	239,644,238	572,620,934	
Impact on Subsidiary's Divestment						(2,589,742)	(2,589,742)	(355,032,599)	(357,622,341)	
Impact on NCI in Subsidiary investment						(2,573,452)	(2,573,452)	(177,516,547)	(180,090,000)	
Dividend payments to non-controlling shareholders										
Balance as at 30th June 2019	1,641,715,247	1,947,973	-	1,257,725	382,975,467	5,816,100,978	7,843,997,390	3,183,746,103	11,027,743,493	

STATEMENT OF CHANGES IN EQUITY - COMPANY

In LKR	Stated capital	Fair value gain or loss reserve on AFS	General reserve	Retained earnings	Total
Balance as at 01st April 2018	798,504,357	362,754,358	1,257,725	1,767,356,200	2,929,872,641
Total comprehensive income for the period					
Profit for the three months				(42,670,479)	(42,670,479)
Total other comprehensive income for the three months				-	-
Total comprehensive income for the three months				(42,670,479)	(42,670,479)
Share issues					
Dividend paid to owners for 2017/18					
Balance as at 30th June 2018	798,504,357	362,754,358	1,257,725	1,724,685,721	2,887,202,162
Total comprehensive income for the balance period					
Profit for the nine months				302,556,711	302,556,711
Total other comprehensive income for the nine months		16,141,657		(1,692,756)	14,448,901
Total comprehensive income for the nine months		16,141,657		300,863,955	317,005,612
Issue of Shares-Scrip dividend	68,210,885			(68,210,885)	-
Issue of Shares-Private placement	775,000,005				775,000,005
Share issuing cost				(39,700,000)	(39,700,000)
Dividend paid to owners for 2017/18				(136,527,501)	(136,527,501)
Total	843,210,890	-	-	(244,438,386)	598,772,504
Balance as at 31st March 2019	1,641,715,247	378,896,015	1,257,725	1,781,111,290	3,802,980,277
Total comprehensive income for the period					
Profit for the three months				403,662,948	403,662,948
Total other comprehensive income for the three months				-	-
Total comprehensive income for the three months				403,662,948	403,662,948
Dividend paid to owners - 2017/18					
Balance as at 30th June 2019	-	1,641,715,247	378,896,015	1,257,725	2,184,774,238

Figures in brackets indicate deductions.
The above figures are not audited

SUNSHINE HOLDINGS PLC

STATEMENT OF CASH FLOWS - GROUP	Unaudited	Unaudited	Audited
	Quarter ended	Quarter ended	Year ended
	30th June 2019	30th June 2018	31st March 2019
	LKR	LKR	LKR
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax	799,426,302	506,319,042	1,881,576,601
Adjustments for:			
Interest income	(51,189,963)	(24,726,442)	(150,924,100)
Dividend income	-		(7,088,000)
Impairment/Write off of Assets Held for Sale			40,816,871
Profit on sale of property, plant & equipment	(9,470,100)	(15,614,879)	(78,376,481)
Write-off of Intangible Assets	3,090,316		
Write off of other receivables			4,169,680
Provision for other receivable			51,669,147
Biological assets- (gain)/loss from produce crop valuation	-	-	3,151,000
Interest expense	162,715,448	117,559,040	560,068,282
Depreciation & amortization	127,957,019	166,432,818	747,309,189
Profit/(loss) of equity investee	136,505	1,611,179	5,161,319
Opening stock adjustment			
Fair value adjustment in loan			
Fair value (gain)/ loss on investment property			
Loss on discontinued operations			
Biological assets-growing crops on bearer plants			
Impairment of biological assets	43,312,108		2,317,000
Fair value gain in quoted shares	-	4,394,016	11,017,276
Provision / (reversal) for bad and doubtful debts	-	(2,373,298)	(22,673,239)
Amortization of deferred income & capital grants	(12,639,025)	(13,927,977)	(56,823,000)
Amortisation of leasehold right to land	1,333,000	1,758,813	7,034,000
Profit on sale of rubber trees	-	(7,001,640)	(33,105,000)
Fair value gain / (loss) on livestock	-	-	24,493,000
Timber fair valuation gain			(9,473,000)
Profit on Disposal of Assets held for sale			(1,192,252)
Provision for inventories			4,073,494
Loss/(Profit) on Disposal of bearer consumables	163,000		
Provision gratuity excluding actuarial gain/(loss)	28,309,573	30,079,434	298,038,485
Gain on the disposal of Subsidiaries	(231,046,933)		
Gain on deemed disposal of subsidiary	(111,665,092)		
Operating profit before working capital changes	750,432,159	764,510,105	3,281,240,271
(Increase)/decrease in inventories	286,890,048	230,457,074	60,055,169
(Increase)/Decrease in trade and other receivables	(295,229,021)	(470,151,770)	(689,238,992)
(Increase)/decrease in amounts due from related parties	26,661,738	(251,706)	(13,047,972)
Increase/(Decrease) in trade and other payables	(425,551,607)	(423,213,061)	121,914,552
Increase/(decrease) in amounts due to related parties	(18,321,614)	(1,769,786)	21,515,665
Cash generated from/ (used in) operations	324,881,703	99,580,856	2,782,438,694
Interest paid	(162,715,448)	(117,559,040)	(506,571,576)
Income tax paid	(114,863,828)	(113,829,245)	(462,423,561)
Gratuity paid	(32,499,749)	(31,315,833)	(152,320,973)
Net cash / (used in) operating activities	14,802,677	(163,123,262)	1,661,122,584

CASH FLOWS FROM INVESTING ACTIVITIES

Interest received	51,189,963	24,726,442	150,924,100
Dividend income	-	-	7,088,000
(Investments)/ disposal in other investments	(9,910,606)	(8,332,711)	6,409,881
(Investment)/ disposal of Subsidiary	804,006,430	-	-
Investment in Subsidiary	(180,090,000)	-	-
Investments in gratuity fund	(7,042,562)	-	(23,456,000)
Additions to Bearer plants	(40,316,328)	(74,826,580)	(335,629,000)
Additions to Consumable biological assets	(438,000)	-	(28,764,000)
Investment in livestock	(2,886,500)	(132,516,773)	(147,511,000)
Acquisition of property, plant & equipment	(78,166,876)	(196,110,887)	(857,805,894)
Acquisition of intangible assets	-	(12,995,348)	(68,676,718)
Proceeds from disposal of biological assets	67,000	8,267,640	50,167,000
Proceeds from disposal of property, plant & equipment	31,288,721	16,267,420	94,676,314
Proceeds from Sale of Livestock	1,403,000	-	-
Acquisition of Investment Property	(78,299,061)	-	-
Proceeds from Assets held for sale	-	-	14,188,695
Net Cash used in Investing activities	490,805,181	(375,520,797)	(1,138,388,621)

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from Issue of Shares	-	-	775,000,005
Share issuing cost	-	-	(39,700,000)
Proceeds from share issued by subsidiary to NCI	-	-	37,617,512
Receipts of interest bearing borrowings	917,453,504	1,593,078,120	3,173,460,541
Repayment of interest bearing borrowings	(629,343,130)	(1,575,594,604)	(3,372,045,143)
Lease rentals paid	(5,406,068)	(2,972,611)	(26,669,434)
Dividend paid	-	-	(136,527,501)
Payment to non controlling interest shareholders	-	-	(366,484,682)
Net cash from / (used in) financing activities	282,704,306	14,510,905	44,651,298

Net increase/(decrease) in cash and cash equivalents **788,312,164** **(524,133,153)** **567,385,260**

Cash and cash equivalents at the beginning of the period	1,016,824,009	446,554,656	446,554,656
Effect of exchange rate changes on cash and cash equivalents	(559,667)	(173,133)	2,884,093
Cash and cash equivalents at the end of the period	1,804,576,507	(77,751,631)	1,016,824,009

Cash and cash equivalents

Cash in hand & bank	2,732,272,170	1,096,423,986	1,843,593,507
Bank overdraft	(927,695,663)	(1,174,175,617)	(826,769,498)
	1,804,576,507	(77,751,631)	1,016,824,009

Figures in brackets indicate deductions.

The above figures are not audited

SUNSHINE HOLDINGS PLC

STATEMENT OF CASH FLOWS - COMPANY

	Unaudited Quarter ended 30th June 2019 LKR	Unaudited Quarter ended 30th June 2018 LKR	Audited Year ended 31st March 2019 LKR
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax	403,662,948	(42,670,479)	240,636,058
Adjustments for;			
Interest income	(37,396,428)	(16,163,271)	(114,918,099)
Interest expense	44,986,349	43,112,831	178,218,809
Fair value gain in quoted shares	4,032,549	4,394,016	11,017,276
Depreciation & amortization	1,242,146	1,479,366	5,999,124
Profit on sale of property, plant & equipment	(2,011,685)	-	-
Write off of property, plant and equipment			-
Provision for other receivable			4,169,680
Gratuity (payments) /receipts on staff transfer			-
Impairment of investment		20,000,000	87,766,423
Provision for gratuity	4,017,715	3,300,000	14,409,308
Operating profit before working capital changes	418,533,595	13,452,463	427,298,579
(Increase)/decrease in trade and other receivables	(83,647,399)	(87,433,457)	(47,197,268)
(Increase)/decrease in amounts due from related parties	(119,446,553)	(59,041,770)	(54,836,115)
Increase/(decrease) in trade and other payables	85,759,016	134,862,379	3,366,152
Increase/(Decrease) in Amounts Due to Related Parties	1,439,685		
Cash generated from/ (used in) operations	302,638,344	1,839,615	328,631,348
Interest paid	(44,986,349)	(43,112,831)	(143,835,444)
Income tax paid	-	-	(4,365,938)
Employee benefits paid	-	-	(8,090,760)
Net cash / (used in) operating activities	257,651,995	(41,273,216)	172,339,206
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	37,396,428	16,163,271	114,918,099
Investments in subsidiaries			(383,267,473)
Investments in associates			
(Investments)/ disposal in other investments	(5,710,155)	(2,446,634)	6,409,881
Acquisition of intangible assets			
Proceed from disposal of property, plant & equipment	8,501,000		
Acquisition of property, plant & equipment	(7,199,400)	(17,485,311)	(18,288,951)
Net cash used in investing activities	32,987,872	(3,768,674)	(280,228,443)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Issue of Shares			775,000,005
Share issuing cost			(39,700,000)
Receipts of interest bearing borrowings	-	1,425,112,500	1,550,112,500
Repayment of interest bearing borrowings	-	(1,400,000,000)	(1,525,000,000)
Dividend paid	-	-	(136,527,501)
Net Cash from / (used in) Financing Activities	-	25,112,500	623,885,005
Net increase/(decrease) in cash and cash equivalents	290,639,868	(19,929,390)	515,995,768
Cash and cash equivalents at the beginning of the period	1,042,331,375	526,335,611	526,335,607
Cash and cash equivalents at the end of the period	1,332,971,243	506,406,221	1,042,331,375
Cash and cash equivalents			
Cash in hand & bank	1,361,858,899	510,641,463	1,042,331,375
Bank overdraft	(28,887,656)	(4,235,242)	-
	1,332,971,243	506,406,221	1,042,331,375

Figures in brackets indicate deductions.
The above figures are not audited

SUNSHINE HOLDINGS PLC
SEGMENTAL ANALYSIS
FOR THE THREE MONTHS ENDED 30TH JUNE

	Investment		Healthcare		Agri		Consumer Goods		Energy		Management Services		Others		Intragroup		Group	
	LKR 2019	LKR 2018	LKR 2019	LKR 2018	LKR 2019	LKR 2018	LKR 2019	LKR 2018	LKR 2019	LKR 2018	LKR 2019	LKR 2018	LKR 2019	LKR 2018	LKR 2019	LKR 2018	LKR 2019	LKR 2018
REVENUE	442,949,396	34,895,649	2,471,243,063	2,235,962,857	1,392,219,912	1,844,031,381	1,310,817,312	1,391,319,459	25,583,071	92,140,395	-	-	8,523,225	3,695,700	(441,339,394)	(27,397,499)	5,209,996,586	5,574,647,943
RESULT																		
Profit from operating activities	411,252,869	(15,720,919)	229,841,201	147,672,168	313,930,622	286,602,044	84,911,454	131,818,665	(21,585,357)	55,194,873	60,955,867	120,370,340	6,734,011	2,686,604	(174,952,373)	(129,517,505)	911,088,293	599,106,270
Net finance cost	(7,589,921)	(26,949,560)	(30,946,042)	(13,064,468)	(58,583,600)	(28,465,822)	(320,113)	(1,940,387)	(19,847,452)	(10,919,284)	8,881,902	(4,709,806)	(3,120,259)	(5,126,723)	-	-	(111,525,485)	(91,176,050)
Share of equity investee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(136,505)	(1,611,179)	(136,505)	(1,611,179)
Income tax expense	-	-	(58,391,991)	(47,238,650)	(56,484,000)	(54,000,000)	(26,771,591)	(39,569,050)	(886,837)	(72,621)	-	-	-	-	(84,270,949)	(24,340,059)	(226,805,368)	(165,220,380)
Profit for the year	403,662,948	(42,670,479)	140,503,168	87,369,050	198,863,022	204,136,223	57,819,750	90,309,229	(42,319,647)	44,202,968	69,837,769	115,660,534	3,613,752	(2,440,120)	(259,359,826)	(155,468,743)	572,620,935	341,098,662
Other comprehensive income	-	-	-	-	-	-	-	(173,133)	-	-	339,273,149	-	-	-	(339,273,149)	-	-	(173,133)
Total comprehensive income	403,662,948	(42,670,479)	140,503,168	87,369,050	198,863,022	204,136,223	57,819,750	90,136,096	(42,319,647)	44,202,968	409,110,918	115,660,534	3,613,752	(2,440,120)	(598,632,976)	(155,468,743)	572,620,935	340,925,529
OTHER INFORMATION																		
Segment assets	6,108,661,370	4,594,987,096	5,516,079,941	5,110,053,079	6,698,778,345	10,200,948,343	1,555,666,687	1,596,755,381	1,875,106,490	1,751,788,132	8,989,705,593	8,676,444,744	690,071,727	483,803,601	(11,152,354,189)	(11,873,372,539)	20,281,715,964	20,541,407,836
Equity & reserves	4,206,643,225	2,887,202,162	2,237,442,160	2,468,283,854	4,002,484,619	5,681,139,527	1,017,851,446	963,673,837	983,054,821	864,134,472	8,985,470,347	8,556,463,889	475,941,119	249,908,135	(10,881,144,243)	(11,527,757,191)	11,027,743,493	10,143,048,685
Total liabilities	1,902,018,145	1,707,784,933	3,278,637,781	2,641,769,224	2,696,293,726	4,519,808,816	537,815,241	633,081,544	892,051,669	887,653,660	4,235,247	119,980,856	214,130,608	233,895,466	(271,209,946)	(345,615,348)	9,253,972,470	10,398,359,149
Depreciation	1,242,146	1,479,366	26,238,799	31,992,051	60,283,585	101,924,611	13,360,211	13,951,885	26,824,134	17,084,905	8,144	-	-	-	-	-	127,957,019	166,432,818
Capital expenditure	7,199,400	17,485,311	7,800,917	21,710,606	83,693,554	277,531,006	11,830,832	34,422,396	126,000	65,300,269	-	-	10,719,000	-	-	-	121,369,703	416,449,588

Figures in brackets indicate deductions.

The above figures are not audited

SUNSHINE HOLDINGS PLC

NOTES TO THE ACCOUNTS

1 Corporate information

Sunshine Holdings PLC (the "Company") is a Company incorporated and domiciled in Sri Lanka. The ordinary shares of the Company are listed on Colombo Stock Exchange of Sri Lanka. The address of the Company's registered office is no. 60, Dharmapala Mawatha, Colombo 03.

The Group is primarily involved in the importing and selling of pharmaceuticals, managing portfolio of investments, cultivation and marketing of tea, rubber, palm oil and related products, manufacturing and selling of food and tea cans and generation of power.

2 Interim consolidated financial statements

The Interim Financial Statements for the year ended 30th June 2019, includes the "Company" referring to Sunshine Holdings PLC as the holding Company and the "Group" comprise the Company and subsidiary companies of Sunshine Healthcare Lanka Limited and its subsidiaries, Sunshine Packaging Lanka Limited and its subsidiary, Sunshine Energy (Pvt) Limited and its subsidiaries, Estate Management Services (Pvt) Limited, Watawala Plantations PLC and its subsidiaries, Hatton Plantations PLC (up to 27th May 2019) and Watawala Tea Ceylon Limited.

3 Approval of financial statements

The Interim Financial Statements of the Group and the Company for the three months ended 30th June 2019, were authorised for issue by the Board of Directors on 05th August 2019.

4 Basis of preparation

The Interim Consolidated Financial Statements have been prepared in accordance with the Sri Lanka Accounting Standards with effect from 01st January 2014 (SLFRS/LKAS). There were no changes to the accounting policies and methods of computation since the publication of the Annual Report 2018/19. Further, these Financial Statements have been prepared in compliance with the requirement of the Sri Lanka Accounting Standard - LKAS 34 on "Interim Financial Reporting". Previous period figures and phrases have been rearranged wherever necessary to conform to the current presentation.

SLFRS 16-Leases is effective from the financial year 2019/20. The group is in the process of assessing the impact on the adoption of SLFRS 16.

5 Significant Accounting Policies

5.1 Basis of Consolidation

Subsidiaries are those entities controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes in to consideration that substantive rights that give the ability to direct the activities of the subsidiaries.

The Financial Statements of the subsidiaries are included in the Consolidated Financial Statements from the date the control effectively commences until the date that control effectively ceases. Non- controlling interest is measured at the proportionate share of the acquiree's identifiable net assets. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

5.2 Property, Plant & equipments

5.2.1 Recognition and measurement

Property, plant and equipment is recorded at cost less accumulated depreciation and accumulated impairment losses if any, whilst land is measured at fair value.

5.2.2 De-recognition

The carrying amount of an item of Property, plant & equipment is de-recognised on disposal; or when no future economic benefits are expected from its use. Gains and losses on de-recognition are recognised in income statement and gains are not classified as revenue. When re-valued assets are sold, any related amount included in the revaluation reserve is transferred to Retained Earnings.

5.2.3 Depreciation

Depreciation is recognised in income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant & equipment.

SUNSHINE HOLDINGS PLC

NOTES TO THE ACCOUNTS

5.2.4 Biological assets

The Group recognise the biological assets when, and only when, the Company controls the assets as a result of past events, it is probable that future economic benefits associated with the assets will flow to the entity and fair value or cost of the assets can be measured reliably.

Bearer biological assets

Tea, rubber, oil palm, caliandra ,sundry crops and nurseries are classified as bearer biological assets. The bearer biological assets are measured at cost less accumulated depreciation and accumulated impairment losses, if any, in terms of Sri Lanka Accounting Standard LKAS 16 - Property Plant and Equipment as per the ruling issued by Institute of Chartered Accountants of Sri Lanka.

Consumable biological assets

Timber plantation is classified as consumable biological assets and is measured on initial recognition and at the end of each reporting period at fair value less cost to sell. Costs to sell include all costs that would be necessary to sell the assets, including transportation costs. The fair value of trees younger than five years cannot be reliably estimated and are carried at cost less impairment. The cost includes direct material, direct labour and appropriate proportion of directly attributable overheads. Gains or losses arising on initial recognition of timber plantations at fair values less costs to sell and from the change in fair values less costs of plantations at each reporting date are included in profit or loss for the period in which they arise. All costs incurred in maintaining the assets are included in Profit or Loss for the period in which they arise.

Livestock

Livestock is measured at their fair value less estimated point of sale costs. Changes in fair value of livestock are recognised in the income statement.

5.3 Investment properties

Investment properties are measured initially at cost, including transaction costs. The carrying value of an investment property includes the cost of replacing part of an existing investment property, at the time that cost is incurred if the recognition criteria are met, and excludes the costs of day to- day servicing of the investment property. Subsequent to initial recognition, the investment properties are stated at fair values, which reflect market conditions at the reporting date. Gains or losses arising from changes in fair value are included in the income statement in the year in which they arise. Fair values are evaluated at least every 3 years by an accredited external, independent valuer. Investment properties are derecognised when disposed, or permanently withdrawn from use because no future economic benefits are expected. Any gains or losses on retirement or disposal are recognised in the income statement in the year of retirement or disposal.

5.4 Investments in subsidiaries

Quoted and unquoted investments in shares held on long term basis by the Company and Group are stated at cost less provision for diminution in value of investments.

Estate Management Services (Pvt) Ltd, a subsidiary of the company, has disposed 51% of ordinary shares in issue in Hatton Plantations PLC at Rs 8.30 per share on 28th May 2019. Remaining interest of 24.65% is treated as Assets Held for Sale as of 30th June 2019 as there is a contractual obligation with the buyer to sell the balance stake.

5.5 Other long term investments

Unquoted investments in shares held on long-term basis are stated at fair value at the financial position date.

5.6 Inventories

Inventories other than produce stock and nurseries are stated at the lower of cost or net realisable value, after making due allowances for obsolete and slow moving items. The Group uses weighted average cost formula and actual cost in assigning the cost of inventories. The cost includes expenses in acquiring stocks, production and conversion cost and other costs incurred in bringing them to their existing location and condition.

5.7 Revenue

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

SUNSHINE HOLDINGS PLC

NOTES TO THE ACCOUNTS

a) Dividend income

Sunshine Holdings PLC's revenue comprises net dividends received from Group Companies and other equity investments. Dividend income is recognised in income statement on the date the entity's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

b) Perennial crops

Revenue from perennial crops are recognised in the year of harvesting. Revenue comprises of invoiced value of sales, net of brokerage, public sale expenses, and other levies related to turnover.

Sale of tea at auction

As per the Tea By-Laws and conditions issued by the Ceylon Tea Traders' Association (Section 17), the highest bidder (buyer) is accepted and a sale is completed at the fall of the hammer. The sale is recorded at the price and quantity agreed upon and raise the sale note.

Sale of palm oil

The revenue is recognised on invoicing and oil is ready for delivery.

Income from sale of trees

Revenue from the sale of timber/trees is recognised at the point that the legal ownership, risk of loss and the rewards have passed to the purchaser and the quantity sold is determinable.

Income from livestock

Revenue from the sale of livestock is measured at the fair value of the consideration received or receivable. Any increase or decrease in the fair value of livestock is recognised as revenue in the income statement under profit or loss.

c) **Wholesale and retail** revenue is recognized on an accrual basis at the point of invoicing

6 Utilisation of private placement proceeds

Objective number	Objective as per shareholder circular	Amount allocated as per shareholder circular in LKR	Proposed date of utilization as per shareholder circular	Amount allocated from proceeds in LKR (A)	% of total proceeds	Amount utilized in LKR (B)	% of Unutilized against allocation (B/A)	Clarification if not fully utilized including where the funds are invested (eg. Whether lent to related parties' etc.)
2	2	775,000,000	12-Apr-2021	775,000,000	100%	-	0%	Fixed deposit in a licensed commercial bank

7 Comparatives

The presentation and classification of the Financial Statements of the previous periods have been amended, where relevant, for better presentation and to be comparable with those of the current period.

8 Events after the reporting date

No circumstance has arisen since the reporting date which would require adjustment to or disclosure in the financial statements.

9 Stated capital is represented by shares in issue as given below:

No. of shares as at	30th June 2019	31st March 2019	30th June 2018
Ordinary shares	149,554,103	149,554,103	136,492,280

SUNSHINE HOLDINGS PLC

NOTES TO THE ACCOUNTS

10 Dividend

Year ended 31st March

	2018	2017	2016
Dividend paid (Rs)	136,492,280	168,926,233	141,898,035
No of ordinary shares	136,492,280	135,140,986	135,140,986
Dividend per share (cash)	1.00	1.25	1.05
Dividend per share (scrip)	0.50	0.50	-

11 Commitments & contingencies

There has not been significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31st March 2019.

12 Net Assets per share

Net assets per share has been calculated, for all periods, based on the number of shares issued as at the reporting date.

13 The interim Financial Statements are not audited.

SUNSHINE HOLDINGS PLC
NOTES TO THE ACCOUNTS

SHAREHOLDER INFORMATION

Market price per share	Three months	Three months	Audited
	ended	ended	Year ended
	30th June 2019	30th June 2018	31st March 2019
	Rs.	Rs.	Rs.
Highest price	49.90	60.00	60.00
Lowest price	38.00	50.70	42.00
Last traded price	41.00	54.54	47.00

TWENTY (20) LARGEST SHAREHOLDERS AS AT

Name	30th June 2019		31st March 2019	
	No of Shares	%	No of Shares	%
	Held		Held	
1 Lamurep Investments Limited	67,905,601	45.41%	67,905,601	45.41%
2 SBI Ven Holdings Pte Limited	27,046,773	18.08%	27,046,773	18.08%
3 Deepcar Limited	26,071,826	17.43%	26,071,826	17.43%
4 Sampath Bank/Dr. T. Senthilvel	9,173,828	6.13%	9,173,828	6.13%
5 Ceylon Property Development Limited	3,055,292	2.04%	3,055,292	2.04%
6 J.B. Cocoshell (Pvt) Limited	2,331,967	1.56%	2,331,967	1.56%
7 GF Capital Global Limited	2,000,718	1.34%	1,900,718	1.27%
8 Deutsche Bank AG - National Equity Fund	1,210,016	0.81%	1,210,016	0.81%
9 Hatton National Bank PLC- Candor Opportunities Fund	1,008,347	0.67%	1,008,347	0.67%
10 Seylan Bank Plc/Dr.Thirugnanasambandar Senthilvel	743,425	0.50%	711,383	0.48%
11 Mr. P.H.A.K. Fernando	655,935	0.44%	655,935	0.44%
12 Nuwara Eliya Property Developers (pvt) Ltd	585,862	0.39%	585,862	0.39%
13 Mr.V.Govindasamy	451,500	0.30%	451,500	0.30%
14 Pershing LLC S/A Aerbach Grauson & Co	328,225	0.22%	328,225	0.22%
15 E.W. Balasuriya & Co. (Pvt) Limited	301,800	0.20%	301,800	0.20%
16 Cocoshell Activated Carbon Company Limited	290,963	0.19%	290,963	0.19%
17 Deutsche Bank AG Singapore Branch	282,337	0.19%	282,337	0.19%
18 Mrs. N.C. Madanayake	282,337	0.19%	282,337	0.19%
19 Mr. U.G. Madanayake	282,337	0.19%	282,337	0.19%
20 Mr. R. Maheswaran	254,607	0.17%	254,607	0.17%
Sub Total	144,263,696	96.46%	144,131,654	96.37%
Others	5,290,407	3.54%	5,422,449	3.63%
Total	149,554,103	100.00%	149,554,103	100.00%

PUBLIC SHARE HOLDING				
	Requirement by CSE	As at 30th June 2019	Requirement by CSE	As at 31st March 2019
Option	5	5	5	5
Float adjusted market capitalization	Less than Rs.2,500,000,000/-	2,094,594,945	Less than Rs.2,500,000,000/-	2,398,309,417
The percentage of shares held by the public	20%	34.16%	20%	34.12%
Number of shareholders representing public holding	500	1,859	500	1,829

The number of shares held by the Board of Directors are as follows:

	As at 30th June 2019	As at 31st March 2019
Mr.V.Govindasamy - Group Managing Director	451,500	451,500
Mr.G.Sathasivam	3,055	3,055
Mr.S.G.Sathasivam	1,018	1,018
Mr. A.D.B.Talwatte	1,018	1,018

CORPORATE INFORMATION

Name of Company

Sunshine Holdings PLC

Legal Form

Public Limited Liability Company
(Incorporated in 1973 and listed in the
Colombo Stock Exchange)

Company Registration Number

PQ13

Principal Activities

Holding Company, carrying out investment in subsidiaries

Registered Office

No. 60, Dharmapala Mawatha, Colombo 03

Directors

Mr. Munir Shaikh- (Chairman)
Mr. G. Sathasivam
Mr. V. Govindasamy -(Group Managing Director)
Mr. B.A. Hulangamuwa(resigned w.e.f. 30th May 2019)
Mr. S.G. Sathasivam
Mr. H. D. Abeywickrama
Mr. A. Talwatte
Mr. D. A. Cabraal
Mr. S. Shishoo
Mr. Y Kitao
Mr. Shiran Dias- Alternate Director
Ms. Shalini Ratwatte (appointed w.e.f.30th May 2019)

Secretaries

Corporate Services (Private) Limited
No. 216, De Seram Place,
Colombo 10
Tel: 011 4 605 100

Auditors

KPMG
Chartered Accountants
32A, Sri Mohamed Macan Marker Mawatha,
Colombo 03

Lawyers

F J & G de Saram (Attorney- at -Law)
No.216, de Saram Place
Colombo 10

Nithya Partners

Attorneys-at-Law
No. 97/A, Galle Road
Colombo 03

Bankers

Hatton National Bank PLC
National Development Bank PLC
MCB Bank Limited
Standard Chartered Bank Ltd.
Seylan Bank PLC

Credit Ratings

The Company has been assigned a national long-term rating of 'A-(lka)'; outlook stable by Fitch Ratings Lanka Limited