



# **INTERIM FINANCIAL STATEMENTS**

FOR THE THREE MONTHS ENDED  
30th JUNE 2016

## GROUP MANAGING DIRECTOR'S MESSAGE

Dear Shareholder,

For the quarter ended 30th June 2016, Group revenue grew by 10.6% YoY to Rs. 4.6 billion whilst PAT grew by 29.9% YoY on recurring basis to Rs. 408 million.

Group EBIT amounted to Rs.519 million for the quarter ended 30th June 2016 compared to Rs. 399 million recorded the previous year same quarter, representing a growth of 30.0% YoY.

Growth in Group revenue was mainly driven by the Healthcare and FMCG sectors up 17.8% and 14.4% respectively, despite a contraction in Agri revenue by 1.6% YoY. As a result of the change in Tea Strategy, both Group EBIT and EBIT margin increased which is also attributed to the performance in Agri sector, in spite of a significant margin contraction in the FMCG sector.

Healthcare revenue for the quarter ended 30th June 2016, stood at Rs. 2.0 billion, up 17.8% YoY compared to Rs. 1.7 billion for the last year same period. PAT stood at Rs. 80 million for Q1 2016/17 compared to Rs. 85 million in last year same period.

FMCG sector recorded a revenue growth of 14.4%, to achieve revenue of Rs. 783 million as a result of the growth in both modern trade and an increase in international trade. The PAT has declined by 49.1% to Rs. 41 million for the quarter ended 30 June 2016.

Despite the marginal decline in Agri sector revenue by 1.6% to Rs. 1.7 billion, profit after tax increased remarkably by Rs. 108 million, an increase of 82.7% amounting to Rs.239 million from Rs.131 million in the same period previous year. This is due to a reduction in loss for the Tea subsector as well as increase in Palm Oil revenue coupled with a tight control in overhead costs.

As proposed by the government, it was agreed to pay an interim allowance of Rs 100/- per day for the months of June & July 2016, until the wage negotiations are finalized. A productivity based wage revision is proposed which would come into effect from the month of August 2016.

Power sector revenue declined by Rs. 23.9% to Rs. 24.6 million from Rs. 32.3 million attributable to the reduction in rainfall, followed by a decline in EBIT by 39.4%, which is a drop of Rs. 6.6 million in absolute terms, mainly due to the reduction in turnover.

The packaging sector revenue improved by Rs. 7 million which is an increase of 7.8% whilst also enhancing its gross profit by 42.2% amounting to Rs. 7 million in absolute terms compared to the same period previous year. The PAT increased remarkably by Rs. 2.6 million, up 45.0% against same period last year.

Profits attributable to equity shareholders of Sunshine Holdings PLC increased significantly by 27.2% YoY to stand at Rs. 207 million for Q1 2016/17. EPS for Q1 2016/17 stood at Rs. 1.53 per share, compared to Rs. 1.20 per share for the same period last year

Given the impressive performance and strong Balance sheet of Sunshine Holdings PLC, your Company has been assigned an 'A(Ika)' national long term rating with a stable outlook by Fitch Ratings Lanka Ltd.

Further details of the Groups year Q1 2016/17 performance is available in the company website (<http://www.sunshineholdings.lk/investor%20relations/index.php>)



V. Govindasamy  
Group Managing Director  
09th August 2016  
Colombo

# SUNSHINE HOLDINGS PLC

## STATEMENT OF COMPREHENSIVE INCOME - GROUP

	Unaudited		Change %	Audited
	Quarter ended 30th June 2016 Rs	Quarter ended 30th June 2015 Rs		Year ended 31st March 2016 Rs
<b>Revenue</b>	<b>4,621,153,886</b>	<b>4,178,797,885</b>	<b>11</b>	<b>17,422,249,764</b>
Cost of sales	(3,415,366,049)	(3,234,961,154)	6	(13,329,433,616)
<b>Gross profit</b>	<b>1,205,787,837</b>	<b>943,836,731</b>	<b>28</b>	<b>4,092,816,148</b>
Other income	17,513,046	63,943,779	(73)	158,561,283
Administration expenses	(449,508,925)	(417,987,252)	8	(1,639,871,812)
Selling & distribution expenses	(254,682,758)	(190,617,286)	34	(929,384,452)
Write off expenses incurred on new venture	-	-	-	(21,522,591)
<b>Results from operating activities</b>	<b>519,109,200</b>	<b>399,175,972</b>	<b>30</b>	<b>1,660,598,576</b>
Finance income	43,975,395	25,912,912	70	109,014,813
Finance cost	(51,111,199)	(44,067,341)	16	(176,960,928)
<b>Net finance cost</b>	<b>(7,135,804)</b>	<b>(18,154,429)</b>	<b>(61)</b>	<b>(67,946,115)</b>
Share of profit of equity accounted investees	352,343	(323,563)	209	(1,408,453)
<b>Profit before tax</b>	<b>512,325,739</b>	<b>380,697,980</b>	<b>35</b>	<b>1,591,244,008</b>
Income tax expense	(104,170,584)	(66,437,353)	57	(373,645,411)
<b>Profit for the period</b>	<b>408,155,155</b>	<b>314,260,627</b>	<b>30</b>	<b>1,217,598,597</b>
<b>Other comprehensive income</b>				
Fair value change in available for sales financial assets	-	-	-	12,918,829
Defined benefit plan actuarial gain/(loss)	-	-	-	95,650,888
Tax on other comprehensive income	-	-	-	(16,108,621)
Total other comprehensive income for the period	-	-	-	92,461,096
<b>Total comprehensive income for the period</b>	<b>408,155,155</b>	<b>314,260,627</b>	<b>30</b>	<b>1,310,059,693</b>
<b>Profit attributable to:</b>				
Owners of the parent company	206,540,839	162,386,481	27	586,787,880
Non controlling interest	201,614,316	151,874,146	33	630,810,717
<b>Other comprehensive income attributable to:</b>				
Owners of the parent company	-	-	-	19,001,508
Non controlling interest	-	-	-	73,459,588
<b>Total comprehensive income for the period</b>	<b>408,155,155</b>	<b>314,260,627</b>	<b>30</b>	<b>1,310,059,693</b>
Basic earnings per share from continuing operations	1.53	1.20		4.34

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 2016 Rs	Quarter ended 30th June 2015 Rs	Change %	Year ended 31st March 2016 Rs
Revenue	131,230,368	46,142,481	184	265,431,378
Cost of sales	(34,541,321)	(2,983,040)	n/m	(16,364,802)
<b>Gross profit</b>	<b>96,689,047</b>	<b>43,159,441</b>	<b>124</b>	<b>249,066,576</b>
Other income	40,947,407	2,497,645	-	119,819,056
Administration expenses	(73,336,432)	(26,734,053)	174	(211,180,779)
<b>Results from operating activities</b>	<b>64,300,022</b>	<b>18,923,033</b>	<b>240</b>	<b>157,704,853</b>
Finance income	19,992,821	18,524,693	8	65,040,812
Finance cost	(152,773)	(624,874)	(76)	(1,569,267)
<b>Net finance cost</b>	<b>19,840,048</b>	<b>17,899,819</b>	<b>11</b>	<b>63,471,545</b>
<b>Profit before tax</b>	<b>84,140,070</b>	<b>36,822,852</b>	<b>128</b>	<b>221,176,398</b>
Income tax expense	-	-		(769,355)
<b>Profit for the period</b>	<b>84,140,070</b>	<b>36,822,852</b>	<b>128</b>	<b>220,407,043</b>
<b>Other comprehensive income</b>				
Fair value change in available for sales financial assets		-	-	2,155,829
Defined benefit plan actuarial gain/(loss)				(9,147,887)
<b>Total other comprehensive income for the period</b>	<b>-</b>	<b>-</b>		<b>(6,992,058)</b>
<b>Total comprehensive income for the period</b>	<b>84,140,070</b>	<b>36,822,852</b>	<b>128</b>	<b>213,414,985</b>
Basic earnings per share from continuing operations	0.62	0.27		1.63

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 2016 Rs	Audited As at 31st March 2016 Rs
<b>ASSETS</b>		
<b>Non current assets</b>		
Property, plant and equipment	3,978,657,924	3,899,448,315
Leasehold right to bare land	203,749,322	205,508,000
Biological assets	3,464,931,492	3,431,155,000
Intangible assets	156,535,153	137,471,955
Investment in equity investee	6,628,271	6,275,928
Other investments	1,245,202,485	1,296,865,044
Investment in gratuity fund	239,700,556	234,369,000
Deferred tax assets	79,862,076	82,380,722
<b>Total non current assets</b>	<b>9,375,267,279</b>	<b>9,293,473,964</b>
<b>Current assets</b>		
Inventories	2,998,245,463	2,892,173,039
Current tax assets	16,485,968	16,487,167
Trade & other receivables	2,855,351,205	2,370,524,216
Amounts due from related parties	145,576,740	83,962,322
Cash & cash equivalent	1,574,734,639	1,465,372,953
<b>Total current assets</b>	<b>7,590,394,015</b>	<b>6,828,519,697</b>
<b>Total assets</b>	<b>16,965,661,294</b>	<b>16,121,993,661</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Stated capital	730,939,657	730,939,657
Reserves	1,257,725	1,257,725
Retained earnings	5,255,932,977	5,049,392,138
<b>Equity attributable to owners of the company</b>	<b>5,988,130,359</b>	<b>5,781,589,520</b>
Non-controlling interests	4,662,171,609	4,168,557,293
<b>Total equity</b>	<b>10,650,301,968</b>	<b>9,950,146,813</b>
<b>Non current liabilities</b>		
Loans and borrowings	1,327,563,818	1,279,610,187
Employee benefits	1,117,632,282	1,127,179,002
Deferred income and capital grants	199,766,739	203,569,000
Deferred tax	285,940,760	273,461,405
<b>Total non current liabilities</b>	<b>2,930,903,599</b>	<b>2,883,819,594</b>
<b>Current liabilities</b>		
Bank overdraft	464,337,765	423,454,152
Current tax liabilities	152,809,434	122,307,205
Loans and borrowings	413,978,761	456,186,217
Trade and other payables	2,350,750,801	2,284,702,647
Amounts due to related parties	2,578,966	1,377,033
<b>Total current liabilities</b>	<b>3,384,455,727</b>	<b>3,288,027,254</b>
<b>Total equity and liabilities</b>	<b>16,965,661,294</b>	<b>16,121,993,661</b>
Net asset value per share (rs.)	44.31	42.78

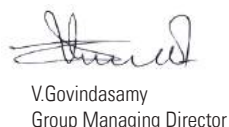
These Financial Statements are in compliance with the requirements of the Companies Act No. 7 of 2007. The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Signed on Behalf of the Board

  
Munir Shaikh  
Chairman

09th August 2016  
Colombo

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

  
V. Govindasamy  
Group Managing Director

  
WDP L Vithanage  
Group Chief Financial Officer

# SUNSHINE HOLDINGS PLC

## STATEMENT OF FINANCIAL POSITION - COMPANY

	Unaudited As at 30th June 2016 Rs	Audited As at 31st March 2016 Rs
<b>ASSETS</b>		
<b>Non current assets</b>		
Property, plant and equipment	6,276,008	6,077,792
Intangible assets	2,098,856	2,191,875
Investment in subsidiaries	1,241,371,879	1,041,371,979
Investment in equity investee	6,111,426	6,111,426
Other investments	692,516,690	721,505,044
<b>Total non current assets</b>	<b>1,948,374,859</b>	<b>1,777,258,116</b>
<b>Current assets</b>		
Current tax assets	3,158,748	3,158,748
Trade & other receivables	71,956,876	32,983,484
Amounts due from related parties	253,498,014	208,404,919
Cash & cash equivalent	742,836,319	894,039,444
<b>Total current assets</b>	<b>1,071,449,957</b>	<b>1,138,586,595</b>
<b>Total assets</b>	<b>3,019,824,816</b>	<b>2,915,844,711</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Stated capital	730,939,657	730,939,657
Reserves	1,257,725	1,257,725
Retained earnings	2,210,897,358	2,126,757,288
<b>Equity attributable to owners of the company</b>	<b>2,943,094,740</b>	<b>2,858,954,670</b>
Non-controlling interests	-	-
<b>Total equity</b>	<b>2,943,094,740</b>	<b>2,858,954,670</b>
<b>Non current liabilities</b>		
Employee benefits	44,998,526	43,198,526
Deferred tax	-	-
<b>Total non current liabilities</b>	<b>44,998,526</b>	<b>43,198,526</b>
<b>Current liabilities</b>		
Bank overdraft	7,857,697	-
Current tax liabilities	596,051	596,051
Trade and other payables	23,277,802	11,735,061
Amounts due to related parties	-	1,360,403
<b>Total current liabilities</b>	<b>31,731,550</b>	<b>13,691,515</b>
<b>Total equity and liabilities</b>	<b>3,019,824,816</b>	<b>2,915,844,711</b>
Net asset value per share (rs.)	21.78	21.16

These Financial Statements are in compliance with the requirements of the Companies Act No. 7 of 2007. The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Signed on Behalf of the Board



Munir Shaikh  
Chairman  
09th August 2016  
Colombo



V.Govindasamy  
Group Managing Director



WDPL Vithanage  
Group Chief Financial Officer

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

**SUNSHINE HOLDINGS PLC**  
**FOR THE THREE MONTHS ENDED 30TH JUNE 2016**  
**STATEMENT OF CHANGES IN EQUITY - GROUP**

In Rupees	Attributable to owners of the company						
	Stated capital	Share premium	General reserve	Retained earnings	Total	Non-controlling shareholders interest	Total equity
<b>Balance as 01st April 2015</b>	<b>730,939,657</b>	<b>399,837</b>	<b>857,888</b>	<b>4,571,180,685</b>	<b>5,303,378,067</b>	<b>3,643,544,084</b>	<b>8,946,922,151</b>
<b>Total comprehensive income for the period</b>							
Profit for the three months				162,386,481	162,386,481	151,874,146	314,260,627
Total other comprehensive income for the three months				-	-	-	-
Total comprehensive income for the three months				162,386,481	162,386,481	151,874,146	314,260,627
<b>Transactions with owners of the company</b>							
Share issues		-	-	-	-	-	-
Effect on percentage change in holding of energy group						-	-
Dividend paid to owners for 2014/15						-	-
Total contributions by and distributions to owners of the company	-	-	-	-	-	-	-
<b>Balance as at 30th June 2015</b>	<b>730,939,657</b>	<b>399,837</b>	<b>857,888</b>	<b>4,733,567,166</b>	<b>5,465,764,548</b>	<b>3,795,418,230</b>	<b>9,261,182,778</b>
<b>Total comprehensive income for the balance period</b>							
Profit for the nine months				424,401,399	424,401,399	478,936,571	903,337,970
Total other comprehensive income for the nine months				19,001,508	19,001,508	73,459,588	92,461,096
<b>Total comprehensive income for the nine months</b>				<b>443,402,907</b>	<b>443,402,907</b>	<b>552,396,159</b>	<b>995,799,066</b>
<b>Transactions with owners of the company for the balance period</b>							
Share issues						51,147,540	51,147,540
Effect on percentage change in holding of energy group				806,002	806,002	(806,002)	-
Dividend payments to non-controlling shareholders				(128,383,937)	(128,383,937)	(229,598,634)	(357,982,571)
	-	-	-	<b>(127,577,935)</b>	<b>(127,577,935)</b>	<b>(179,257,096)</b>	<b>(306,835,031)</b>
<b>Balance as at 31st March 2016</b>	<b>730,939,657</b>	<b>399,837</b>	<b>857,888</b>	<b>5,049,392,138</b>	<b>5,781,589,520</b>	<b>4,168,557,293</b>	<b>9,950,146,813</b>
<b>Total comprehensive income</b>							
Profit for the three months				206,540,839	206,540,839	201,614,316	408,155,155
Total other comprehensive income for the three months				-	-	-	-
<b>Total comprehensive income for the three months</b>				<b>206,540,839</b>	<b>206,540,839</b>	<b>201,614,316</b>	<b>408,155,155</b>
Share issues						292,000,000	292,000,000
Dividend paid to owners for 2015/16						-	-
<b>Dividend payments to non-controlling shareholders</b>						-	-
<b>Balance as at 30th June 2016</b>	<b>730,939,657</b>	<b>399,837</b>	<b>857,888</b>	<b>5,255,932,977</b>	<b>5,988,130,359</b>	<b>4,662,171,609</b>	<b>10,650,301,968</b>

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

# SUNSHINE HOLDINGS PLC

FOR THE THREE MONTHS ENDED 30TH JUNE 2016  
STATEMENT OF CHANGES IN EQUITY - COMPANY

	Stated capital Rs.	Share premium Rs.	General reserve Rs.	Retained Profit Rs.	Total Rs.
<b>Balance as at 01st April 2015</b>	<b>730,939,657</b>	<b>399,837</b>	<b>857,888</b>	<b>2,041,726,240</b>	<b>2,773,923,622</b>
<b>Total comprehensive income for the period</b>					
Profit for the three months				36,822,852	36,822,852
Total other comprehensive income for the three months				-	-
<b>Total comprehensive income for the three months</b>				<b>36,822,852</b>	<b>36,822,852</b>
<b>Transactions with owners of the company</b>					
Dividend paid to owners for 2014/15					-
<b>Balance as at 30th June 2015</b>	<b>730,939,657</b>	<b>399,837</b>	<b>857,888</b>	<b>2,078,549,092</b>	<b>2,810,746,474</b>
<b>Total comprehensive income for the balance period</b>					
Profit for the nine months				183,584,191	183,584,191
Total other comprehensive income for the nine months				(6,992,058)	(6,992,058)
<b>Total comprehensive income for the nine months</b>				<b>176,592,133</b>	<b>176,592,133</b>
<b>Transactions with owners of the company</b>					
Dividend paid to owners for 2014/15	-	-	-	(128,383,937)	(128,383,937)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(128,383,937)</b>	<b>(128,383,937)</b>
<b>Balance as at 31st March 2016</b>	<b>730,939,657</b>	<b>399,837</b>	<b>857,888</b>	<b>2,126,757,288</b>	<b>2,858,954,670</b>
<b>Total comprehensive income for the period</b>					
Profit for the three months				84,140,070	84,140,070
Total other comprehensive income for the three months				-	-
<b>Total comprehensive income for the three months</b>				<b>84,140,070</b>	<b>84,140,070</b>
<b>Dividend paid to owners - 2015/16</b>					
				-	-
<b>Balance as at 30th June 2016</b>	<b>730,939,657</b>	<b>399,837</b>	<b>857,888</b>	<b>2,210,897,358</b>	<b>2,943,094,740</b>

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



# SUNSHINE HOLDINGS PLC

## STATEMENT OF CASH FLOW - GROUP

	Unaudited Quarter ended 30th June 2016 Rs	Unaudited Quarter ended 30th June 2015 Rs	Audited Year ended 31st March 2016 Rs
<b>Profit before income tax</b>	<b>512,325,739</b>	<b>380,697,980</b>	<b>1,591,244,008</b>
<b>Adjustments for:</b>			
Interest income	(43,975,395)	(25,912,912)	(109,014,813)
Dividend income	-	(3,620,000)	-
Profit/(loss) of equity investee	(352,333)	323,563	1,408,453
Profit on sale of property, plant & equipment	(1,460,582)	(16,150,016)	(34,851,506)
Gain/(loss) on fair value of biological assets	-	-	(29,491,000)
Interest expense	51,111,199	44,067,341	176,960,928
Depreciation & amortization	130,946,633	124,827,449	509,403,601
Fair value gain in quoted shares	3,633,211	(2,457,145)	14,809,084
Provision / (reversal) for bad and doubtful debts	-	-	(12,500,437)
Amortization of deferred income & capital grants	(3,802,261)	(2,510,261)	(10,041,000)
Amortization of leasehold rights	1,758,678	1,758,678	7,035,000
Profit on sale of consumable biological assets	-	(30,025,000)	(16,179,000)
Movement in livestock	-	-	12,721,000
Provision gratuity excluding actuarial gain/(loss)	26,119,001	27,263,629	205,753,860
<b>Operating profit before working capital changes</b>	<b>676,303,890</b>	<b>498,263,306</b>	<b>2,307,258,178</b>
(Increase)/decrease in inventories	(106,072,424)	19,134,804	(257,522,838)
(Increase)/decrease in trade and other receivables	(484,826,989)	(136,317,647)	(319,670,602)
(Increase)/decrease in amounts due from related parties	(61,614,418)	(70,428,598)	(1,279,703)
Increase/(decrease) in trade and other payables	66,048,154	174,640,808	291,913,470
Increase/(decrease) in amounts due to related parties	1,201,933	(548,369)	431,898
<b>Cash generated from/ (used in) operations</b>	<b>91,040,146</b>	<b>484,744,304</b>	<b>2,021,130,403</b>
Interest paid	(51,111,199)	(42,858,952)	(176,960,928)
Income tax paid	(58,669,155)	(45,829,342)	(296,199,966)
Gratuity paid	(35,665,721)	(44,318,130)	(126,136,810)
<b>Net cash / (used in) operating activities</b>	<b>(54,405,929)</b>	<b>351,737,880</b>	<b>1,421,832,699</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	43,975,395	25,912,912	109,014,813
Investment in subsidiary/ associates	-	(2,472,795)	(3,391,601)
Dividend income	-	3,620,000	-
(Investments)/ disposal in other investments	48,029,337	(15,337,013)	(625,612,533)
Investments in gratuity fund	(5,331,556)	(3,956,000)	(14,107,000)
Immature plantations expenditure	(69,427,456)	(37,841,000)	(209,025,000)
Acquisition of property, plant & equipment	(173,092,763)	(101,690,932)	(656,253,473)
Acquisition of intangible assets	(20,519,218)	(166,200)	(36,752,087)
Proceeds from disposal of investments	-	-	29,252,000
Proceeds from disposal of property, plant & equipment	1,504,087	58,483,065	55,316,318
<b>Net cash used in investing activities</b>	<b>(174,862,174)</b>	<b>(73,447,963)</b>	<b>(1,351,558,563)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from share issued by subsidiary to nci	292,000,000	-	51,147,540
Receipts of interest bearing borrowings	160,119,831	140,898,162	917,092,994
Repayment of interest bearing borrowings	(151,697,895)	(116,971,336)	(624,442,282)
Lease rentals paid	(2,675,760)	(3,758,520)	(12,836,852)
Dividend paid	-	-	(128,383,937)
Payment to non controlling interest shareholders	-	-	(229,598,634)
<b>Net cash from / (used in) financing activities</b>	<b>297,746,176</b>	<b>20,168,306</b>	<b>(27,021,171)</b>
Net increase/(decrease) in cash and cash equivalents	68,478,073	298,458,223	43,252,965
Cash and cash equivalents at the beginning of the period	1,041,918,801	998,665,836	998,665,836
<b>Cash and cash equivalents at the end of the period</b>	<b>1,110,396,874</b>	<b>1,297,124,059</b>	<b>1,041,918,801</b>
<b>Short term investments</b>			
Cash in hand & bank	1,574,734,639	1,736,907,722	1,465,372,953
Bank overdraft	(464,337,765)	(439,783,663)	(423,454,152)
	<b>1,110,396,874</b>	<b>1,297,124,059</b>	<b>1,041,918,801</b>

Figures in brackets indicate deductions.

The above figures are not audited

# SUNSHINE HOLDINGS PLC

## STATEMENT OF CASH FLOW - COMPANY

	Unaudited Quarter ended 30th June 2016 Rs	Unaudited Quarter ended 30th June 2015 Rs	Audited Year ended 31st March 2016 Rs
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before income tax	84,140,070	36,822,852	221,176,398
<b>Adjustments for;</b>			
Interest income	(19,992,821)	(18,524,693)	(65,040,812)
Interest expense	152,773	624,874	1,569,267
Fair value gain in quoted shares	3,633,211	(2,457,145)	14,809,084
Depreciation	673,137	311,523	2,294,976
Profit on sale of property, plant & equipment	-	(40,500)	(40,500)
Profit on sale of investments	10	-	-
Provision for gratuity	1,800,000	825,000	5,765,535
<b>Operating profit before working capital changes</b>	<b>70,406,380</b>	<b>17,561,911</b>	<b>180,533,948</b>
(Increase)/decrease in trade and other receivables	(38,973,392)	25,110,719	23,674,617
(Increase)/decrease in amounts due from related parties	(45,093,093)	(11,155,091)	(38,073,764)
Increase/(decrease) in trade and other payables	11,542,741	3,449,274	1,483,983
Increase/(decrease) in amounts due to related parties	(1,360,403)	(919,400)	441,023
<b>Cash generated from/ (used in) operations</b>	<b>(3,477,767)</b>	<b>34,047,413</b>	<b>168,059,807</b>
Interest paid	(152,773)	(624,874)	(1,569,267)
Income tax paid	-	-	(2,252,629)
Employee benefits paid	-	(1,375,000)	(6,205,240)
<b>Net cash / (used in) operating activities</b>	<b>(3,630,540)</b>	<b>32,047,539</b>	<b>158,032,671</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Interest received	19,992,821	18,524,693	65,040,812
Investments in subsidiaries/associates	(199,999,900)	(2,472,795)	(83,391,601)
(Investments)/ disposal in other investments	25,355,132	(15,337,013)	(61,015,533)
Acquisition of intangible assets	(90,000)	-	(2,922,500)
Proceeds from disposal of property, plant & equipment	-	40,500	40,500
Acquisition of property, plant & equipment	(688,335)	(3,500,000)	(4,610,246)
<b>Net cash used in investing activities</b>	<b>(155,430,282)</b>	<b>(2,744,615)</b>	<b>(86,858,568)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Dividend paid	-	-	(128,383,937)
<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>	<b>(128,383,937)</b>
Net increase/(decrease) in cash and cash equivalents	(159,060,822)	29,302,924	(57,209,834)
Cash and cash equivalents at the beginning of the period	894,039,444	951,249,278	951,249,278
<b>Cash and cash equivalents at the end of the period</b>	<b>734,978,622</b>	<b>980,552,202</b>	<b>894,039,444</b>
<b>Short term investments</b>			
Cash in hand & bank	742,836,319	980,552,202	894,039,444
Bank overdraft	(7,857,697)	-	-
	<b>734,978,622</b>	<b>980,552,202</b>	<b>894,039,444</b>

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

# SUNSHINE HOLDINGS PLC

## SEGMENTAL ANALYSIS

FOR THE THREE MONTHS ENDED 30TH JUNE 2016

	Investment	Healthcare	Agri	FMCG	Energy	Packaging	Management Services	Intragroup	Group
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>REVENUE</b>	<b>131,230,368</b>	<b>1,957,234,191</b>	<b>1,659,338,723</b>	<b>783,050,674</b>	<b>24,586,750</b>	<b>102,141,175</b>		<b>(36,427,995)</b>	<b>4,621,153,886</b>
<b>RESULT</b>									
Profit from operating activities	64,300,022	126,203,958	291,703,452	47,628,860	10,223,527	16,065,907	66,515,145	(103,531,671)	519,109,200
Net finance cost	19,840,048	(8,154,413)	(10,220,903)	3,566,106	(3,239,130)	(6,248,804)	(2,678,708)	-	(7,135,804)
Share of equity investee	-	-	-	-	-	-	-	352,343	352,343
Income tax expense	-	(38,117,217)	(42,970,000)	(9,539,813)	-	(1,546,244)	(423,754)	(11,573,556)	(104,170,584)
<b>Profit for the year</b>	<b>84,140,070</b>	<b>79,932,328</b>	<b>238,512,549</b>	<b>41,655,153</b>	<b>6,984,397</b>	<b>8,270,859</b>	<b>63,412,683</b>	<b>(114,752,884)</b>	<b>408,155,155</b>
Other comprehensive income	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>84,140,070</b>	<b>79,932,328</b>	<b>238,512,549</b>	<b>41,655,153</b>	<b>6,984,397</b>	<b>8,270,859</b>	<b>63,412,683</b>	<b>(114,752,884)</b>	<b>408,155,155</b>
<b>OTHER INFORMATION</b>									
Segment assets	3,019,824,816	4,129,738,830	8,338,540,469	1,035,203,055	1,238,282,663	617,094,284	2,025,474,011	(3,438,496,834)	16,965,661,294
Equity & reserves	2,943,094,740	2,140,701,995	5,310,562,549	793,363,856	468,942,125	339,093,867	1,836,632,518	(3,182,089,682)	10,650,301,968
Total liabilities	76,730,076	1,989,036,835	3,027,977,920	241,839,199	769,340,538	278,000,417	188,841,493	(256,407,152)	6,315,359,326
Depreciation	673,137	21,575,098	80,966,435	15,973,366	7,782,845	4,150,272	-	(174,520)	130,946,633
Capital expenditure	778,335	14,899,359	157,857,297	11,650,962	77,056,096	797,388	-	-	263,039,437

Figures in brackets indicate deductions.

The above figures are not audited

## SEGMENTAL ANALYSIS

FOR THE THREE MONTHS ENDED 30TH JUNE 2015

	Investment	Healthcare	Agri	FMCG	Energy	Packaging	Management Services	Intragroup	Group
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>REVENUE</b>	<b>46,142,481</b>	<b>1,661,910,427</b>	<b>1,685,485,410</b>	<b>684,644,296</b>	<b>32,327,709</b>	<b>94,780,614</b>		<b>(26,493,052)</b>	<b>4,178,797,885</b>
<b>RESULT</b>									
Profit from operating activities	18,923,033	124,990,654	166,978,583	89,164,047	16,871,129	11,364,719	(2,623,142)	(26,493,051)	399,175,972
Net finance cost	17,899,819	(6,192,236)	(20,585,000)	4,805,877	(4,329,673)	(4,204,924)	(5,548,292)	-	(18,154,429)
Share of profit/(loss) from associate	-	-	-	-	-	-	-	(323,563)	(323,563)
Income tax expense	-	(33,685,620)	(15,842,647)	(12,091,645)	-	(1,457,046)	(416,722)	(2,943,673)	(66,437,353)
<b>Profit for the year</b>	<b>36,822,852</b>	<b>85,112,798</b>	<b>130,550,936</b>	<b>81,878,279</b>	<b>12,541,456</b>	<b>5,702,749</b>	<b>(8,588,156)</b>	<b>(29,760,287)</b>	<b>314,260,627</b>
Total other comprehensive income	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>36,822,852</b>	<b>85,112,798</b>	<b>130,550,936</b>	<b>81,878,279</b>	<b>12,541,456</b>	<b>5,702,749</b>	<b>(8,588,156)</b>	<b>(29,760,287)</b>	<b>314,260,627</b>
<b>OTHER INFORMATION</b>									
Segment assets	2,835,956,745	3,486,435,842	7,323,922,532	1,102,670,153	785,301,711	567,616,537	1,981,812,139	(3,082,489,422)	15,001,226,237
Equity & reserves	2,810,746,474	1,768,440,868	4,424,054,201	908,118,585	311,962,061	319,766,096	1,628,487,028	(2,910,392,536)	9,261,182,777
Total liabilities	25,210,272	1,717,994,974	2,899,868,331	194,551,568	473,339,650	247,850,441	353,325,111	(172,096,887)	5,740,043,460
Depreciation	311,523	22,394,432	75,522,429	14,622,719	7,584,732	4,391,614	-	-	124,827,449
Capital expenditure	3,500,000	44,392,549	48,184,000	13,392,714	30,048,780	180,089	-	-	139,698,132

Figures in brackets indicate deductions.

The above figures are not audited

# SUNSHINE HOLDINGS PLC

## 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 primarily is 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 three months ended 30th June 2016, 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, Sunshine Energy Limited and its subsidiaries, Estate Management Services (Pvt) Limited, Watawala Plantations PLC and its subsidiaries, 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 2016, were authorised for issue by the Board of Directors on 09th August 2016.

## 4 Basis of preparation

The interim Consolidated Financial Statements have been prepared in accordance with the Sri Lanka Accounting Standards which 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 2015/16. 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.

## 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 & Equipment

#### 5.2.1 Recognition and measurement

Property, Plant and Equipment are 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 revalued 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.

#### 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, caliantra, 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 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.

### 5.4 Other long term investments

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

### 5.5 Inventories

Inventories other than produce stock and nurseries are stated at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items. The Group uses weighted average cost formula 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.

# SUNSHINE HOLDINGS PLC

## 5.6 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.

### 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 rubber at auction

As per the Rubber By-Laws and conditions issued by the Colombo Rubber Traders' Association, 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 raising 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 recognised on an accrual basis at the point of invoicing

## 6 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.

## 7 Events after the reporting date

- 7.1 Assets and liabilities relating to dairy operations of Watawala Plantations PLC are classified as held for sales following a creation of a subsidiary Watawala Dairy Ltd with effect from 1st April 2016 by disposing assets and liabilities of its dairy farm and Lonach estate at market value.
- 7.2 A subsidiary of the Company, Sunshine Packaging Lanka Ltd has entered in to an agreement with Primeco Holdings Ltd conglomerate incorporated in Hong Kong to issue new shares accounting to 40% stake in the Company for a consideration of USD 2 million equivalent to Rs. 292 Million.

There have been no material events occurring after the reporting date that require adjustments to or disclosure in the Financial Statements other than those disclosed above.

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

No. Of shares as at	30th June 2016	30th June 2015	31st Mar 2016
Ordinary shares	135,140,986	135,140,986	135,140,986

## 9 Dividend

	Year ended 31st March		
	2015	2014	2013
Dividend paid (Rs)	141,898,035	128,383,937	127,135,210
No of ordinary shares	135,140,986	135,140,986	133,826,537
Dividend per share	1.05	0.95	0.95

## 10 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 2016.

## 11 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.

## 12 The interim Financial Statements are not audited.

# SUNSHINE HOLDINGS PLC

## SHAREHOLDER INFORMATION

Market Price per share	Three months ended	Three months ended	Audited
	30th June 2016	30th June 2015	Year ended 31st March 2016
	Rs.	Rs.	Rs.
Highest price	54.30	54.00	62.00
Lowest price	49.00	45.60	45.20
Last traded price	50.00	50.90	50.00

## TWENTY (20) LARGEST SHAREHOLDERS AS AT

Name	30th June 2016		31st March 2016	
	No of Shares Held	%	No of Shares Held	%
Sampath Bank/ Seylan Bank /Dr. T. Senthilvel	31,407,612	23.24%	30,946,100	22.90%
Lamurep Investments Limited	27,392,830	20.27%	27,392,830	20.27%
Deepcar Limited	25,600,000	18.94%	25,600,000	18.94%
Moneymore Securities Limited	22,810,730	16.88%	22,810,730	16.88%
Tansinghe (Private) Limited	16,015,390	11.85%	16,015,390	11.85%
Ceylon Property Development Limited	3,000,000	2.22%	3,000,000	2.22%
GF Capital Global Limited	1,261,540	0.93%	1,261,540	0.93%
Hatton National Bank PLC A/C No 05	669,661	0.50%	669,661	0.50%
Pershing LLC S/A Aerbach Grauson & Co	602,286	0.45%	602,286	0.45%
Nuwara Eliya Property Developers (pvt) Ltd	575,261	0.43%	575,261	0.43%
Mr.V.Govindasamy	443,330	0.33%	443,330	0.33%
Deutsche Bank AG as Trustee for JB Vantage Value	386,793	0.29%	386,793	0.29%
Mr. R. Maheswaran	250,000	0.18%	-	0.00%
Miss A. Radhakrishnan	250,000	0.18%	-	0.00%
Miss M.P. Radhakrinan	250,000	0.18%	-	0.00%
MR. K. Chandran	119,632	0.09%	-	0.00%
Mr. W.D.P.L. Vithanage	114,703	0.08%	114,703	0.08%
Mr. I.M. Dabah	100,000	0.07%	100,000	0.07%
Deutsche Bank AG AS Trustee to Candor Opportunitie	100,000	0.07%	-	-
Gold Investment Limited	100,000	0.07%	-	-
<b>Sub Total</b>	<b>131,449,768</b>	<b>97.27%</b>	<b>129,918,624</b>	<b>96.14%</b>
Others	3,691,218	2.73%	5,222,362	3.86%
<b>Total</b>	<b>135,140,986</b>	<b>100.00%</b>	<b>135,140,986</b>	<b>100.00%</b>

## PUBLIC SHARE HOLDING

	As at 30th June 2016	As at 31st March 2016
The percentage of shares held by the public	6.26%	6.46%
Number of shareholders representing public holding	1,429	1,442

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

	As at 30th June 2016	As at 31st March 2016
Mr.V.Govindasamy - Group Managing Director	443,330	443,330
Mr.G.Sathasivam	1,000	1,000
Mr.S.G.Sathasivam	1,000	1,000
Mr.B.A.Hulangamuwa	56,955	56,955
Mr. Asite Talwatte	1,000	-
Mr.S.Piyaratna	1,000	1,000
Dr. T. Senthilvel	31,407,612	30,946,100

# SUNSHINE HOLDINGS PLC

## 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  
Mr. S. Piyaratne  
Mr. N.B. Weerasekera  
Mr. A. Hollingsworth  
Mr. S.G. Sathasivam  
Mr. Harsha Abeywickrama  
Dr. T. Senthilvel  
Ms. R. Kobbekaduwa  
Mr. A. Talwate

### 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  
MCB Limited  
Hong Kong & Shanghai Banking Corporation Limited

### Credit Ratings

The Company has been assigned a national long-term rating of 'A(I/ka)' with stable outlook by Fitch Ratings Lanka Limited