



INTERIM FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31st MARCH 2017

SUNSHINE HOLDINGS PLC

GROUP MANAGING DIRECTOR'S MESSAGE

Dear Shareholder,

The Group reported a strong profit after tax (PAT) of Rs. 1.6 Bn for the year ended 2016/17 (FY1617), an increase of 33.1% YoY against the Rs.1.2 Bn reported in the previous year. The Group revenue for the FY1617 closed at Rs. 19.2 Bn, an increase of 10.3% over the revenue of Rs. 17.4 Bn recorded in the previous financial year.

Group EBIT amounted to Rs.2.1 Bn for the year ended 31st March 2017 compared to Rs. 1.7 Bn recorded in the previous year, representing a growth of 26.3% YoY.

Group revenue was largely driven by Healthcare, Agri and FMCG sectors which contributed by 40.5%, 33.5% and 21.7% respectively to the total group revenue. Considering the segment wise revenue growth, Healthcare revenue growth was only 9.8% as a result of the price regulation on pharma products. FMCG sector registered a significant revenue growth of 22.5% whilst Energy and packaging sectors recorded negative growths of 26.1% and 10.0% respectively.

The Healthcare sector performance was challenged during the year under review as 48 essential drugs came under price control (MRP). Healthcare sector registered a revenue of Rs. 7.9 Bn, a modest growth of 9.8% YoY. The GP of the sector declined by 3.1% to record Rs. 1.76 Bn from Rs.1.81 Bn. The Healthcare sector PAT was adversely affected, reporting a substantial decline of 39.6% in PAT due to the impact of the price control.

Despite the steady growth in FMCG sector revenue of 22.5% YoY, to achieve revenue of Rs. 4.2 Bn for FY1617, GP declined by Rs. 26.5 Mn, a marginal reduction of 2.1% YoY. The PAT also declined by 34.9%, a reduction in PAT by Rs. 147.7 Mn to record at Rs. 275 Mn compared to Rs. 423 Mn in the previous year. The under-performance in the sector is mainly attributable to the contraction of the GP margin primarily due to higher tea prices.

Agri sector made a record performance. Although it recorded a marginal increase in revenue, GP of the sector has remarkably increased by 96.1% to record Rs. 1.7 Bn from Rs. 853 Mn in the previous year. The effect on GP has been brought down to PAT which has increased by Rs. 707.9 Mn, an increase of 136.7% YoY to report a PAT of Rs. 1.2 Bn for FY1617. This resulted from the reduction in the loss of tea subsector followed by increase in oil palm revenue coupled with price and volume.

Power sector revenue was negatively impacted by the adverse weather conditions that prevailed in the region resulting a drop of revenue by 26.1% followed by a significant decline in gross profit by 60.9%. The EBIT has declined by Rs. 50.6 Mn or 103.5% and recorded a loss of Rs. 35.1 Mn compared to the PAT of Rs. 32.0 Mn reported in the previous year.

The packaging sector revenue declined by Rs. 36.1 Mn or 10.0%, a drop in GP by 11.1% to Rs. 64.3 Mn from Rs. 72.4 Mn in the previous year. Further PAT declined significantly by 79.5%, amounting to a reduction of Rs.12.9 Mn to close at a PAT of 3.3 Mn for FY1617. Sector performance was affected mainly due to the higher tea prices, followed by a reduction in orders of value added tea segment coupled with machine break-downs.

Profits attributable to equity shareholders of Sunshine Holdings PLC was Rs. 572 Mn for FY1617 against Rs.587 Mn in the previous year. EPS for FY1617 stood at Rs. 4.23 per share, compared to Rs. 4.34 recorded in the previous year.

Further details of the Groups FY1617 performance are available in the company website. (<http://www.sunshineholdings.lk/investor%20relations/index.php>)



V. Govindasamy

Group Managing Director

31st May 2017

Colombo

SUNSHINE HOLDINGS PLC

STATEMENT OF COMPREHENSIVE INCOME - GROUP

	Unaudited Year ended 31st March 2017 Rs	Audited Year ended 31st March 2016 Rs	Change %	Unaudited Quarter ended 31st March 2017 Rs	Audited Quarter ended 31st March 2016 Rs	Change %
Revenue	19,216,569,056	17,422,249,764	10	5,114,943,888	4,614,967,785	11
Cost of sales	(14,389,192,537)	(13,329,433,616)	8	(4,022,844,072)	(3,717,256,202)	8
Gross profit	4,827,376,519	4,092,816,148	18	1,092,099,816	897,711,583	22
Other income	240,085,334	158,561,283	51	116,357,394	45,447,099	156
Administration expenses	(1,943,107,096)	(1,639,871,812)	18	(537,572,674)	(421,565,266)	28
Selling & distribution expenses	(1,026,716,542)	(929,384,452)	10	(237,432,193)	(226,104,673)	5
Write off expenses incurred on new venture		(21,522,591)			(21,522,591)	(100)
Results from operating activities	2,097,638,215	1,660,598,576	26	433,452,343	273,966,152	58
Finance income	195,050,401	109,014,813	79	56,459,345	35,705,521	58
Finance cost	(241,141,996)	(176,960,928)	36	(74,191,122)	(48,952,656)	52
Net finance cost	(46,091,595)	(67,946,115)	(32)	(17,731,777)	(13,247,135)	34
Share of profit of equity accounted investees	-	(1,408,453)	(100)	-	(1,084,890)	-
Profit before tax	2,051,546,620	1,591,244,008	29	415,720,566	259,634,127	60
Income tax expense	(430,325,906)	(373,645,411)	15	(132,542,287)	(89,870,473)	47
Profit for the period	1,621,220,714	1,217,598,597	33	283,178,279	169,763,654	67
Other comprehensive income						
Fair value change in available for sales financial assets	6,983,422	12,918,829	-	6,983,422	2,155,710	-
Defined benefit plan actuarial gain/(loss)	98,789,460	95,650,888	-	98,789,460	95,650,888	-
Tax on other comprehensive income	(11,059,429)	(16,108,621)	-	(11,059,429)	(16,108,621)	-
Total other comprehensive income for the period	94,713,453	92,461,096	-	94,713,453	81,697,977	-
Total comprehensive income for the period	1,715,934,167	1,310,059,693	31	377,891,732	251,461,631	50
Profit attributable to:						
Owners of the parent company	572,258,446	586,787,880	(2)	125,556,801	78,658,132	60
Non-controlling Interest	1,048,962,268	630,810,717	66	157,621,478	91,105,522	73
Other comprehensive income attributable to:						
Owners of the parent company	33,761,141	19,001,508	-	33,761,141	16,302,336	-
Non-controlling Interest	60,952,312	73,459,588	-	60,952,312	65,395,641	-
Total comprehensive income for the period	1,715,934,167	1,310,059,693	31	377,891,732	251,461,631	50
Basic earnings per share from continuing operations	4.23	4.34		0.93	0.58	

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit

SUNSHINE HOLDINGS PLC

STATEMENT OF COMPREHENSIVE INCOME - COMPANY

	Unaudited Year ended 31st March 2017 Rs	Audited Year ended 31st March 2016 Rs	Change %	Unaudited Quarter ended 31st March 2017 Rs	Audited Quarter ended 31st March 2016 Rs	Change %
Revenue	414,779,815	265,431,378	56	93,667,536	87,325,027	7
Cost of sales	(153,907,783)	(16,364,802)	n/m	(14,036,896)	(3,055,302)	n/m
Gross profit	260,872,032	249,066,576	5	79,630,640	84,269,725	(6)
Other income	149,419,482	119,819,056	n/m	38,135,462	17,486,959	n/m
Administration expenses	(302,886,658)	(211,180,779)	43	(106,281,483)	(50,888,902)	109
Results from operating activities	107,404,856	157,704,853	(32)	11,484,619	50,867,782	(77)
Finance income	85,731,746	65,040,812	32	21,981,828	17,813,345	23
Finance cost	(2,335,771)	(1,569,267)	49	(1,402,436)	(343,731)	308
Net finance cost	83,395,975	63,471,545	31	20,579,392	17,469,614	18
Profit before tax	190,800,831	221,176,398	(14)	32,064,011	68,337,396	(53)
Income tax expense	(342,692)	(769,355)	-	963,605	(769,355)	-
Profit for the period	190,458,139	220,407,043	(14)	33,027,616	67,568,041	(51)
Other comprehensive income						
Fair value change in available for sales financial assets	6,983,422	2,155,829	224	6,983,422	2,155,829	224
Defined benefit plan actuarial gain/(loss)	(14,601)	(9,147,887)	(100)	(14,601)	(9,147,887)	(100)
Total other comprehensive income for the period	6,968,821	(6,992,058)		6,968,821	(6,992,058)	
Total comprehensive income for the period	197,426,960	213,414,985	(7)	39,996,437	60,575,983	(34)
Basic earnings per share from continuing operations	1.41	1.63		0.24	0.50	

Figures in brackets indicate deductions.

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SUNSHINE HOLDINGS PLC

STATEMENT OF FINANCIAL POSITION - GROUP

	Unaudited As at 31st March 2017 Rs	Audited As at 31st March 2016 Rs
ASSETS		
Non current assets		
Property, plant and equipment	4,754,397,651	3,899,448,315
Leasehold right to bare land	198,473,000	205,508,000
Biological assets	3,629,026,000	3,431,155,000
Intangible assets	168,765,418	137,471,955
Investment in equity investee	-	6,275,928
Other investments	636,733,332	1,296,865,044
Investment in gratuity fund	258,319,000	234,369,000
Deferred tax assets	75,590,768	82,380,722
Total non current assets	9,721,305,169	9,293,473,964
Current assets		
Inventories	3,141,301,725	2,892,173,039
Biological assets-growing crops on bearer plants	35,757,000	-
Current tax assets	14,631,908	16,487,167
Trade & other receivables	3,060,992,146	2,370,524,216
Amounts due from related parties	83,466,589	83,962,322
Cash & cash equivalents	1,876,004,662	1,465,372,953
Total current assets	8,212,154,030	6,828,519,697
Total assets	17,933,459,199	16,121,993,661
EQUITY AND LIABILITIES		
Equity		
Stated capital	730,939,657	730,939,657
Reserves	331,838,036	324,854,614
Retained earnings	5,186,946,894	4,725,795,249
Equity attributable to owners of the company	6,249,724,587	5,781,589,520
Non-controlling interests	5,340,766,263	4,168,557,293
Total equity	11,590,490,850	9,950,146,813
Non current liabilities		
Loans and borrowings	1,226,846,031	1,279,610,187
Retirement benefit obligations	1,085,479,743	1,127,179,002
Deferred income and capital grants	193,528,000	203,569,000
Deferred tax liability	333,473,307	273,461,405
Total non current liabilities	2,839,327,081	2,883,819,594
Current liabilities		
Bank overdraft	711,424,579	423,454,152
Current tax liabilities	214,132,832	122,307,205
Loans and borrowings	357,644,252	456,186,217
Trade and other payables	2,220,439,605	2,284,702,647
Amounts due to related parties	-	1,377,033
Total current liabilities	3,503,641,349	3,288,027,254
Total equity and liabilities	17,933,459,199	16,121,993,661
	46.25	42.78

Net asset value per share (Rs.)

The above figures are provisional and subject to audit

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



Chairman
31st May 2017
Colombo

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit



Group Managing Director



Group Chief Financial Officer

SUNSHINE HOLDINGS PLC

STATEMENT OF FINANCIAL POSITION - COMPANY

	Unaudited As at 31st March 2017 Rs	Audited As at 31st March 2016 Rs
ASSETS		
Non current assets		
Property, plant and equipment	5,901,315	6,077,792
Intangible assets	1,533,497	2,191,875
Investment in subsidiaries	1,376,748,442	1,041,371,979
Investment in equity investee	-	6,111,426
Other investments	625,970,332	721,505,044
Total non current assets	2,010,153,586	1,777,258,116
Current assets		
Current tax assets	3,158,748	3,158,748
Trade & other receivables	45,161,397	32,983,484
Amounts due from related parties	191,996,509	208,404,919
Cash & cash equivalents	731,712,191	894,039,444
Total current assets	972,028,845	1,138,586,595
Total assets	2,982,182,431	2,915,844,711
EQUITY AND LIABILITIES		
Equity		
Stated capital	730,939,657	730,939,657
Reserves	329,138,894	322,155,472
Retained earnings	1,854,405,044	1,805,859,541
Equity attributable to owners of the company	2,914,483,595	2,858,954,670
Non-controlling interests	-	-
Total equity	2,914,483,595	2,858,954,670
Non current liabilities		
Retirement benefit obligations	51,881,378	43,198,526
Total non current liabilities	51,881,378	43,198,526
Current liabilities		
Bank overdraft	-	-
Current tax liabilities	-	596,051
Trade and other payables	15,817,458	11,735,061
Amounts due to related parties	-	1,360,403
Total current liabilities	15,817,458	13,691,515
Total equity and liabilities	2,982,182,431	2,915,844,711
Net asset value per share (Rs.)	21.57	21.16

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Signed on Behalf of the Board



Chairman
 31st May 2017
 Colombo



Group Managing Director



Group Chief Financial Officer

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Interim Financial Statements

SUNSHINE HOLDINGS PLC
FOR THE YEAR ENDED 31ST MARCH 2017
STATEMENT OF CHANGES IN EQUITY - GROUP

In Rupees	Attributable to owners of the company							Non-controlling shareholders interest	Total equity
	Stated capital	Capital accretion reserve	General reserve	Fair value gain or loss reserve on AFS	Retained earnings	Total			
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	
Balance as 01st April 2015	730,939,657	399,837	857,888	318,741,918	4,252,438,767	5,303,378,067	3,643,544,084	8,946,922,151	
Total comprehensive income for the year									
Profit for the year					586,787,880	586,787,880	630,810,717	1,217,598,597	
Other comprehensive income for the year				4,854,971	14,146,537	19,001,508	73,459,588	92,461,096	
Total comprehensive income for the year	-	-	-	4,854,971	600,934,417	605,789,388	704,270,305	1,310,059,693	
Transactions with owners of the Company									
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 for the year 2014/15					(128,383,937)	(128,383,937)	(229,598,634)	(357,982,571)	
Total contributions by and distributions to owners of the Company	-	-	-		(127,577,935)	(127,577,935)	(179,257,096)	(306,835,031)	
Balance as at 31st March 2016	730,939,657	399,837	857,888	323,596,889	4,725,795,249	5,781,589,520	4,168,557,293	9,950,146,813	
Total comprehensive income for the year									
Profit for the year					572,258,446	572,258,446	1,048,962,268	1,621,220,714	
Other comprehensive income for the year				6,983,422	26,777,719	33,761,141	60,952,312	94,713,453	
Total comprehensive income for the year				6,983,422	599,036,165	606,019,587	1,109,914,580	1,715,934,167	
Capital accretion reserve transfer to general reserve		(399,837)	399,837				-	-	
Effect on percentage change in holding of Energy Group					4,013,515	4,013,515	(4,013,515)	-	
Dividend payment for the year 2015/16					(141,898,035)	(141,898,035)	(282,481,955)	(424,379,990)	
Share issues							348,789,860	348,789,860	
Balance as at 31st March 2017	730,939,657	-	1,257,725	330,580,311	5,186,946,894	6,249,724,587	5,340,766,263	11,590,490,850	

Figures in brackets indicate deductions.
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Interim Financial Statements

SUNSHINE HOLDINGS PLC

FOR THE YEAR ENDED 31ST MARCH 2017

STATEMENT OF CHANGES IN EQUITY - COMPANY

	Stated capital	Fair value gain or loss reserve on AFS	Capital accretion reserve	General reserve	Retained Profit	Total
Balance as at 01st April 2015	730,939,657	318,741,918	399,837	857,888	1,722,984,322	2,773,923,622
Total comprehensive income for the year						
Profit for the year		-			220,407,043	220,407,043
Other comprehensive income for the year		2,155,829			(9,147,887)	(6,992,058)
Total comprehensive income for the year	-	2,155,829	-	-	211,259,156	213,414,985
Share issues	-		-	-	-	-
Dividend payment for the year 2014/15					(128,383,937)	(128,383,937)
Balance as at 31st March 2016	730,939,657	320,897,747	399,837	857,888	1,805,859,541	2,858,954,670
Total comprehensive income for the year						
Profit for the year					190,458,139	190,458,139
Other comprehensive income for the year		6,983,422			(14,601)	6,968,821
Total comprehensive income for the year		6,983,422	-	-	190,443,538	197,426,960
Capital accretion reserve transfer to general reserve			(399,837)	399,837		-
Dividend payment for the year 2015/16					(141,898,035)	(141,898,035)
Balance as at 31st March 2017	730,939,657	327,881,169	-	1,257,725	1,854,405,044	2,914,483,595

Figures in brackets indicate deductions.

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SUNSHINE HOLDINGS PLC

STATEMENT OF CASH FLOW - GROUP

	Unaudited year ended 31st March 2017 Rs	Audited year ended 31st March 2016 Rs
Profit before income tax expense	2,051,546,620	1,591,244,008
Adjustments for;		
Interest income	(195,050,401)	(109,014,813)
(Profit)/loss of equity investee	-	1,408,453
(Profit)/ loss on sale of property, plant & equipment	(19,842,013)	(34,851,506)
(Gain)/loss on fair value of biological assets	(6,161,000)	(29,491,000)
Interest expense	241,141,996	176,960,928
Depreciation & amortization	554,411,291	509,403,601
Fair value (gain)/loss in quoted shares	9,113,674	14,809,084
(Profit)/ loss on disposal of investments	1,085,114	-
Biological assets-growing crops on bearer plants	(35,757,000)	-
Provision / (reversal) for bad and doubtful debts	1,271,972	(12,500,437)
Amortization of deferred income & capital grants	(10,041,000)	(10,041,000)
Amortization of leasehold rights	7,035,000	7,035,000
(Profit)/loss on sale of consumable biological assets	(20,320,000)	(16,179,000)
Provision gratuity excluding actuarial gain/(loss)	206,880,210	205,753,860
Movement in livestock	2,591,000	12,721,000
Operating profit before working capital changes	2,787,905,463	2,307,258,178
(Increase)/decrease in inventories	(249,128,686)	(257,522,838)
(Increase)/decrease in trade and other receivables	(684,549,078)	(319,670,602)
(Increase)/decrease in amounts due from related parties	495,733	(1,279,703)
Increase/(decrease) in trade and other payables	(64,263,042)	291,913,470
Increase/(decrease) in amounts due to related parties	(1,377,033)	431,898
Cash generated from/ (used in) operations	1,789,083,357	2,021,130,403
Interest paid	(241,141,996)	(176,960,928)
Income tax paid	(280,902,593)	(296,199,966)
Gratuity paid	(149,790,009)	(126,136,810)
Net cash / (used in) operating activities	1,117,248,759	1,421,832,699
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	195,050,401	109,014,813
Investment in connected companies	-	(95)
(Investment)/ disposal in associate	-	(3,391,506)
(Investments)/ disposal in other investments	658,001,450	(625,612,533)
Investments in gratuity fund	(23,950,000)	(14,107,000)
Immature plantations expenditure	(350,708,000)	(209,025,000)
Acquisition of property, plant & equipment	(1,199,366,160)	(656,253,473)
Acquisition of intangible assets	(109,537,315)	(36,752,087)
Proceeds from disposal of biological assets	39,693,000	29,252,000
Proceeds from disposal of property, plant & equipment	29,995,898	55,316,318
Net cash used in investing activities	(760,820,726)	(1,351,558,563)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issued by subsidiary to non-controlling interests	348,789,860	51,147,540
Receipts of interest bearing borrowings	474,783,208	917,092,994
Repayment of interest bearing borrowings	(620,577,585)	(624,442,282)
Lease rentals paid	(12,382,244)	(12,836,852)
Dividend paid	(141,898,035)	(128,383,937)
Dividend paid to non controlling interest shareholders	(282,481,955)	(229,598,634)
Net cash from / (used in) financing activities	(233,766,751)	(27,021,171)
Net increase/(decrease) in cash and cash equivalents	122,661,282	43,252,965
Cash and cash equivalents at the beginning of the year	1,041,918,801	998,665,836
Cash and cash equivalents at the end of the year	1,164,580,083	1,041,918,801
Cash and cash equivalents		
Cash in hand & bank	1,876,004,662	1,465,372,953
Bank overdraft	(711,424,579)	(423,454,152)
	1,164,580,083	1,041,918,801

Figures in brackets indicate deductions.

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SUNSHINE HOLDINGS PLC

STATEMENT OF CASH FLOW - COMPANY

	Unaudited year ended 31st March 2017 Rs	Audited year ended 31st March 2016 Rs
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before income tax expense	190,800,831	221,176,398
Adjustments for;		
Interest income	(85,731,746)	(65,040,812)
Interest expense	2,335,771	1,569,267
Fair value (gain)/loss in quoted shares	9,113,674	14,809,084
Depreciation	2,938,950	2,294,976
(Profit)/loss of equity investee	-	(40,500)
(Profit)/ loss on disposal of investments	920,612	-
Impairment of investment	21,842,817	-
Provision for gratuity	8,668,251	5,765,535
Operating profit before working capital changes	150,889,160	180,533,948
(Increase)/decrease in trade and other receivables	(6,987,089)	23,674,617
(Increase)/decrease in amounts due from related parties	16,408,410	(38,073,764)
Increase/(decrease) in trade and other payables	4,082,397	1,483,983
Increase/(decrease) in amounts due to related parties	(1,360,403)	441,023
Cash generated from/ (used in) operations	163,032,475	168,059,807
Interest paid	(2,335,771)	(1,569,267)
Income tax paid	(938,743)	(2,252,629)
Employee benefits paid	-	(6,205,240)
Net cash / (used in) operating activities	159,757,961	158,032,671
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	85,731,746	65,040,812
(Investments)/ disposal in subsidiaries	(357,219,280)	(80,000,095)
(Investments)/disposal in associates	-	(3,391,506)
(Investments)/ disposal in other investments	93,404,450	(61,015,533)
Proceed from disposal of property, plant & equipment	-	40,500
Acquisition of intangible assets	(90,000)	(2,922,500)
Acquisition of property, plant & equipment	(2,014,095)	(4,610,246)
Net cash used in investing activities	(180,187,179)	(86,858,568)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(141,898,035)	(128,383,937)
Net cash from / (used in) financing activities	(141,898,035)	(128,383,937)
Net increase/(decrease) in cash and cash equivalents	(162,327,253)	(57,209,834)
Cash and cash equivalents at the beginning of the year	894,039,444	951,249,278
Cash and cash equivalents at the end of the year	731,712,191	894,039,444
Cash and cash equivalents		
Cash in hand & bank	731,712,191	894,039,444
Bank overdraft	-	-
	731,712,191	894,039,444

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit

SUNSHINE HOLDINGS PLC

SEGMENTAL ANALYSIS FOR THE YEAR ENDED 31ST MARCH 2017

	Investment	Healthcare	Agri	FMCG	Energy	Packaging	Management Services	Intragroup	Group
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
REVENUE	414,779,815	7,862,698,302	6,501,765,000	4,212,730,806	88,848,902	325,814,596	-	(190,068,365)	19,216,569,056
RESULT									
Profit from operating activities	107,404,856	343,479,614	1,493,701,000	302,828,499	(1,687,335)	24,654,940	462,151,138	(634,894,497)	2,097,638,215
Net finance cost	83,395,975	(39,910,527)	(47,620,000)	9,126,717	(32,482,941)	(19,414,347)	813,528	-	(46,091,595)
Share of equity investee	-	-	-	-	-	-	-	-	-
Income tax expense	(342,692)	(105,654,205)	(220,422,000)	(36,644,617)	(910,019)	(1,896,260)	(3,087,980)	(61,368,133)	(430,325,906)
Profit for the year	190,458,139	197,914,882	1,225,659,000	275,310,599	(35,080,295)	3,344,333	459,876,686	(696,262,630)	1,621,220,714
Other comprehensive income	6,968,821	6,281,962	83,759,000	(2,564,930)	(221,312)	489,912	-	-	94,713,453
Total comprehensive income	197,426,960	204,196,844	1,309,418,000	272,745,669	(35,301,607)	3,834,245	459,876,686	(696,262,630)	1,715,934,167
OTHER INFORMATION									
Segment assets	2,982,182,431	4,068,579,098	9,112,527,000	1,502,994,566	1,376,305,274	589,845,097	2,006,744,268	(3,705,718,535)	17,9332,459,199
Equity & reserves	2,914,483,595	2,265,442,082	6,050,134,661	831,334,362	580,665,352	334,657,254	1,931,230,364	(3,317,456,820)	11,590,490,850
Total liabilities	67,698,836	1,803,137,016	3,062,392,339	671,660,204	795,639,922	255,187,843	75,513,904	(388,261,715)	6,342,968,349
Depreciation	2,938,950	105,370,777	313,073,000	70,784,345	46,385,540	16,558,680	-	(700,001)	554,411,291
Capital expenditure	2,104,095	190,341,300	1,106,155,000	36,800,747	321,008,745	3,201,588	-	-	1,659,611,475

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit

SEGMENTAL ANALYSIS FOR THE YEAR ENDED 31ST MARCH 2016

	Investment	Healthcare	Agri	FMCG	Energy	Packaging	Management Services	Intragroup	Group
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
REVENUE	265,431,378	7,161,309,054	6,298,769,000	3,439,945,117	120,297,977	361,904,888	-	(225,407,650)	17,422,249,764
RESULT									
Profit from operating activities	157,704,853	514,412,179	669,051,000	469,107,925	48,886,022	37,007,347	454,066,168	(689,636,918)	1,660,598,576
Net finance cost	63,471,545	(21,240,941)	(78,815,000)	19,006,042	(16,173,430)	(18,722,775)	(15,471,556)	-	(67,946,115)
Share of profit/(loss) from associate	-	-	-	-	-	-	-	(1,408,453)	(1,408,453)
Income tax expense	(769,355)	(165,760,056)	(72,486,000)	(65,071,912)	(731,329)	(1,991,721)	(2,101,140)	(64,733,898)	(373,645,411)
Profit for the year	220,407,043	327,411,182	517,750,000	423,042,055	31,981,263	16,292,851	436,493,472	(755,779,269)	1,217,598,597
Total other comprehensive income	(6,992,058)	893,929	97,892,000	136,370	64,042	466,813	-	-	92,461,096
Total comprehensive income	213,414,985	328,305,111	615,642,000	423,178,425	32,045,305	16,759,664	436,493,472	(755,779,269)	1,310,059,693
OTHER INFORMATION									
Segment assets	2,915,844,711	3,758,794,571	7,746,207,000	1,117,985,315	1,174,057,104	617,628,695	1,978,828,879	(3,187,352,614)	16,121,993,661
Equity & reserves	2,858,954,670	1,901,245,318	4,780,050,000	826,968,708	461,957,729	330,823,009	1,773,219,031	(2,983,071,652)	9,950,146,813
Total liabilities	56,890,041	1,857,549,253	2,966,157,000	291,016,607	712,099,375	286,805,686	205,609,848	(204,280,962)	6,171,846,848
Depreciation	2,294,976	87,442,210	309,547,000	63,052,895	30,821,774	16,715,988	-	(471,242)	509,403,601
Capital expenditure	7,532,746	153,659,302	289,387,000	79,975,197	372,611,676	1,693,639	-	(2,829,000)	902,030,560

Figures in brackets indicate deductions.

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 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 31st March 2017, 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 (Pvt) 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 year ended 31st March 2017, were authorised for issue by the Board of Directors on 31st May 2017.

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 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 Derecognition

The carrying amount of an item of property, plant & equipment is derecognised on disposal; or when no future economic benefits are expected from its use. Gains and losses on derecognition 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 year 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 5 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 year in which they arise. All costs incurred in maintaining the assets are included in profit or loss for the year 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

SUNSHINE HOLDINGS PLC

cost and other costs incurred in bringing them to their existing location and condition.

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 raising 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 year has been amended, where relevant, for better presentation and to be comparable with those of the current year.

7 The board of Sunshine Packaging Lanka Ltd, a fully owned subsidiary, is considering the restructure of its business operations. Further, a provision of Rs.21.8 million has been made in the Company for probable impairment of investment arising on accumulated loss of Sunshine Packaging Lanka Limited

8 Events after the reporting date

Except above, no circumstance has arisen since the Balance Sheet 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	31st Mar 2017	31st Mar 2016	31st March 2016
Ordinary Shares	135,140,986	135,140,986	135,140,986

10 Dividend

	Year ended 31st March		
	2016	2015	2014
Dividend paid (Rs)	41,898,035	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

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 2016

12 Net Assets per share

Net Assets per share have been calculated, for all years, based on the number of shares issued as at the balance sheet date.

13 The Interim Financial Statement are not audited.

SUNSHINE HOLDINGS PLC

SHAREHOLDER INFORMATION

Market Price per share	Three months ended	Three months ended	Audited
	31st March 2017	31st March 2016	Year ended 31st March 2016
	Rs.	Rs.	Rs.
Highest price	55.00	58.50	62.00
Lowest price	45.00	46.20	45.20
Last traded price	46.10	50.00	50.00

TWENTY (20) LARGEST SHAREHOLDERS AS AT

Name	31st March 2017		31st March 2016	
	No of Shares Held	%	No of Shares Held	%
Lamurep Investments Limited	43,408,220	32.12%	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%
Sampath Bank/Dr. T. Senthilvel	15,501,605	11.47%	30,946,100	22.90%
SBI Ven Holdings Pte Limited	14,850,000	10.99%	-	0.00%
Ceylon Property Development Limited	3,000,000	2.22%	3,000,000	2.22%
GF Capital Global Limited	1,561,540	1.16%	1,261,540	0.93%
Hatton National Bank PLC A/C No 05	669,661	0.50%	669,661	0.50%
Nuwara Eliya Property Developers (Pvt) Ltd	575,261	0.43%	575,261	0.43%
Deutsche Bank AG as Trustee to Candor Opportunitie	550,000	0.41%	-	0.00%
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%
Pershing LLC S/A Aerbach Grauson & Co	322,286	0.24%	602,286	0.45%
J.B. Cocoshell (Pvt) Limited	250,000	0.18%	-	0.00%
Mr. R. Maheswaran	250,000	0.18%	-	0.00%
Miss. A. Radhakrishnan	250,000	0.18%	-	0.00%
Miss. M.P. Radhakrishnan	250,000	0.18%	-	0.00%
E.W. Balasuriya & Co. (Pvt) Limited	183,139	0.14%	-	0.00%
Deutsche Bank AG as Trustee to Amana Candor Sharia	175,000	0.13%	-	0.00%
Mr. K. Chandran	133,661	0.10%	-	0.00%
Sub Total	131,171,226	97.06%	113,688,531	84.13%
Others	3,969,760	2.94%	21,452,455	15.87%
Total	135,140,986	100.00%	135,140,986	100.00%

PUBLIC SHARE HOLDING

	As at 31st March 2017	As at 31st March 2016
The percentage of shares held by the public	7.01%	6.46%
Number of shareholders representing public holding	1,376	1,442

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

	As at 31st March 2017	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. A. Talwatte	1,000	-
Dr. T. Senthilvel	15,501,605	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. N.B. Weerasekera
Mr. A. Hollingsworth
Mr. S.G. Sathasivam
Mr. Harsha Abeywickrama
Dr. T. Senthilvel
Ms. R. Kobbekaduwa
Mr. A. Talwatte

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
Commercial Bank of Ceylon PLC

Credit Ratings

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