

**Access Engineering PLC**  
**Financial Statements**  
**For the Period Ended 30th September 2019**

In LKR	Group				Company			
	Quarter ended 30th September		Six Month Ended 30th September		Quarter ended 30th September		Six Month Ended 30th September	
	2019	2018	2019	2018	2019	2018	2019	2018
Revenue	6,638,561,875	7,829,390,957	12,124,940,839	13,626,685,898	4,945,651,879	5,301,502,928	8,527,607,106	8,658,727,347
Cost of sales	(5,545,243,603)	(6,480,650,267)	(10,241,630,451)	(11,287,472,799)	(4,239,721,341)	(4,448,339,841)	(7,390,258,038)	(7,333,451,142)
<b>Gross profit</b>	<b>1,093,318,272</b>	<b>1,348,740,690</b>	<b>1,883,310,388</b>	<b>2,339,213,099</b>	<b>705,930,538</b>	<b>853,163,087</b>	<b>1,137,349,068</b>	<b>1,325,276,205</b>
Other income	163,976,948	133,208,540	268,953,109	202,710,843	238,167,741	536,825,349	564,670,089	554,844,202
Administrative expenses	(489,516,523)	(420,060,040)	(912,168,367)	(852,803,801)	(199,498,410)	(191,442,691)	(358,116,264)	(351,107,347)
Other expenses	(10,923,786)	(3,789,584)	(15,736,077)	(8,069,474)	(7,941,222)	(3,529,801)	(11,931,087)	(6,910,072)
<b>Operating profit</b>	<b>756,854,911</b>	<b>1,058,099,606</b>	<b>1,224,359,053</b>	<b>1,681,050,667</b>	<b>736,658,647</b>	<b>1,195,015,944</b>	<b>1,331,971,806</b>	<b>1,522,102,988</b>
Net finance cost	(112,960,774)	(177,607,386)	(233,415,327)	(329,647,413)	(46,767,066)	(135,202,428)	(113,638,959)	(272,105,744)
Share of results of equity-accounted investees, net of tax	(5,049,856)	(3,691,286)	(8,308,196)	(6,060,779)	-	-	-	-
<b>Profit before tax</b>	<b>638,844,281</b>	<b>876,800,934</b>	<b>982,635,530</b>	<b>1,345,342,475</b>	<b>689,891,581</b>	<b>1,059,813,516</b>	<b>1,218,332,847</b>	<b>1,249,997,244</b>
Income tax expenses	(145,266,622)	(232,372,970)	(200,618,354)	(324,946,130)	(140,548,234)	(181,816,848)	(203,224,989)	(233,794,246)
<b>Profit for the period</b>	<b>493,577,659</b>	<b>644,427,963</b>	<b>782,017,176</b>	<b>1,020,396,345</b>	<b>549,343,347</b>	<b>877,996,668</b>	<b>1,015,107,858</b>	<b>1,016,202,998</b>
<b>Profit attributable to:</b>								
Equity holders of the parent	499,417,723	630,622,253	789,485,647	995,553,568	549,343,347	877,996,668	1,015,107,858	1,016,202,998
Non-controlling interest	(5,840,064)	13,805,710	(7,468,471)	24,842,777	-	-	-	-
<b>Profit for the period</b>	<b>493,577,659</b>	<b>644,427,963</b>	<b>782,017,176</b>	<b>1,020,396,345</b>	<b>549,343,347</b>	<b>877,996,668</b>	<b>1,015,107,858</b>	<b>1,016,202,998</b>
<b>Other comprehensive income</b>								
<b>Items that will not be reclassified to profit or loss</b>								
Remeasurement of defined benefit liability	(838,750)	(283,450)	(1,677,500)	(1,067,090)	(1,750,000)	(1,750,000)	(3,500,000)	(3,500,000)
Related tax	545,597	471,016	1,091,194	942,032	490,000	490,000	980,000	980,000
<b>Other comprehensive income for the period, net of tax</b>	<b>(293,153)</b>	<b>187,566</b>	<b>(586,306)</b>	<b>(125,058)</b>	<b>(1,260,000)</b>	<b>(1,260,000)</b>	<b>(2,520,000)</b>	<b>(2,520,000)</b>
<b>Total comprehensive income for the period, net of tax</b>	<b>493,284,506</b>	<b>644,615,530</b>	<b>781,430,870</b>	<b>1,020,271,287</b>	<b>548,083,347</b>	<b>876,736,668</b>	<b>1,012,587,858</b>	<b>1,013,682,998</b>
<b>Total comprehensive income attributable to:</b>								
Equity holders of the parent	498,945,352	630,560,759	788,540,904	994,930,389	548,083,347	876,736,668	1,012,587,858	1,013,682,998
Non-controlling interest	(5,660,846)	14,054,771	(7,110,034)	25,340,898	-	-	-	-
<b>Total comprehensive income for the period, net of tax</b>	<b>493,284,506</b>	<b>644,615,530</b>	<b>781,430,870</b>	<b>1,020,271,287</b>	<b>548,083,347</b>	<b>876,736,668</b>	<b>1,012,587,858</b>	<b>1,013,682,998</b>
<b>Basic earnings per share</b>	<b>0.50</b>	<b>0.63</b>	<b>0.79</b>	<b>1.00</b>	<b>0.55</b>	<b>0.88</b>	<b>1.02</b>	<b>1.02</b>

The Accounting Policies and Notes form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

The above figures are subject to the audit.



**ACCESS ENGINEERING PLC**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH SEPTEMBER 2019**



In LKR	Group		Company	
	30.09.2019 Unaudited	31.03.2019 Audited	30.09.2019 Unaudited	31.03.2019 Audited
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	4,936,149,283	5,198,089,223	2,758,298,880	3,067,938,263
Right of use assets	-	-	53,849,712	-
Investment properties	11,632,772,202	10,729,192,520	415,800,000	415,800,000
Investment properties- work in progress	533,018,150	492,568,921	-	-
Intangible assets and goodwill	1,387,799,816	1,406,234,214	42,290,757	47,196,982
Investments in subsidiaries	-	-	14,155,857,707	13,230,857,707
Equity-accounted investees	889,710,929	898,019,125	855,465,410	855,465,410
Non-current financial assets	1,442,171,998	1,420,363,347	1,009,779,726	1,008,933,068
Deferred tax asset	937,864	-	-	-
	<b>20,822,560,242</b>	<b>20,144,467,350</b>	<b>19,291,342,192</b>	<b>18,626,191,430</b>
<b>Current assets</b>				
Inventories	8,081,076,756	6,578,633,179	1,987,741,819	1,440,013,027
Trade and other receivables	11,800,400,787	13,784,379,147	8,642,990,347	10,101,674,043
Amount due from related parties	257,052,123	126,895,989	418,378,601	409,622,868
Current tax assets	71,089,865	55,203,106	-	-
Other current financial assets	2,638,367,634	2,697,690,207	2,385,659,043	2,466,744,153
Short term investments	92,684,942	25,769,394	92,684,942	25,769,394
Short term deposits	3,148,658,282	2,163,147,483	1,594,151,243	475,198,599
Cash and cash equivalents	1,382,382,290	2,485,877,649	326,851,144	1,075,663,894
	<b>27,471,712,679</b>	<b>27,917,596,154</b>	<b>15,448,457,139</b>	<b>15,994,685,978</b>
<b>Total Assets</b>	<b>48,294,272,921</b>	<b>48,062,063,504</b>	<b>34,739,799,331</b>	<b>34,620,877,408</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Stated capital	9,000,000,000	9,000,000,000	9,000,000,000	9,000,000,000
Revaluation reserve	258,652,205	258,652,205	152,660,185	152,660,185
Retained earnings	12,474,669,936	11,936,129,031	10,692,702,365	9,932,281,210
Equity attributable to equity holders of the parent	21,733,322,141	21,194,781,236	19,845,362,550	19,084,941,395
Non-controlling interest	2,586,187,329	2,393,297,382	-	-
<b>Total equity</b>	<b>24,319,509,470</b>	<b>23,588,078,618</b>	<b>19,845,362,550</b>	<b>19,084,941,395</b>
<b>Non-current liabilities</b>				
Government grants	5,704,096	5,704,096	-	-
Loans and borrowings	5,082,269,068	5,097,947,765	5,190,961,119	5,188,152,871
Lease liabilities	-	-	9,915,023	-
Employee benefit liabilities	287,196,226	263,326,437	216,491,951	193,452,552
Deferred tax liabilities	2,092,804,015	2,165,728,615	458,923,471	519,040,038
	<b>7,467,973,405</b>	<b>7,532,706,913</b>	<b>5,876,291,564</b>	<b>5,900,645,461</b>
<b>Current liabilities</b>				
Bank overdraft	438,845,097	329,833,689	-	-
Trade and other payables	11,341,618,665	12,491,096,071	7,781,212,435	8,528,943,819
Amount due to related parties	31,195,390	24,486,763	50,612,535	279,991,521
Loans and borrowings	4,566,419,934	3,637,207,534	1,050,304,479	402,128,177
Lease liabilities	-	-	46,815,739	-
Current tax liabilities	93,851,178	424,288,511	76,323,577	411,867,608
Unclaimed dividends	34,859,782	34,365,405	12,876,452	12,359,427
	<b>16,506,790,046</b>	<b>16,941,277,973</b>	<b>9,018,145,217</b>	<b>9,635,290,552</b>
<b>Total liabilities</b>	<b>23,974,763,451</b>	<b>24,473,984,886</b>	<b>14,894,436,781</b>	<b>15,535,936,013</b>
<b>Total equity and liabilities</b>	<b>48,294,272,921</b>	<b>48,062,063,504</b>	<b>34,739,799,331</b>	<b>34,620,877,408</b>
<b>Net asset per share</b>	<b>21.73</b>	<b>21.19</b>	<b>19.85</b>	<b>19.08</b>

The Accounting Policies and Notes form an integral part of these Financial Statements.

The Financial Statements have been prepared in compliance with the requirements of the Companies Act No.7 of 2007.

  
**Deputy General Manager -Finance**

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.  
 Approved and signed for and on behalf of the Board of Directors of Access Engineering PLC.

  
**Director**

13th November 2019  
 Colombo.

  
**Director**



ACCESS ENGINEERING PLC  
STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30TH SEPTEMBER 2019



FOR THE PERIOD ENDED 30TH SEPTEMBER 2019						
Group	Attributable to equity holders of the parent				Non-controlling interests	Total equity
	Stated capital	Revaluation reserve	Retained earnings	Total		
In LKR						
Balance at 01st April 2018	9,000,000,000	404,698,445	11,375,847,076	20,780,545,521	2,299,725,473	23,080,270,994
Change in accounting policy	-	-	(22,050,720)	(22,050,720)	-	(22,050,720)
Restated total equity as at 01st April 2018	9,000,000,000	404,698,445	11,353,796,356	20,758,494,801	2,299,725,473	23,058,220,274
Profit for the period	-	-	995,553,568	995,553,568	24,842,777	1,020,396,345
Other comprehensive income for the period, net of tax	-	-	(623,178)	(623,178)	498,120	(125,058)
Total comprehensive income for the period	-	-	994,930,390	994,930,390	25,340,897	1,020,271,287
Disposal of Subsidiary - Horizon Knowledge City Limited	-	(146,043,319)	146,061,660	18,341	(18,341)	-
Balance at 30th September 2018	9,000,000,000	258,655,126	12,494,788,406	21,753,443,532	2,325,048,029	24,078,491,561
Balance at 01st April 2019	9,000,000,000	258,652,205	11,936,129,031	21,194,781,236	2,393,297,382	23,588,078,618
Profit for the period	-	-	789,485,647	789,485,647	(7,468,471)	782,017,176
Other comprehensive income for the period, net of tax	-	-	(944,742)	(944,742)	358,436	(586,306)
Total comprehensive income for the period	-	-	788,540,905	788,540,905	(7,110,035)	781,430,870
Cash dividends	-	-	(250,000,000)	(250,000,000)	-	(250,000,000)
Non-controlling interest of Access Motors (Private) Limited right issue	-	-	-	-	199,999,982	199,999,982
Balance at 30th September 2019	9,000,000,000	258,652,205	12,474,669,936	21,733,322,141	2,586,187,329	24,319,509,470

Company	Stated capital	Revaluation reserve	Retained earnings	Total equity
<b>In LKR</b>				
<b>Balance at 01st April 2018</b>	9,000,000,000	152,660,185	8,714,965,150	17,867,625,335
Change in accounting policy	-	-	(22,050,720)	(22,050,720)
<b>Restated total equity as at 01st April 2018</b>	9,000,000,000	152,660,185	8,692,914,430	17,845,574,615
Profit for the period	-	-	1,016,202,998	1,016,202,998
Other comprehensive income for the period, Net of tax	-	-	(2,520,000)	(2,520,000)
<b>Total comprehensive income for the period</b>	-	-	1,013,682,998	1,013,682,998
<b>Balance at 30th September 2018</b>	9,000,000,000	152,660,185	9,706,597,428	18,859,257,613
<b>Balance at 01st April 2019</b>	9,000,000,000	152,660,185	9,932,281,210	19,084,941,395
Change in accounting policy	-	-	(2,166,703)	(2,166,703)
<b>Restated total equity as at 01st April 2019</b>	9,000,000,000	152,660,185	9,930,114,507	19,082,774,692
Profit for the period	-	-	1,015,107,858	1,015,107,858
Other comprehensive income for the period, net of tax	-	-	(2,520,000)	(2,520,000)
<b>Total comprehensive income for the period</b>	-	-	1,012,587,858	1,012,587,858
Cash dividends	-	-	(250,000,000)	(250,000,000)
<b>Balance at 30th September 2019</b>	9,000,000,000	152,660,185	10,692,702,365	19,845,362,550

The Accounting Policies and Notes form an integral part of these Financial Statements.  
Figures in brackets indicate deductions.  
The above figures are subject to the audit.



ACCESS ENGINEERING PLC  
STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 30TH SEPTEMBER 2019



For the Year Ended 30th September	Group		Company	
	2019	2018	2019	2018
<b>In LKR</b>				
<b>Operating activities</b>				
Profit before tax	982,635,530	1,345,342,475	1,218,332,847	1,249,997,244
<b>Adjustments to reconcile profit before tax to net cash flows:</b>				
Depreciation of property plant and equipment	516,742,809	532,301,647	416,422,589	436,636,306
Amortisation of right- of - use assets	-	-	28,041,394	-
Amortisation and impairment of intangible assets	18,584,399	16,203,558	4,906,225	4,567,781
Provision for employee benefits	36,940,703	25,132,665	26,500,001	17,765,000
Provision for / (reversal of) doubtful debts	(19,407,270)	42,260,550	(18,167,374)	-
Loss on fair value changes of short-term investments	(11,915,652)	6,608,171	(11,915,652)	6,608,171
Gain on disposal of property, plant and equipment	(23,799,393)	(19,819,349)	(23,842,940)	(7,508,812)
(Gain)/Loss on disposal of subsidiary	-	5,977,460	-	(140,010,000)
(Gain) on disposal of Short term Investments	(2,892,766)	-	(2,892,766)	-
Amortisation of Government Grant	-	-	-	-
Share of results of equity-accounted investees, net of tax	8,308,196	6,060,779	-	-
Dividend income	(371,013)	(784,688)	(482,184,315)	(332,422,861)
Net finance cost	233,415,327	329,647,413	113,638,959	272,105,744
<b>Operating profit before working capital changes</b>	<b>1,738,240,870</b>	<b>2,288,930,681</b>	<b>1,268,838,968</b>	<b>1,507,738,573</b>
<b>Working capital adjustments:</b>				
(Increase) / decrease inventories	(1,509,676,945)	(616,220,180)	(547,728,792)	6,575,888
(Increase) / decrease trade and other receivables	1,912,168,518	(1,213,858,509)	1,474,616,363	(859,301,632)
(Increase) / decrease other current financial assets	59,322,573	(274,059,849)	81,085,110	(234,286,572)
Increase amounts due from related parties	(130,156,134)	(72,220,273)	(8,755,733)	(138,053,193)
Increase / (decrease) trade and other payables	(1,053,102,551)	373,362,564	(744,163,519)	128,409,907
Increase / (decrease) amounts due to related parties	6,708,627	22,411,957	(229,378,986)	(23,240,987)
<b>Cash generated from operating activities</b>	<b>1,023,504,958</b>	<b>508,346,391</b>	<b>1,294,513,411</b>	<b>387,841,984</b>
Interest paid	(455,446,677)	(546,414,635)	(256,940,852)	(343,988,060)
Income tax paid	(597,178,719)	(188,307,082)	(591,970,519)	(51,931,809)
Gratuity paid	(15,651,996)	(9,009,855)	(6,960,600)	(8,248,237)
<b>Net cash flows generated from / (used in) operating activities</b>	<b>(44,772,434)</b>	<b>(235,385,181)</b>	<b>438,641,440</b>	<b>(16,326,122)</b>
<b>Investing Activities</b>				
Purchase of property, plant and equipment	(267,939,648)	(652,340,262)	(119,919,986)	(309,172,816)
Purchase of intangible assets	(150,000)	(34,097,615)	-	-
Purchase of investment properties	(3,579,683)	(6,781,857)	-	-
Purchase of investment properties - work in progress	(40,449,229)	(62,413,718)	-	-
Proceeds from sale of property, plant and equipment	36,936,173	61,374,523	36,979,720	14,040,720
Proceeds from sale of investments	-	2,560,000	-	-
Net cash flows on disposal subsidiary	-	762,119,876	-	765,000,000
Investment in equity securities	(54,999,896)	-	(54,999,896)	-
Investment in unit trust	(250,000,000)	-	(250,000,000)	-
Acquisition of subsidiary, net of cash acquired	(900,000,000)	-	(900,000,000)	-
Investment in subsidiary	-	-	-	(126,572,560)
Proceeds from Sale of Unit Trust	252,892,766	-	252,892,766	-
(Investment in)/withdrawal from short term deposits	(985,510,799)	(188,073,367)	(1,118,952,644)	(12,572,280)
Dividend received	371,013	784,688	482,184,315	332,422,861
Interest received	181,694,411	162,026,420	116,104,665	80,066,404
<b>Net cash flows generated from / (used in) investing activities</b>	<b>(2,030,734,892)</b>	<b>45,158,688</b>	<b>(1,555,711,060)</b>	<b>743,212,329</b>
<b>Financing activities</b>				
Dividends paid to equity holders of the parent	(250,000,000)	-	(250,000,000)	-
Proceeds from issue of shares to non-controlling interest	199,999,982	-	-	-
Proceeds from borrowings	12,236,617,738	4,788,594,753	1,050,000,000	1,705,000,000
Repayment of borrowings	(11,323,617,161)	(5,116,321,427)	(400,000,000)	(2,580,000,000)
Payment of lease liabilities	-	(6,116,140)	(31,743,130)	-
<b>Net cash flows generated from / (used in) financing activities</b>	<b>863,000,559</b>	<b>(333,842,814)</b>	<b>368,256,870</b>	<b>(875,000,000)</b>
Decrease in cash and cash equivalents	(1,212,506,767)	(524,069,307)	(748,812,750)	(148,113,793)
Cash and cash equivalent at the beginning	2,156,043,960	829,386,236	1,075,663,894	577,006,066
<b>Cash and cash equivalent at 30th September</b>	<b>943,537,193</b>	<b>305,316,929</b>	<b>326,851,144</b>	<b>428,892,273</b>

Cash and cash equivalent includes bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

The Accounting Policies and Notes form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

The above figures are subject to the audit.



## 01 Basis of preparation

The financial statements of the Company have been prepared in accordance with Sri Lanka Accounting Standards comprising of SLFRS and LKAS (hereafter referred as "SLFRS"), as issued by the Institute of Chartered Accountants of Sri Lanka. Accordingly the Interim Financial Statements of the Company have been prepared in accordance with Sri Lanka Accounting Standard - LKAS 34 – Interim Financial Reporting.

The preparation and presentation of these financial statements are in compliance with the Companies Act No. 07 of 2007.

These interim condensed financial statements should be read in conjunction with the annual financial statements for the year ended 31st March 2019, except for changes required due to adoption of SLFRS 16, "Leases".

### 01.1 New standards, interpretations and amendments adopted by the Group

#### SLFRS 16 Leases

SLFRS 16 supersedes LKAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

The Group adopted SLFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 April 2019, without restating comparatives for the 2018/19 reporting period, as permitted under the specific transitional provisions in the standard. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying LKAS 17 and IFRIC 4 at the date of initial application, exempt for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

Lessor accounting under SLFRS 16 is substantially unchanged under LKAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in LKAS 17. Therefore, SLFRS 16 did not have an impact for leases where the Group is the lessor.

## 02 Related party transactions

	Group		Company	
	2019	2018	2019	2018
<b>For the period ended 30th September</b>				
<b>Transactions with related parties</b>				
<b>In LKR</b>				
Sales of goods and services	158,407,273	406,863,583	292,505,556	420,662,777
Purchases of goods and services	(42,798,223)	(101,233,806)	(147,077,467)	87,498,547
Dividend income	-	-	481,813,302	331,638,173
Investment in shares -Access Realities (Private) Limited	-	-	-	(126,572,560)
Investment in Shares -WUS Logistics (Private) Limited	-	-	(925,000,000)	-
Purchase of plants and equipments	(603,000)	(585,000)	(730,941)	111,885,000

## 03 Events after the reporting period

There have been no material events after the reporting date except for the following that would require adjustments to or disclosure in the Financial Statements.

### 03.1 Disposal of subsidiary

Company intends to dispose its investments in Horizon Holdings Ventures (Private) Limited during the year 2019/20.

### 03.2 Corporate guarantees

On 09th October 2019, Corporate guarantees issued by the company on behalf of Sathosa Motors PLC and Harbour Village (Private) Limited, for banking facilities are LKR 500Mn and LKR 300Mn respectively.

### 03.3 Interim Dividend

Pursuant to the resolution adopted on 13th November 2019, the board of the directors of the company approved the payment of a interim dividend of twenty five cents (0.25 cents) per share amounting to Rs. 250,000,000/- for the six month period ended 30th September 2019.

In accordance with the LKAS 10- Events after the reporting period, the interim dividend has not been recognized as a liability in the financial statements as at 30th September 2019.

## 04 Acquisition of subsidiary

On 30th September 2019, the company has acquired 100% of the issued shares of WUS Logistics (Private) Limited at a total consideration of LKR 925 Mn. WUS Logistics (Private) Limited owns a Land of 41.5 acres situated in Kimbulapitiya to be developed for the warehousing.

## 05 Contingent liabilities

There were no changes in the nature of the contingent liabilities since the publication of Annual Report for the year ended 31st March 2019 except for the following:

### 05.1 Bank guarantees issued by the banks on behalf of the Company as at 30th September 2019 are as follows.

	LKR.
Nations Trust Bank PLC	1,019,613,595
Hatton National Bank PLC	3,025,000,000
Sampath Bank PLC	72,123,023
Bank of Ceylon	325,620,910
People's Bank	2,003,218,605
Union Bank	32,229,049
National Development Bank PLC	663,285,539
Commercial Bank of Ceylon PLC	220,540,905
Cargills Bank Limited	728,597,086
Seylan Bank PLC	926,425,118
	<u>9,016,653,831</u>

Corporate Guarantee issued by the Company on behalf of Sathosa Motors PLC for banking facilities is LKR 580Mn on 21st May 2019 and same has been cancelled on 05th September 2019.

Corporate Guarantees issued by Sathosa Motors PLC on behalf of Access Motors (Pvt) Limited (formerly known as SML Frontier Automotive (Pvt) Limited) amounting to Rs. 1,077.3 Mn as at 31st March 2019, have been revised for an amount of LKR 481.5 Mn and USD 1 Mn.

### 05.2 Tax Assessment

#### Income tax assessment received for the year of assessment 2016/17.

The Department of Inland Revenue has raised an assessment of Income Tax for the year of assessment 2016/17, assessing the tax exemption claimed under Section 17 A (2) (c) of Inland Revenue Act No. 10 of 2006 to pay income tax LKR 152,641,422/- plus penalty of LKR 63,597,614/-. The company has filed valid appeal against this assessment.



06 Business Segment

	Construction	Construction related material	Property	Automobile	Adjustments and eliminations	Group total
<b>For the Period Ended 30th September 2019 (Unaudited)</b>						
<b>In LKR</b>						
<b>Revenue</b>						
External customers	7,721,355,568	1,580,059,092	396,466,851	2,427,059,328	-	12,124,940,839
Inter segment	229,383,229	609,354,074	39,067,933	826,043	(878,631,279)	-
Total revenue	7,950,738,797	2,189,413,166	435,534,784	2,427,885,371	(878,631,279)	12,124,940,839
Segment operating profit	1,202,810,448	179,769,127	274,384,212	124,552,997	(557,157,732)	1,224,359,052
Net finance income / (cost)	(128,844,390)	-	43,980,093	(152,967,110)	4,416,081	(233,415,326)
Share of results of equity accounted investees, net of tax (Note 6.1 )	-	-	-	-	(8,308,196)	(8,308,196)
Income tax expense	(203,224,989)	-	(5,755,152)	8,361,787	-	(200,618,354)
<b>Segment profit</b>	870,741,069	179,769,127	312,609,153	(20,052,326)	(561,049,847)	782,017,176
Capital expenditure	89,546,796	37,345,204	59,150,852	125,071,762	1,003,946	312,118,560
Depreciation and amortisation	359,689,144	78,646,584	22,952,083	65,319,835	8,719,562	535,327,208
<b>As at 30th September 2019 (Unaudited)</b>						
Segment assets	34,362,286,575	2,323,468,674	18,945,063,718	6,642,524,943	(13,979,070,989)	48,294,272,921
Segment liabilities	15,535,720,672	980,536,459	3,551,019,201	4,414,974,801	(507,487,682)	23,974,763,451

	Construction	Construction related material	Property	Automobile	Adjustments and eliminations	Group total
<b>For the Period Ended 30th September 2018 (Unaudited)</b>						
<b>In LKR</b>						
<b>Revenue</b>						
External customers	7,662,056,587	1,451,046,417	383,532,179	4,130,050,716	-	13,626,685,899
Inter segment	189,466,388	694,155,820	33,349,020	111,583,636	(1,028,554,864)	-
Total revenue	7,851,522,975	2,145,202,237	416,881,199	4,241,634,352	(1,028,554,864)	13,626,685,899
Segment operating profit	1,345,043,611	240,724,968	302,889,800	278,563,839	(486,171,551)	1,681,050,667
Net finance income / (cost)	(302,052,727)	-	120,497,322	(148,092,008)	-	(329,647,413)
Share of results of equity accounted investees, net of tax (Note 6.1 )	-	-	-	-	(6,060,779)	(6,060,779)
Income tax expense	(233,794,246)	-	(32,089,648)	(50,794,137)	(8,268,099)	(324,946,130)
<b>Segment profit</b>	809,196,638	240,724,968	391,297,474	79,677,694	(500,500,429)	1,020,396,345
Capital expenditure	314,215,897	3,775,525	129,413,265	308,228,766	-	755,633,453
Depreciation and amortisation	418,621,549	38,823,590	19,781,813	62,732,336	8,545,917	548,505,205
<b>As at 31st March 2019 (Audited)</b>						
Segment assets	34,608,139,636	1,843,581,942	17,873,371,580	7,013,712,416	(13,276,742,070)	48,062,063,504
Segment liabilities	16,290,063,874	787,983,121	3,237,135,553	4,966,109,943	(807,307,605)	24,473,984,886

06.1 Share of Results of Equity Accounted Investees, Net of Tax (Unaudited)

	ZPMC Lanka Company (Private ) Limited		Horizon Holdings (Private) Limited		Blue Star Realities (Private) Limited		Total	
<b>For the Period Ended 30th September (Unaudited)</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
<b>In LKR</b>								
Share of profit, net of tax	10,914,245	4,867,412	-	(722,733)	(19,222,441)	(10,205,459)	(8,308,196)	(6,060,779)
	10,914,245	4,867,412	-	(722,733)	(19,222,441)	(10,205,459)	(8,308,196)	(6,060,779)



**07 Share Information**

**07.1 Public Share Holdings**

Percentage of shares held by the public and the number of public shareholders are as follows.

As at	30th September 2019
Public shareholding (%)	41.914
Number of public shareholders	7,839
Compliant under option 3 - Float adjusted market capitalization (LKR Mn)	7,545

**07.2 Directors Share Holdings**

The number of shares held by the Board of Directors as at 30th September 2019 are as follows.

	Number of Shares	%
Mr. S J S Perera	250,000,000	25%
Mr. R J S Gomez	45,130,325	4.51%
Mr. J C Joshua	101,000,000	10.1%
Mr. S H S Mendis	24,000,000	2.4%
Mr. D A R Fernando	24,000,000	2.4%
Mr. S D Munasinghe	24,000,000	2.4%
Mr. S D Perera	2,000,000	0.2%
Prof. K A M K Ranasinghe	100	0.00%
Mr. N D Gunaratne	Nil	Nil
Mr. D S Weerakkody	10,000	0.00%

**07.3 Twenty largest shareholders of the company as at 30th September 2019 are as follows.**

	Number of Shares	%
1 Mr. S J S Perera	250,000,000	25.00%
2 Mr. J C Joshua	101,000,000	10.10%
3 Mrs. R M N Joshua	70,000,000	7.00%
4 Mr. S J S Perera	50,811,814	5.08%
5 Mr. R S J Gomez	45,130,325	4.51%
6 Mrs. D R S Malalasekera	45,000,000	4.50%
7 Access International (Private) Limited	32,200,000	3.22%
8 Foresight Engineering (Private) Limited	30,824,098	3.08%
9 Mr. S D Munasinghe	24,000,000	2.40%
10 Mr. S H S Mendis	24,000,000	2.40%
11 Mr. D A R Fernando	24,000,000	2.40%
12 Employees Provident Fund	20,478,289	2.05%
13 SEB AB-Tundra Sustainable Frontier Fund	18,282,027	1.83%
14 Access Medical (Private) Limited	13,000,000	1.30%
15 Mr. M J Fernando	10,832,688	1.08%
16 Nuwara Eliya Property Developers (Private) Limited	8,102,042	0.81%
17 Deutsche Bank AG - National Equity Fund	5,850,000	0.59%
18 Deutsche Bank AG AS Trustee For JB Vantage Value Equity Fund	5,072,312	0.51%
19 SSBT - Parametric Tax - Managed Emerging Markets Fund	3,828,963	0.38%
20 Mr. A M Iddamalgoda	3,510,990	0.35%
	<hr/>	<hr/>
	785,923,548	78.59%
Others	214,076,452	21.41%
<b>Total</b>	<hr/> <b>1,000,000,000</b> <hr/>	<hr/> <b>100.00%</b> <hr/>

#### 07.4 Share Distribution

##### Shareholding as at 30th September 2019

From	To	No of Holders	No of Shares	%
1	1,000	3,747	1,384,656	0.14%
1,001	10,000	2,593	11,137,060	1.11%
10,001	100,000	1,155	37,846,471	3.79%
100,001	1,000,000	299	87,121,887	8.71%
Over 1,000,000		65	862,509,926	86.25%
		<b>7,859</b>	<b>1,000,000,000</b>	<b>100%</b>

Categories of Shareholders	No of Holders	No of Shares	%
Local Individuals	7,384	759,498,636	75.95%
Local Institutions	391	193,707,463	19.37%
Foreign Individuals	64	4,179,818	0.42%
Foreign Institutions	20	42,614,083	4.26%
	<b>7,859</b>	<b>1,000,000,000</b>	<b>100%</b>

#### 07.5 Stated Capital

Stated Capital is represented by number of shares in issue as given below.

As at	30th September 2019	31st March 2019
Ordinary Shares	1,000,000,000	1,000,000,000

#### 07.6 Market Price Per Share

In LKR	2019/20 2nd Quarter	2018/19 2nd Quarter
Highest	22.7	17.9
Lowest	14.2	13.5
Last Traded	18.0	13.9



#### 07.7 Debenture Information

On 18th November 2015 Company issued fifty million (50,000,000) rated senior unsecured redeemable debentures to the value of Rupees five billion (LKR 5,000,000,000). These debentures are listed in the Colombo Stock Exchange.

Details regarding the listed debentures are as follows.

Instrument Type	Interest Frequency	Coupon rate %	Effective Annual Yield %	IROCGS as at reporting date %
Type 01 – 5 Years Tenor	Semi-Annually	10.25	10.51	10.24
Type 02 – 6 Years Tenor	Semi-Annually	10.45	10.72	10.36
Type 03 – 7 Years Tenor	Semi-Annually	10.72	10.01	10.395
Type 04 – 8 Years Tenor	Semi-Annually	10.95	11.25	10.43

IROCGS - Interest rate of comparable government securities

The Listed Debentures were not traded since issuing date. Therefore, Highest Traded price, Lowest Traded Price, Last Traded Price for the year ended 30th September 2019 and Yield to Maturity of trade were not available.

#### Debt Security related ratios

For the Period ended / as at 30th September	2019	2018
Debt to equity ratio	0.31	0.33
Quick assets ratio	1.49	1.48
Interest cover	3.90	4.61

Utilization of funds raised via debenture issue is as follows.

Objective	Construction of Access Tower II at Union Place, Colombo 02	Urban Regeneration Project - Design and Construction of 941 Housing Units at Henamulla, Colombo 15
Amount allocated from proceeds in LKR (Mn) (A)	2,586	2,414
Amount utilized in LKR (Mn) (B)	2,586	2,414
% Utilization against allocation (B/A)	100%	100%

## **CORPORATE INFORMATION**

### **Name of Company**

Access Engineering PLC

### **Registered office**

Access Engineering PLC

Access Tower,

278, Union Place,

Colombo 02.

Tel: +94 11 7606606

Fax: +94 11 7606605

Web: [www.accessengsl.com](http://www.accessengsl.com)

E-mail: [investor.relations@accessengsl.com](mailto:investor.relations@accessengsl.com)

### **Legal Form**

A Public Limited Liability Company incorporated in Sri Lanka on 31st July 2001 under the Companies Act No. 17 of 1982 and Re-registered under the Companies Act No. 07 of 2007 on 06th February 2008.

Ordinary Voting Shares are listed on the Main Board of the Colombo Stock Exchange.

Rated Senior Unsecured Redeemable Debentures are listed on the Colombo Stock Exchange.

### **Company Registration Number**

P B 200 PQ

### **Bankers**

Bank of Ceylon

Sampath Bank PLC

Hatton National Bank PLC

Nations Trust Bank PLC

Commercial Bank of Ceylon PLC

DFCC Bank PLC

People's Bank

National Development Bank PLC

Union Bank of Colombo PLC

Cargills Bank Limited

CAC International Bank

International Commercial Bank

Seylan Bank PLC

### **Secretaries**

P W Corporate Secretarial (Private) Limited

No 3/17, Kynsey Road,

Colombo 08.

Tel: +94 11 4640360

Fax: +94 11 4740588

### **Auditors**

Messrs KPMG

Chartered Accountants

32A, Sir Mohamed Macan Markar Mawatha,

Colombo 03.

Tel: +94 11 2426426

Fax: +94 11 2445872