



B P P L Holdings PLC

Unaudited Interim Condensed Consolidated Financial Statements
for the Second Quarter ended
30th September 2017

BPPL Holdings Financial Results for the Period Ending 30th September 2017

BPPL Holdings announced today its unaudited financial results for the six month period April 2017 to September 2017.

Consolidated revenue for the period was Rs.1.2 billion, up 7% over the corresponding period in the previous year. The North American region remained the dominant contributor, accounting for 82% of reported revenue. The region saw a 9% increase in revenue over the previous financial year. Robust growth was also seen in Australia, and the European region.

The impact of floods in Sri Lanka in May/June, which affected timber supplies, restricted sales growth during the period. Although the situation had normalized by July 2017, inventory replenishment took longer than anticipated due to the threat of landslides affecting tree uprooting early on. Inventories only normalized by September 2017, which meant that shipments could only be regularized towards the end of the reported period.

However, I'm pleased to report that the order pipeline for the next few quarters is strong with substantial order flow from customers in the disaster management and janitorial sectors in the United States. The need to replenish inventory rapidly following the recent hurricanes has boosted orders from the disaster management sector. We have also had significant wins from customers in the janitorial sector for our synthetic fiber/monofilament products. Revenue from these orders is expected to flow through from the Oct-Dec'2017 quarter onwards.

Order pipelining for our new synthetic yarn operation also commenced during this period. Again, I'm pleased to report that customer feedback so far has been very encouraging with several initiatives now moving to the sampling stages. Supply of the yarn extrusion machinery is also on track with deliveries expected during November-December 2017. Machinery will be commissioned during the January to March quarter of 2018 and contribute to revenue from April 2018.

We also continued to roll out our own brand of cleaning products in the South-East Asian region. A distributor was appointed in Malaysia during the past quarter and another national hypermarket chain undertook to carry our products in Indonesia. Now there are four national hypermarket chains and seven local stores in the Jakarta region that retail our products.

Revenue growth to the traditional wholesaler segment was 2% during the period whilst growth to "direct to retailer" and branded segments were a faster 30 and 31% respectively. The wholesaler segment accounted for 78% of group revenue followed by the "direct to retailer" segment (20%) and the branded segment (2%).

Gross profit was slightly down to Rs.439 million for the six month period as gross margins fell due to wage escalation as a result of the floods. Irregular timber supplies increased overtime payments as workers had to process the timber as and when it arrived. The gross profit margin fell to 37% from 40% during the six month period. Approximately 1.2% of this 3% drop was due to the higher temporary wages and 1.3% was due to short term increase in timber prices. However, I'm happy to report that gross margins were back up to 40% by September with the normalizing of the timber situation.

B P P L Holdings PLC

CEO'S REVIEW

Profit-After-Tax attributable to the company's shareholders was flat at Rs.179 million for the six month period ending September 2017 due to the reasons stated above. Non-annualized EPS for the period amounted to Rs.0.58.

About BPPL

Founded in 1984, BPPL Holdings manufactures a range of high quality, durable cleaning products and synthetic fiber for both professional and household applications. Leveraging on its sustainable manufacturing and vertically integrated processes, coupled with commitment to consistent quality, on-time delivery, reasonable pricing and flexibility allows it to supply to major distributors and retailers of cleaning tools worldwide.



Dr. Anush Amarasinghe
Managing Director / Chief Executive Officer

BPPL HOLDINGS PLC
STATEMENT OF FINANCIAL POSITIONS

Balance as at,	Group		Company	
	30-Sep-17 Rs.	30-Sep-16 Rs.	30-Sep-17 Rs.	30-Sep-16 Rs.
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	1,579,984,056	1,266,725,762	758,067,654	683,008,946
Lease hold land	8,677,358	8,909,515	-	-
Intangible Asset	15,539,775	8,504,767	1,321,439	255,550
Investment in Subsidiaries	-	-	367,626,688	367,626,688
Other Investments	-	-	-	-
Deferred Tax Assets	-	-	-	-
Total Non-Current Assets	1,604,201,189	1,284,140,044	1,127,015,781	1,050,891,184
Current Assets				
Inventories	559,855,079	485,838,524	135,024,820	99,511,316
Trade and Other Receivables	732,522,866	585,170,500	147,002,136	119,437,274
Income Tax Receivables	137,329	-	-	-
Deffered Tax	775,112	811,458	-	-
Cash and Bank Balances	35,547,838	46,017,144	3,381,214	6,804,370
Total Current Assets	1,328,838,224	1,117,837,626	285,408,170	225,752,960
Total Assets	2,933,039,413	2,401,977,670	1,412,423,951	1,276,644,144
EQUITY AND LIABILITIES				
Equity				
Stated Capital	100,371,584	100,371,584	100,371,584	100,371,584
Revaluation reserve	259,933,800	-	257,827,800	-
Retained Earnings	1,778,705,636	1,719,294,486	405,633,758	594,871,170
Total Equity	2,139,011,020	1,819,666,070	763,833,142	695,242,754
Non-Current Liabilities				
Interest Bearing Loans and Borrowings	153,226,609	127,844,778	-	-
Deferred Tax Liabilities	45,344,503	51,622,405	17,001,689	17,214,367
Retirement Benefit Obligations	47,558,517	52,092,009	12,665,646	15,165,453
Total Non-Current Liabilities	246,129,629	231,559,192	29,667,335	32,379,820
Current Liabilities				
Trade and Other Payables	150,462,548	133,022,224	338,839,270	347,361,385
Income Tax Payable	503,463	23,088,324	721,715	7,077,562
Interest Bearing Loans and Borrowings	396,932,753	194,641,860	279,362,489	194,582,623
Total Current Liabilities	547,898,764	350,752,408	618,923,474	549,021,570
Total Liabilities	794,028,393	582,311,600	648,590,809	581,401,390
Total Equity and Liabilities	2,933,039,413	2,401,977,670	1,412,423,951	1,276,644,144
Net Assets per Ordinary Share (Rs.)	6.97	5.93	2.49	2.27

Note: The above figures are not audited.

These Financial Statements are in compliance with the requirements of the Companies Act No :07 of 2007.



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Senior Manager - Finance

The board of directors is responsible for the preparation and presentation of these Financial Statements. Signed for and on behalf of the board by:



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Director



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Director

The accounting policies and notes form an integral part of the financial statements.

October 27, 2017
Colombo.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group				Company			
	Quarter ended 30 September		Six months ended 30 September		Quarter ended 30 September		Six months ended 30 September	
	2017 Rs.	2016 Rs.	2017 Rs.	2016 Rs.	2017 Rs.	2016 Rs.	2017 Rs.	2016 Rs.
Revenue	635,969,797	601,944,248	1,187,946,440	1,114,933,124	160,289,654	168,966,876	312,732,449	312,099,463
Cost of Sales	(400,732,050)	(360,321,275)	(749,008,034)	(669,226,002)	(127,567,394)	(117,771,909)	(244,798,423)	(217,374,477)
Gross Profit	235,237,747	241,622,973	438,938,406	445,707,122	32,722,260	51,194,967	67,934,026	94,724,986
Other Operating Income	2,486,866	5,560	4,105,776	46,080	1,513,371	40,384,655	57,737,788	41,376,175
Distribution Costs	(65,766,141)	(59,111,233)	(122,431,882)	(110,212,372)	(7,242,486)	(8,748,949)	(13,987,510)	(15,319,320)
Administrative Expenses	(56,037,015)	(55,112,159)	(113,227,981)	(108,128,217)	(8,619,420)	(10,729,909)	(18,876,373)	(20,500,028)
Finance Cost	(4,951,108)	(5,264,599)	(10,085,975)	(11,969,341)	(2,369,814)	(3,209,351)	(3,504,580)	(7,353,762)
Finance Income	49,314	42,289	82,892	83,863	1,480	839	2,384	1,633
Profit Before Tax	111,019,663	122,182,831	197,381,236	215,527,135	16,005,391	68,892,252	89,305,735	92,929,684
Income Tax Expense	(10,169,214)	(21,844,824)	(18,020,608)	(36,791,522)	(1,738,439)	(7,025,532)	(4,308,041)	(13,394,849)
Profit for the Period	100,850,449	100,338,007	179,360,628	178,735,613	14,266,952	61,866,720	84,997,694	79,534,835
Other Comprehensive Income								
Remeasurement of employee benefit obligations	-	-	-	-	-	-	-	-
Deferred tax adjustment	-	-	-	-	-	-	-	-
Total Other Comprehensive Income/ (Loss) for the period	-	-	-	-	-	-	-	-
Total Comprehensive Income/ (Loss) for the period	100,850,449	100,338,007	179,360,628	178,735,613	14,266,952	61,866,720	84,997,694	79,534,835
Earnings/ (Loss) per Ordinary Share (Rs.)	0.33	0.33	0.58	0.58	0.05	0.20	0.28	0.26

Note: The above figures are not audited.

The accounting policies and notes form an integral part of the financial statements.

BPPL HOLDINGS PLC
STATEMENT OF CHANGES IN EQUITY

Group	Stated Capital Rs.	Revaluation reserve Rs.	Retained Earnings Rs.	Total Equity Rs.
Balance as at 31st March 2017	100,371,584	259,933,800	1,654,568,984	2,014,874,368
Profit for the Period	-	-	179,360,628	179,360,628
Other Comprehensive Income	-	-	-	-
Tax on Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	-	-	179,360,628	179,360,628
Dividend Paid	-	-	(55,223,976)	(55,223,976)
Balance as at 30th September 2017	100,371,584	259,933,800	1,778,705,636	2,139,011,020
Company				
Balance as at 31st March 2017	100,371,584	257,827,800	375,860,041	734,059,425
Profit for the Period	-	-	84,997,694	84,997,694
Other Comprehensive Income	-	-	-	-
Tax on Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	-	-	84,997,694	84,997,694
Dividend Paid	-	-	(55,223,976)	(55,223,976)
Balance as at 30th September 2017	100,371,584	257,827,800	405,633,759	763,833,143

The accounting policies and notes form an integral part of the financial statements.

BPPL HOLDINGS PLC
STATEMENT OF CASHFLOW

For the period ended,	Group		Company	
	30.09.2017 Rs.	30.09.2016 Rs.	30.09.2017 Rs.	30.09.2016 Rs.
Cash Flow from Operating Activities				
Profit Before Tax	197,381,236	215,527,135	89,305,735	92,929,684
Adjustments for				
Depreciation	36,468,065	32,298,608	7,556,392	6,511,718
Provision for Retirement Benefit Obligations	5,618,988	6,743,124	1,560,000	1,768,149
Interest Income	(82,892)	(83,863)	(2,384)	(1,633)
Dividend Income	-	-	(55,223,976)	(39,428,095)
Finance Cost	10,085,975	11,969,341	3,504,580	7,353,762
Profit from disposal of Fixed Assets	-	-	-	-
Operating Profit/ (Loss) Before Working Capital Changes	249,471,372	266,454,345	46,700,347	69,133,585
(Increase)/Decrease in Inventories	(38,597,647)	(57,019,130)	(25,785,690)	(3,072,488)
(Increase)/Decrease in Trade and Other Receivables	(81,326,763)	(14,023,662)	(32,239,451)	45,224,624
Increase/(Decrease) in Trade and Other Payables	10,691,064	28,684,059	(116,331,820)	324,464,513
Cash Generated from Operations	140,238,026	224,095,612	(127,656,614)	435,750,234
Income Tax Paid	(39,022,073)	(5,022,314)	(7,255,817)	(3,912,629)
Retirement Benefit Obligations Costs paid	(4,233,286)	(2,147,891)	(2,491,980)	(4,165,023)
Interest Paid	(10,085,975)	(11,969,341)	(3,504,580)	(7,353,762)
Cash Flow from Operating Activities	86,896,692	204,956,066	(140,908,991)	420,318,820
Cash Flow from Investing Activities				
Acquisition of Property, Plant and Equipment	(199,852,887)	(26,058,587)	(68,301,577)	(7,873,344)
Investment in group comp	-	-	-	(358,524,458)
Proceeds from Disposal of PP&E	-	-	-	-
Proceeds from non operation operation	-	-	-	-
Interest Received	82,892	83,863	2,384	1,633
Dividend Received	-	-	55,223,976	39,428,095
Capital Work In Progress	-	-	-	-
Net Cash Flows used in Investing Activities	(199,769,995)	(25,974,724)	(13,075,217)	(326,968,074)
Cash Flow from Financing Activities				
Net of Interest Bearing Loans and Borrowings	203,422,602	(52,632,042)	225,836,722	(15,433,925)
Dividends Paid	(55,223,976)	(59,202,818)	(55,223,976)	(54,944,139)
Net Cash Flows from/(used in) Financing Activities	148,198,626	(111,834,860)	170,612,746	(70,378,064)
Net Increase/ (Decrease) in Cash and Cash Equivalents	35,325,323	67,146,482	16,628,538	22,972,682
Cash and Cash Equivalent at the beginning of the period	(10,549,447)	(30,519,359)	(17,191,811)	(25,499,097)
Cash and Cash Equivalent at the end of the period	24,775,876	36,627,123	(563,273)	(2,526,415)
Cash and Cash Equivalent Analysis				
Cash and Bank Balances	35,547,838	46,017,144	3,381,214	6,804,370
Bank Over Draft	(10,771,962)	(9,390,021)	(3,944,487)	(9,330,785)
Cash and Cash Equivalent at the end of the period	24,775,876	36,627,123	(563,273)	(2,526,415)

The accounting policies and notes form an integral part of the financial statements.

1 CORPORATE INFORMATION

B P P L Holdings PLC is a public limited liability Company incorporated and domiciled in Sri Lanka and is listed on the Colombo Stock Exchange. The Company's parent undertaking is Infinity Capital (Private) Limited, which is incorporated in Sri Lanka. The Group is principally engaged in the provision of wooden handles, brooms, brushes, mops and synthetic fibre. The registered office of the Company and principal place of business is situated at Level 17, Access Towers, No. 278/4, Union Place, Colombo 02.

The Interim Consolidated Financial Statements comprise of the Company and its subsidiaries (together referred to as the "Group" and individually Group entities). The subsidiaries of the Company are set out below,

Subsidiary	Controlling interest
Beira Brush (Private) Limited	100%
Beira Enviro Solutions (Private) Limited	100%
BPPL Enterprises (Private) Limited	100%

2 BASIS OF PREPARATION**2.1 Statement of Compliance**

The Interim condensed Financial Statements of the Company and Group have been prepared in accordance with Sri Lanka Accounting Standard - LKAS 34 – Interim Financial Reporting. This Interim Financial Statement should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2017 including the changes to accounting policies as a result of adapting to Sri Lanka Financial Reporting Standards, ("SLFRSs/LKASs").

2.2 Basis of measurement

The Financial Statements have been prepared on the historical cost basis and applied consistently with no adjustments being made for inflationary factors affecting the financial statements, except for the following;

- Freehold Land and buildings are measured at cost at the time of acquisition and construction and subsequently at revalued amounts, which are the fair values at the date of revaluation less accumulated depreciation and impairment losses, if any.
- Employee benefits are recognized as the net total of the plan assets, plus unrecognized past service cost and unrecognized actuarial losses, less unrecognized actuarial gains and the present value of the defined benefit obligation.

2 BASIS OF PREPARATION (Cont...)

2.3 Functional Currency and Presentation Currency

All values presented in the Financial Statements are in Sri Lankan Rupees which is the Group's functional currency, unless otherwise indicated.

3 ACCOUNTING POLICIES

The accounting policies adopted are consistent with the previous financial year.

4 FINANCIAL COMMITMENTS AND CONTINGENT LIABILITIES

5.1 Finance Commitments

There are no any material financial commitments.

5.2 Contingent Liabilities

There are no any contingent liabilities.

5 EVENTS AFTER THE REPORTING PERIOD

Subsequent to the reporting date, no circumstances have arisen which required adjustment to or disclosure in the Financial Statements.

6 STATED CAPITAL

The Company's stated capital consists of 306,843,357 ordinary shares.

7 DIVIDENDS

The company declared its first interim dividend of Rs 0.18 per ordinary share on 27th July 2017 for the Financial year 2017/18 and the dividend was paid on 17th August 2017.

The Board of Directors confirmed that the company satisfied the solvency test in accordance with section 57 of the companies Act no 7 of 2007 and obtained a certificate from the auditors, prior to declaring the interim dividend.

8 INVESTOR INFORMATION

8.1 Share Trading Information

	Quarter Ended		Year Ended	
	30-Sep-17	30-Jun-17	31-Mar-17	31-Mar-16
Share Information				
Highest Price (Rs.)	15.60	16.00	N/A	N/A
Lowest Price (Rs.)	14.50	12.00	N/A	N/A
Closing Price (Rs.)	14.90	15.50	N/A	N/A

8.2 Public Holding as at 30th September 2017

Ordinary shares of the Company held by the public as at 30th September 2017;

- Percentage of ordinary shares held by the public 9.99%
- Number of Public Shareholders 560.

There were no non-voting shares as at 30th September 2017.

The Company was listed with the Colombo Stock Exchange of Sri Lanka on 4th April 2017. Therefore, there were no share trading prior to 4th April 2017.

The Stock Exchange code for BPPL Holding PLC shares is "BPPL".

8.3 Twenty Major Shareholders

No	Name of the Shareholder	No. of Shares as at 30 th September 2017	%
1	Infinity Capital (Pvt) Ltd	154,382,777	50.31%
2	Lolc Investments Ltd	80,546,372	26.25%
3	Hirdaramani Investment Holdings Private Limited	41,229,208	13.44%
4	Seylan Bank Plc/Arrc Capital (Pvt) Ltd	3,446,301	1.12%
5	J.B. Cocoshell (Pvt) Ltd	2,945,299	0.96%
6	Deutsche Bank Ag Singapore Branch	2,600,000	0.85%
7	Mr. Samaranyake Nihal Parakrama De Alwis	1,000,000	0.33%
7	Miss. Page Marianne Mahilmalar	1,000,000	0.33%
9	Mr. Udayananda Karagoda Loku Gamage	802,690	0.26%
10	Jafferjee Brothers (Exports) Limited	772,800	0.25%
11	Mr. Fernando Merrill Joseph	750,000	0.24%
12	Mr. Esufally Murtazaali Abidhussen Hassanaly	733,400	0.24%
13	Mr. Hirdaramani Mahesh Lalchand	732,100	0.24%
13	Mr. Hirdaramani Akshay Anil	732,100	0.24%
15	Deutsche Bank Ag-Comtrust Equity Fund	730,000	0.24%
16	Lanka Century Investments Plc	645,100	0.21%
17	Alpex Marine (Pvt) Ltd	567,100	0.18%
18	Gf Capital Global Limited	476,600	0.16%
19	Katunayake Garments Limited	419,200	0.14%
20	Mr. Hirdaramani Siddharth Janak	412,700	0.13%
20	Mr. Hirdaramani Aroon Janak	412,700	0.13%
		295,336,447	96.12%

9 DIRECTOR'S SHAREHOLDINGS

Name of the Director	Role	No. of Shares
Mr. Sarath Amarasinghe	Chairman	-
Dr. Anush Amarasinghe	Managing Director/CEO	-
Mr. Vaithilingam Selvaraj	Director-Finance/ CFO	-
Mr. B D P D Perera	Director-Factory operations	-
Mr. Ranil Pathirana	NED	-
Mr. Manjula De Silva	INED	-
Mrs. Sharmini Ratwatte	INED	-
Mr. Savantha S De Saram	INED	-

Office Addresses

Head Office

Level 17,
Access Towers,
No. 278/4, Union Place,
Colombo 02

Wood, Brush and Mop Factory

No 88,
Ratnapura Road,
Ingiriya

Synthetic Filament Factory

Batuvita,
Mawgama,
Horana.

Recycling and Yarn Plant

Lot 7,
Horana Export Processing Zone,
Boralugoda,
Poruwadonda,
Horana.

Offshore Offices:

Canada

Beira Marketing Services (N.A) Inc,
1465,
Caulder Drive,
Oakville,
Ontario, L6J 5T1,
Canada

Malaysia

Suite 11.01, Level 11,
South Wing, Menara OBYU,
4, Jalan PJU 8/8A,
Damansara Perdana,
47820 Petaling Jaya,
Selangor Darul Ehsan,
Malaysia.

CORPORATE INFORMATION

Company Name	B P L Holdings PLC	
Date of Incorporation	26 th August 1991	
Legal Form	Incorporated in Sri Lanka on 26 th August 1991 as a public company under the Companies Act No. 17 of 1982 [N (PBS) 291]], re-registered under the Companies Act No. 07 of 2007 on 21 st January 2009 (PB 859), converted to a private limited liability on 20 th July 2012 (PB 859 PV), converted to a public company on 29 th July 2016 (PB 859 PV) and subsequently converted to Public Quoted Company (PB 859 PQ) on 29 th June 2017 . Authority of Incorporation: Registrar of Companies (ROC), Colombo.	
Company Registration Number	PB 859 PQ	
Registered Office and Current Place of Business	B P L Holdings PLC, Level 17, Access Towers, No. 278/4, Union Place, Colombo 02. Tel : +94 11 2307168 Fax: +94 11 2307169	
Board of Directors	Mr. Sarath Dayantha Amarasinghe – Chairman Dr. Anush Amarasinghe – Managing Director / Chief Executive Officer Mr. Vaithilingam Selvaraj - Executive Director / Chief Financial Officer Mr. B. D. Prasad Devapriya Perera - Executive Director Mr. Ranil Pathirana – Non-Executive Director Mr. Manjula De Silva - Independent Non- Executive Director Mrs. Sharmini Ratwatte - Independent Non- Executive Director Mr. Savantha De Saram – Independent Non-Executive Director	
Company Secretary	Secretarius (Pvt) Ltd. 3rd Floor, 40, Galle Face Court, Colombo 03. Tel : +94 11 2333431 Fax: +94 11 2381907	
Company Registrar	S S P Corporate Services (Private) Limited, 101, Inner Flower Road, Colombo 03. Tel : +94 11 2573894 Fax : +94 11 2573609 Email : sspsec@sltnet.lk	
Auditors to the Company	Messrs. Ernst & Young (Chartered Accountants) 201, De Saram Place, Colombo 10. Tel : +94 11 2204444 Fax: +94 11 2697369	
Lawyers to the Company	AIM LAW Attorneys-at-Law and Notaries Public No. 514C, R A De Mel Mawatha Colombo 03. Tel: +94 11 2503426/ +94 712 228 044 Email: amilaw@sltnet.lk	
Company Website	www.beiragroup.com	
Company E-Mail	info@beiragroup.com	
Bankers to the Company	<p><u>Bank of Ceylon</u> 04, Bank of Ceylon Mawatha, Colombo 01. Tel :+94 11 2204444 Fax:+94 11 2321160</p> <p><u>National Development Bank</u> 42, DHPL Building, Nawam Mawatha, Colombo 02. Tel : +94 11 2448448 Fax: +94 11 2341044</p>	<p><u>Hongkong and Shanghai Banking Corporation Limited</u> 24, Sir Baron Jayathilake Mawatha, Colombo 01. Tel : + 94 11 2325435 Fax: + 94 11 2690177</p> <p><u>Hatton National Bank</u> HNB Towers, 479, T.B. Jayah Mawatha, Colombo 10.</p>