

INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED 30TH JUNE 2021

PRIME LANDS RESIDENCIES PLC, NO 75, D.S SENANAYAKE MAWATHA, COLOMBO 08, SRI LANKA.
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PRIME LANDS RESIDENCIES PLC
STATEMENT OF COMPREHENSIVE INCOME
INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 30TH JUNE, 2021

	30.06.2021 Unaudited	30.06.2020 Unaudited	Variance %
	Rs.	Rs.	
Revenue	1,298,698,069	1,040,345,539	**25%**
Cost of sales	(884,813,817)	(815,937,571)	**8%**
Gross profit	413,884,252	224,407,968	**84%**
Other income	53,307,880	4,295,475	**1141%**
Distribution expenses	(14,134,894)	(5,508,042)	**157%**
Administrative expenses	(137,843,213)	(70,383,662)	**96%**
Operating profit	315,214,025	152,811,739	**106%**
Finance income	5,272,314	21,181,355	**-75%**
Finance expenses	(91,558,465)	(128,241,302)	**-29%**
Profit before taxation	228,927,874	45,751,792	**400%**
Tax expenses	(27,471,345)	(11,167,383)	**146%**
Profit for the period	201,456,529	34,584,409	**483%**
Other comprehensive income			
Items that will not be re-classified to profit or loss			
Actuarial gain on retirement benefit obligation	-	-	**0%**
Tax on other comprehensive income	-	-	**0%**
Other comprehensive income for the period, net of tax	**-**	**-**	**0%**
Total comprehensive income for the period	201,456,529	34,584,409	**483%**
Earnings per share	0.22	0.05	

Figures in brackets indicate deductions.

PRIME LANDS RESIDENCIES PLC
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2021

	As at 30.06.2021 Unaudited	As at 31.03.2021 Audited
	Rs.	Rs.
ASSETS		
Non-current assets		
Property, plant and equipment	8,629,172.24	9,815,316.00
Right-of-use assets	70,959,585.16	79,151,955.00
Investment properties	660,000,000	660,000,000
Intangible assets	459,959.00	474,231.00
Financial assets at amortized cost	357,466,732	352,939,048
Total non-current assets	1,097,515,448	1,102,380,550
Current assets		
Inventory properties - Apartments	11,800,249,458	11,086,722,148
Financial assets - Fair value through profit or loss	195,000	195,000
Advance paid for contractors	792,523,836	357,326,947
Advances, deposits and other receivables	89,227,860	76,492,373
Cash and cash equivalents	1,447,799,822	376,799,448
Total current assets	14,129,995,976	11,897,535,916
Total assets	**15,227,511,424**	**12,999,916,466**
EQUITY AND LIABILITIES		
Equity		
Stated capital	3,450,000,000	1,500,000,000
Retained earnings	1,759,409,178	1,932,952,648
Total equity	5,209,409,178	3,432,952,648
Non-current liabilities		
Retirement benefit obligations	16,489,205	15,463,841
Interest bearing borrowings	1,883,771,426	2,333,941,373
Lease liabilities	38,769,415	42,750,007
Deferred tax liabilities	20,745,384	20,745,384
Total non-current liabilities	1,959,775,429	2,412,900,605
Current liabilities		
Trade and other payables	1,492,749,051	1,128,951,405
Amount due to related party	15,991,451	4,995,981
Interest bearing borrowings - Current portion	1,922,831,521	1,859,837,994
Lease liabilities - Current portion	12,755,404	11,442,245
Customer advance collection	2,675,881,928	2,537,768,562
Income tax payable	447,407,721	461,009,242
Bank overdraft	1,490,709,741	1,150,057,784
Total current liabilities	8,058,326,817	7,154,063,213
Total liabilities	10,018,102,246	9,566,963,818
Total equity and liabilities	**15,227,511,424**	**12,999,916,466**
Net Assets Per Share (Rs.)	**5.56**	**4.58**

Figures in brackets indicate deductions.

Certification
We certify that the above Financial Statements have been prepared in compliance with the requirements of the Companies Act No.07 of 2007.

.....
Mr. Pathirage Anura W. Perera
General Manager Finance

.....
Mrs. Sandamini R. Perera
Co-Chairperson/Directress

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.

.....
Mr. Brahmanage Premalal
Co-Chairman/Director

Colombo
29th July 2021

PRIME LANDS RESIDENCIES PLC
No. 75, D.S. Senanayake Mawatha, Colombo 08.
PQ 00234680

.....
Mr. Sanjaya Bandara
Director

STATEMENT OF CHANGES IN EQUITY

INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 30TH JUNE, 2021

	Stated capital Rs.	Retained earnings Rs.	Total Rs.
Balance as at 31st March, 2020	1,500,000,000	942,717,586	2,442,717,586
Profit for the year	-	989,255,576	989,255,576
Other comprehensive income for the year, net of tax	-	979,486	979,486
Balance as at 31st March, 2021	**1,500,000,000**	**1,932,952,648**	**3,432,952,648**
IPO Proceed	1,950,000,000	-	1,950,000,000
Profit for the period	-	201,456,529	201,456,529
Other comprehensive income for the period, net of tax	-	-	-
Interim Dividend	-	(375,000,000)	(375,000,000)
Balance as at 30th June, 2021	**3,450,000,000**	**1,759,409,178**	**5,209,409,178**

Figures in brackets indicate deductions.

STATEMENT OF CASH FLOWS
INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 30TH JUNE, 2021

	30.06.2021 Unaudited	30.06.2020 Unaudited
	Rs.	Rs.
Cash flows from operating activities		
Profit before taxation	228,927,874	45,751,792
Adjustment for		
Depreciation	9,490,332	7,196,761
Amortization	14,272	6,541
Provision on retirement benefit obligation	1,025,365	1,025,364
Interest expenses	20,443,307	55,843,637
Lease interest	2,353,835	1,567,451
Loan interest	68,391,934	70,667,349
Interest on debentures	(4,527,684)	(3,813,750)
	97,191,361	132,493,354
Operating cash flows before change in working capital	326,119,235	178,245,146
Changes in working capital		
(Increase)/decrease in inventory properties	(713,527,310)	(191,261,670)
decrease/(Increase)in contractor advances	(435,196,889)	(14,300,020)
(Increase)/decrease in advances, deposits and other receivables	(12,735,487)	(784,519)
Increase/(decrease) in trade and other payables	(11,202,354)	-
(Decrease)/increase in amounts due to related parties	10,995,470	860,625,000
(decrease)/Increase in customer advance collection	138,113,366	-
Cash generated from operations	(697,433,969)	832,523,937
Income tax paid	(41,072,866)	-
Interest paid	(20,443,307)	(55,843,637)
Net cash generated from/(used in) operating activities	(758,950,142)	776,680,300
Cash flows from investing activities		
Acquisition of property, plant and equipment	(111,818)	-
Net cash used in investing activities	(111,818)	-
Cash flows from financing activities		
Lease installments paid	(5,021,268)	-
IPO Proceed	1,950,000,000	-
Proceeds from interest bearing borrowings	-	169,671,000
Repayment of interest bearing borrowings	(387,176,420)	(84,423,651)
Loan interest paid	(68,391,934)	(70,667,349)
Net cash used in financing activities	1,489,410,378	14,580,000
Net increase/(decrease) in cash and cash equivalents	730,348,418	791,260,300
Cash and cash equivalents at the beginning of the year	(773,258,336)	(2,763,773,370)
Cash and cash equivalents at the end of the period	**(42,909,918)**	**(1,972,513,070)**

Figures in brackets indicate deductions.

1 The Interim Financial Statements of the Company have been prepared based on the Sri Lanka Accounting Standards that came into effect from April 01, 2019 (SLFRS/LKAS). There were no changes to the Accounting Policies and methods of computation since the publication of the Audited Financial Statements for the Year Ended 31st March 2021. Further, these Interim Financial Statements have been prepared in compliance with the requirements of the Sri Lanka Accounting Standard (LKAS 34) on Interim Financial Reporting and provide the information required by the Colombo Stock Exchange.

2 There were no significant changes in the nature of contingent liabilities as at the reporting date.

3 The interim financial statements of the Company for the three months ended 30th June 2021 were authorised for issue by the Board of Directors on 29th July 2021.

4 Investor Information

4.1 Directors' Shareholding as at 30th June 2021

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

Name of the director	No. of shares	(%)
Mr. B Premalal	15	0.00%
Ms. H K S R Perera	15	0.00%
Mr. N M Weerakkody	Nil	n/a
Mr. H M N U Kumara	Nil	n/a
Ms. S S A P Brahmanage	Nil	n/a
Mr. M Perera	Nil	n/a
Mr. D Kalapuge	Nil	n/a
Mr. S Bandara	Nil	n/a
Mr. D Sooriyaarachchi	Nil	n/a

4.2 Twenty largest shareholders as at 30th June 2021

	Name of the shareholder	No. of shares	(%)
1	Prime Lands (Pvt) Ltd	749,999,970	80.00%
2	Bhoomi Realty Holdings (Pvt) Ltd	16,350,072	1.74%
3	Mr. H P B W Gunasekara	9,500,000	1.01%
4	Mr. A De Zoysa	7,200,000	0.77%
5	Ceylinco General Insurance Limited	7,200,000	0.77%
6	Associated Electrical Corporation Ltd	6,314,406	0.67%
7	Maga Engineering Pvt Ltd	6,000,000	0.64%
8	Mr. B M D S Thaaruna	5,000,000	0.53%
9	Mr. A I Ramachandra	5,000,000	0.53%
10	Mr. H K C P Perera	5,000,000	0.53%
11	Mr. N A S Brahamanage	5,000,000	0.53%
12	Jat Holdings (Pvt) Ltd	4,846,959	0.52%
13	Askold (Private) Limited	4,700,000	0.50%
14	J.B. Cocoshell (Pvt) Ltd	4,407,700	0.47%
15	Deutsche Bank Ag As Trustee For Jb Vantage Value Equity Fund	3,845,500	0.41%
16	Mr. M A Jafferjee	3,200,000	0.34%
17	Jafferjee Brothers (Exports) Limited	2,884,600	0.31%
18	Mr. A N Esufally	2,850,000	0.30%
19	Dr. W S E Fernando	2,000,000	0.21%
20	Katunayake Garments Limited	1,923,000	0.21%
		853,222,207	91.01%
	Others	84,277,793	8.99%
		937,500,000	100.00%

4.2 Public Shareholding as at 30th June 2021

Percentage of Public Holding (Minimum Requirement - 10%)	18.26%
Number of Shares held by Public Shareholders	171,149,928
Number of Public Shareholders (Minimum Requirement - 200 Shareholders)	4,062
Number of Public and Non-Public Shareholders	4,064
Market Capitalization as at 30th June 2021	9,187,500,000
Float Adjusted Market Capitalization as at 30th June 2021	1,677,269,588

The Company is Compliant with option 2 of the Rule 7.13.1 (b) of the Listing Rules of the Colombo Stock Exchange.

4.2.1 Computation of Public Share Holding as at 30th June 2021

	No. of shares	(%)
Parent, subsidiary or associate entities or any subsidiary or associates of its Parent Entity		
Prime Lands (Pvt) Ltd	749,999,970	80.00%
Bhoomi Realty Holdings (Pvt) Ltd	16,350,072	1.74%
Directors of the entity, their spouses and children under 18 years of age		
Mr. B Premalal	15	0.00%
Ms. H K S R Perera	15	0.00%
Key Management personnel and their close family members	**Nil**	**n/a**
Other related entities/ parties	**Nil**	**n/a**
Total non-public share holding	**766,350,072**	**81.74%**
Public Share Holding	171,149,928	18.26%
Total Issued Share Capital	**937,500,000**	**100.00%**

5 Continuous Disclosure regarding status of utilisation of funds raised via IPO
IPO Proceeds Utilisation as at 30th June 2021

Objective Number	Objective as per Prospectus	Amount Allocated as per Prospectus in Rs.	Proposed Date of Utilisation as per Prospectus	Amount Allocated from Proceeds in Rs. (A)	% of Total Proceeds	Amounts Utilised in Rs. (B)	% of Utilisation Against Allocation (B/A)	Clarification if not fully utilised including where the funds are invested (eg: whether lent to related party/s etc)
(i)	Payment for the Acquisition of Land in Meegoda, Homagama	333,312,500	on or before Q2 2021	333,312,500	100%	333,312,500	100%	The funds are utilised based on the progress of the project and the unutilized portion has been placed in a Money Market Account/Fixed Deposit until required for use
(ii)	Settling the Revolving Import Loans taken for The Grand	188,047,000	on or before Q3 2021	188,047,000	100%	188,047,000	100%	
(iii)	To further strengthen the working capital of the Company							
a.	The Palace Gampaha	150,000,000	on or before Q2 2021	90,493,902	60%	90,493,902	100%	
b.	The Beach Front (Uswetakeiyawa II)	90,000,000	on or before Q2 2021	31,242,242	35%	31,242,242	100%	
c.	The Grand (Ward Place)	1,188,640,500	on or before Q4 2021	370,562,825	31%	370,562,825	100%	
		1,950,000,000		1,013,658,469		1,013,658,469		

6.1 Stated Capital

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

	No of Shares as at	
	30-Jun-21	**30-Jun-20**
Ordinary Shares	937,500,000	750,000,000

For the year ended 31st March 2021, the Company has subdivided its 150,000,000 fully paid Ordinary Shares, by splitting each One (01) Ordinary Share into Five (05) Shares totaling to 750,000,000 fully paid Ordinary Shares without any change to the Stated Capital of the Company.

The Company has issued One Hundred Million (100,000,000) New Ordinary Voting Shares with the Option to issue a further Eighty-Seven Million and Five Hundred Thousand (87,500,000) New Ordinary Voting Shares in the event of an Oversubscription of the Initial One Hundred Million (100,000,000) Ordinary Voting Shares to the general public by way of an Offer for Subscription in the Colombo Stock Exchange and the listing of up to Nine Hundred and Thirty Seven Million Five Hundred Thousand (937,500,000) Ordinary Voting Shares

6.2 Earning per share

Earning per share has been calculated, for all periods, based on the number of shares in issue as at 30 June 2021

6.3 Market value per share for the quarter ended	30-Jun-21	30-Jun-20
	Rs.	Rs.
Highest Price	14.90	-
Lowest Price	9.60	-
Last Traded	9.80	-

6.4 Authorization of interim dividend

The Board of Directors of the Company has authorized an interim dividend of forty cents (-/40cts) per ordinary share amounting to Rs.375,000,000/- on the 30th June 2021.

7 Events occurring after Balance Sheet date

There were no material events that have taken place subsequent to the balance sheet date, which require adjustments to or disclosure in the Financial Statements except as explained above.

8 Comparative figures

Comparative period's figures have been presented without any amendment.

9 RELATED PARTY DISCLOSURES

Transactions with Affiliated Companies

Items in Statement of Financial Position	**Reported under**	**Quarter Ended 30th June 2021 Rs.**
Liability		
Loans obtain from Prime Finance PLC	Interest bearing borrowings	52,123,786
Lease obtain from Prime Finance PLC	Lease liabilities	33,416,323
Items in Statement of Comprehensive Income		
Income		
Rent income from Prime Finance PLC	Other Income	3,000,000
Expenses		
Shared service fee to Prime Lands (Pvt) Ltd	Administrative expenses	7,500,000
Rent expenses to Prime Lands (Pvt) Ltd	Administrative expenses	1,500,000
Interest Paid to the Prime Finance PLC	Finance expenses	4,386,796

CORPORATE INFORMATION

Company	Prime Lands Residencies PLC
Registered Office	75, D S Senanayake Mawatha Colombo 08, Sri Lanka Tel: +94 11 2699822 Fax: +94 11 4209691
Date, Place and Authority of Incorporation	A Limited Liability Company Incorporated in Sri Lanka on May 16, 2005 under the Companies Act No. 17 of 1982 and re-registered on September 15, 2008 under the Companies Act No. 07 of 2007. The Company was converted to a Public Company on February 12, 2021 in accordance with the provision of the Act. The Company changed its name from "Prime Lands Residencies Limited" to "Prime Lands Residencies PLC" with effect from 17th July 2021.
Company Registration (as a Public Company)	**PQ00234680**
Company Secretary	**PELE Consultants (Private) Limited** Apart. No. 9/6, 10, Alfred House Gardens Colombo 03, Sri Lanka Tel: +94 77 7352370
Auditors of the Company	**Messrs. BDO Partners (Chartered Accountants)** 65/2, "Charter House", Sir Chittampalam A Gardiner Mawatha Colombo 02, Sri Lanka Tel: +94 11 2421878-79/70 / +94 11 2387002/03 Fax: +94 11 2336064
Board of Directors	**Mr. B Premalal** - Co-Chairman/Non-Independent Executive Director **Ms. H K S R Perera** - Co-Chairperson/Non-Independent Executive Director **Mr. N M Weerakkody** - Managing Director/ Non-Independent Executive Director **Mr. H M N U Kumara** - Non-Independent Executive Director **Ms. S S A P Brahmanage** - Non-Independent Executive Director **Mr. M Perera** - Non-Independent Non-Executive Director **Mr. D Kalapuge** - Non-Independent Non-Executive Director **Mr. S Bandara** - Independent Non-Executive Director **Mr. D Sooriyaarachchi** - Independent Non-Executive Director
Credit Rating (Issuer Rating)	[SL] A- (Stable) From ICRA Lanka Ltd.
Lawyers of the Company	**Sharm Fernando Associates** 35/10, Wijayakumaratunga Mawatha Colombo 05, Sri Lanka Tel: +94 76 6993861
Bankers of the Company	DFCC Bank PLC Seylan Bank PLC Nations Trust Bank PLC Union Bank PLC People's Bank Commercial Bank PLC Sampath Bank PLC Hatton National Bank PLC National Development Bank PLC