PRIME
RESIDENCIES

INTERIM FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2023

PRIME LANDS RESIDENCIES PLC, NO 75, D.S SENANAYAKE MAWATHA, COLOMBO 08, SRI LANKA.
Tel: +94 11 2699822|Fax: +94 11 4209691|Email: info@primeresidencies.lk|Web: www.primeresidencies.lk

PRIME LANDS RESIDENCIES PLC
STATEMENT OF COMPREHENSIVE INCOME
INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

	For the Three Months ended			For the Twelve Months ended		
	31.03.2023 Unaudited	31.03.2022 Unaudited	Variance %	31.03.2023 Unaudited	31.03.2022 Audited	Variance %
	Rs.	Rs.		Rs.	Rs.	
Revenue	2,659,780,873	3,165,403,537	-16%	19,798,684,442	9,510,383,251	108%
Cost of sales	(2,145,135,838)	(2,638,318,045)	-19%	(14,377,688,836)	(7,088,281,001)	103%
Gross profit	514,645,035	527,085,492	-2%	5,420,995,606	2,422,102,250	124%
Other income	7,383,941	7,622,929	-3%	53,908,040	152,905,442	-65%
Gain on fair valuation of IP	10,000,000	65,000,000	-85%	10,000,000	65,000,000	-85%
Distribution expenses	(56,598,840)	(114,433,608)	-51%	(272,937,870)	(216,284,158)	26%
Administrative expenses	(104,565,704)	(120,158,723)	-13%	(452,600,296)	(487,162,482)	-7%
Operating profit	370,864,432	365,116,090	2%	4,759,365,480	1,936,561,052	146%
Finance income	61,351,148	280,303,184	-78%	432,978,171	308,310,595	40%
Finance expenses	(353,902,664)	(113,107,056)	213%	(1,213,027,231)	(396,950,042)	206%
Profit before taxation	78,312,916	532,312,218	-85%	3,979,316,420	1,847,921,605	115%
Tax expenses	(49,237,772)	(7,644,356)	544%	(628,084,657)	(165,548,365)	279%
Profit for the period	29,075,144	524,667,862	-94%	3,351,231,763	1,682,373,240	99%
Other comprehensive income	-	-	-	-	-	-
Items that will not be re-classified to profit or loss						
Actuarial gain/(loss) on retirement benefit obligation	(1,239,494)	2,442,969	-151%	(1,239,494)	2,442,969	-151%
Tax on other comprehensive income	371,848	(586,313)	-163%	371,848	(586,313)	-163%
Other comprehensive income for the period, net of tax	(867,646)	1,856,656	-147%	(867,646)	1,856,656	-147%
Total comprehensive income for the period	28,207,498	526,524,519	-95%	3,350,364,117	1,684,229,896	99%
Earnings per share	0.03	0.58		3.57	1.86	

Figures in brackets indicate deductions.

PRIME LANDS RESIDENCIES PLC
STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH 2023

	As at 31.03.2023 Rs. Unaudited	As at 31.03.2022 Rs. Audited
ASSETS		
Non-current assets		
Property, plant and equipment	7,302,143	11,891,518
Right-of-use assets	13,913,562	46,292,348
Investment properties	735,000,000	725,000,000
Intangible assets	359,742	416,986
Financial assets at amortized cost	145,900,235	359,534,116
Total non-current assets	902,475,682	1,143,134,968
Current assets		
Inventory properties	12,388,430,515	15,152,244,109
Financial assets at amortized cost	384,815,095	176,888,765
Financial assets - Fair value through profit or loss	193,500	180,000
Advance paid for contractors	391,532,225	910,170,632
Advances, deposits and other receivables	215,163,067	48,771,664
Cash and cash equivalents	3,240,655,793	1,435,092,137
Total current assets	16,620,790,195	17,723,347,307
Total assets	17,523,265,877	18,866,482,275
EQUITY AND LIABILITIES		
Equity		
Stated capital	3,450,000,000	3,450,000,000
Retained earnings	5,936,296,661	3,242,182,544
Total equity	9,386,296,661	6,692,182,544
Non-current liabilities		
Retirement benefit obligations	22,326,080	16,705,881
Interest bearing borrowings	634,439,530	1,718,255,602
Lease liabilities	8,893,125	26,897,955
Deferred tax liabilities	59,649,238	24,795,746
Total non-current liabilities	725,307,973	1,786,655,184
Current liabilities		
Trade and other payables	1,165,388,517	1,175,783,486
Amount due to related party	7,867,056	8,109,906
Interest bearing borrowings - Current portion	769,370,613	1,677,916,667
Lease liabilities - Current portion	18,004,830	14,977,640
Customer advance collection	2,366,866,780	4,587,607,505
Income tax payable	467,841,789	117,298,981
Bank overdraft	2,616,321,658	2,805,950,362
Total current liabilities	7,411,661,243	10,387,644,547
Total liabilities	8,136,969,216	12,174,299,731
Total equity and liabilities	17,523,265,877	18,866,482,275

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

.....
Ms. H.K. 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

S.Bandara
.....
Mr. Sanjaya Bandara
Director

Colombo
26th May 2023
VR/kp

PRIME LANDS RESIDENCIES PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH 2023

	Stated capital	Retained earnings	Total
	Rs.	Rs.	Rs.
Balance as at 01st April 2021	1,500,000,000	1,932,952,648	3,432,952,648
Issue of share capital	1,950,000,000	-	1,950,000,000
Profit for the year	-	1,682,373,240	1,682,373,240
Other comprehensive income for the year, net of tax	-	1,856,656	1,856,656
Dividend 2020/21	-	(375,000,000)	(375,000,000)
Balance as at 31st March 2022	3,450,000,000	3,242,182,544	6,692,182,544
Profit for the year	-	3,351,231,763	3,351,231,763
Other comprehensive income for the year, net of tax	-	(867,646)	(867,646)
Dividend 2021/22	-	(656,250,000)	(656,250,000)
Balance as at 31st March 2023	3,450,000,000	5,936,296,661	9,386,296,661

Figures in brackets indicate deductions.

Colombo
26th May 2023

PRIME LANDS RESIDENCIES PLC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2023

	For the year ended 31.03.2023 Rs. Unaudited	For the year ended 31.03.2022 Rs. Audited
Cash flows from operating activities		
Profit before taxation	3,979,316,420	1,847,921,605
Adjustment for		
Depreciation	36,968,161	37,363,173
Amortization	57,244	57,244
Provision on retirement benefit obligation	6,055,255	4,142,481
Interest expenses	469,018,130	119,056,945
Lease interest	6,858,340	9,519,323
Loan interest	611,906,099	261,311,125
Interest on debentures	(27,444,831)	(26,355,453)
Fair value (gain)/loss on share investment	(13,500)	15,000
Exchange gain on investment in debenture	(13,632,008)	(157,128,380)
Fair value gain on investment property	(10,000,000)	(65,000,000)
	1,079,772,890	182,981,458
Operating cash flows before change in working capital	5,059,089,310	2,030,903,063
Changes in working capital		
Decrease/(increase) in inventory properties	2,763,813,594	(4,065,521,961)
Decrease/(increase) in contractor advances	518,638,407	(552,843,685)
(Increase)/decrease in advances, deposits and other receivables	(166,391,404)	27,720,709
(Decrease)/increase in trade and other payables	(11,619,599)	46,579,139
(Decrease)/increase in amounts due to related parties	(242,850)	3,113,925
(Decrease)/increase in customer advance collection	(2,220,740,725)	2,049,838,943
Cash generated from/(used in) operations	5,942,546,733	(460,209,867)
Income tax paid	(242,316,509)	(505,794,577)
Income tax refund	-	-
Interest paid	(469,018,130)	(119,056,945)
Gratuity paid	(1,674,549)	(457,471)
Net cash generated from/(used in) operating activities	5,229,537,545	(1,085,518,860)
Cash flows from investing activities		
Interest received	46,784,390	-
Acquisition of property, plant and equipment	-	(6,579,768)
Net cash used in investing activities	46,784,390	(6,579,768)
Cash flows from financing activities		
Lease installments paid	(21,835,980)	(21,835,980)
Dividends paid	(655,025,370)	(374,747,058)
IPO Proceeds	-	1,950,000,000
Proceeds from interest bearing borrowings	754,111,808	2,005,632,526
Repayment of interest bearing borrowings	(2,746,473,934)	(2,803,239,624)
Loan interest paid	(611,906,099)	(261,311,125)
Net cash (used in)/generated from financing activities	(3,281,129,575)	494,498,739
Net increase/(decrease) in cash and cash equivalents during the year	1,995,192,360	(597,599,889)
Cash and cash equivalents at the beginning of the year (Note A)	(1,370,858,225)	(773,258,336)
Cash and cash equivalents at the end of the year (Note B)	624,334,135	(1,370,858,225)
Cash and cash equivalents at the beginning of the year		Note A
Short-term deposit	710,897,962	182,540,341
Cash in hand	475,100,177	89,472,624
Cash at bank	249,093,998	104,786,483
Bank overdraft	(2,805,950,362)	(1,150,057,784)
	(1,370,858,225)	(773,258,336)
Cash and cash equivalents at the end of the year		Note B
Short-term deposit	3,013,414,074	710,897,962
Cash in hand	129,301,773	475,100,177
Cash at bank	97,939,946	249,093,998
Bank overdrafts	(2,616,321,658)	(2,805,950,362)
	624,334,135	(1,370,858,225)

Figures in brackets indicate deductions.

Colombo
26th May 2023

PRIME LANDS RESIDENCIES PLC
NOTES TO THE FINANCIAL STATEMENTS
INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

1 The interim financial statements have been prepared in accordance with Sri Lanka Accounting Standard LKAS 34, Interim Financial Reporting. The interim financial statements should be read in conjunction with the annual financial statements for the year ended 31st March 2022, including the changes to accounting policies as a result of convergence to revised Sri Lanka Accounting Standards (SLFRSs/LKASs). Further, provisions of the Companies Act No. 7 of 2007 have been considered in preparing the interim financial statements.

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 year ended 31st March 2023 were authorised for issue by the Board of Directors on 26th May 2023.

4 Investor Information

4.1 Directors' Shareholding as at 31st March 2023

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

Name of the director	No. of shares	(%)
Mr. B Premalal	1,200,015	0.13%
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
Mr. N L S Joseph	100,000	0.01%

4.2 Twenty largest shareholders as at 31st March 2023

Name of the shareholder	No. of shares	(%)
1 Prime Lands (Pvt) Ltd	749,999,970	80.00%
2 Phantom Investments (Pvt) Ltd	9,449,725	1.01%
3 Mr.H.P.D.W.N.Gunasekara	7,300,000	0.78%
4 Ceylinco General Insurance Limited	6,700,000	0.71%
5 Mr.H.K.C.P.Perera	5,000,000	0.53%
6 Emfi Capital Limited	3,500,000	0.37%
7 Dfcc Bank Plc/Maskeliya Tea Exports (Pvt) Ltd	3,499,176	0.37%
8 Askold (Private) Limited	3,381,702	0.36%
9 Mr.A.I.Ramachandra	3,175,000	0.34%
10 Jafferjee Brothers Exports (Private)Limited	2,884,600	0.31%
11 Mr.B.M.D.S.Thaaruna	2,500,000	0.27%
12 Mr.N.A.S.Baahamanage	2,500,000	0.27%
13 Mr.D.N.P.Rathnayake	2,322,222	0.25%
14 Mr.M.A.Jafferjee	2,000,000	0.21%
15 Katunayake Garments Limited.	1,923,000	0.21%
16 Deutsche Bank Ag Trustee To Lynear Wealth Dynamic Opportunities Fund	1,660,238	0.18%
17 Mr.D.G.Wirasekara	1,500,000	0.16%
18 Mr.R.Udalagama	1,300,000	0.14%
19 Mr.A.A.M.P.Amarasinghe	1,245,037	0.13%
20 Mr.P.Brahmanage	1,200,015	0.13%
	813,040,685	86.72%
Others	124,459,315	13.28%
	937,500,000	100.00%

4.2.1 **Public Shareholding as at 31st March 2023**

Percentage of Public Holding (Minimum Requirement - 10%)	19.86%
Number of Shares held by Public Shareholders	186,200,000
Number of Public Shareholders (Minimum Requirement - 200 Shareholders)	5,872
Number of Public and Non-Public Shareholders	5,876
Market Capitalization as at 31st March 2023	7,500,000,000
Float Adjusted Market Capitalization as at 31st March 2023	1,489,600,000

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

4.2.2 Computation of Public Share Holding as at 31st March 2023

	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%
Directors of the entity, their spouses and children under 18 years of age		
Mr. B Premalal	1,200,015	0.13%
Ms. H K S R Perera	15	0.00%
Mr. N L S Joseph	100,000	0.01%
Key Management personnel and their close family members	Nil	n/a
Other related entities/ parties	Nil	n/a
Total non-public share holding	**751,300,000**	**80.14%**
Public Share Holding	186,200,000	19.86%
Total Issued Share Capital	**937,500,000**	**100.00%**

5.1 **Stated Capital**

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

	No of Shares as at	
	31-Mar-23	31-Mar-22
Ordinary Shares	937,500,000	937,500,000

5.2 **Earning per share**

Earning per share has been calculated, for all periods, based on the number of shares in issue as at 31st March 2023

5.3 Market value per share for the quarter ended	31-Mar-23	31-Mar-22
	Rs.	Rs.
Highest Price	9.20	14.40
Lowest Price	4.50	6.60
Last Traded	8.00	6.90

6 **Events occurring after Balance Sheet date**

There have been no material events occurring after the reporting period that require adjustments to or disclosure in the financial statements.

7 **Comparative figures**

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

8 **Corporate Income Tax – Removal of Concessionary Tax Rate**

The Concessionary rate applied to gains and profits of the company which listed its shares in the Colombo Stock Exchange (CSE) during the period of January 01, 2021 to December 31, 2021. Removed with effect from October 01, 2022, According to the Inland Revenue (Amendment) Act No 45 of 2022.

In view of the above the company has computed the income tax liability at 30% on identified gains and profits earned during the 06 month period ended March 31, 2023.

9 RELATED PARTY DISCLOSURES

Transactions with related parties

Items in Statement of Financial Position	Reported under	Quarter Ended 31-Mar-23 Rs.
Assets		
Consultancy Fee for NJ Consultants	Inventory properties	377,767
Liability		
Loans obtain from HNB Finance PLC	Interest bearing borrowings	12,506,142
Lease obtain from HNB Finance PLC	Lease liabilities	24,286,975
Items in Statement of Comprehensive Income		
Income		
Rent income from HNB Finance PLC	Other Income	5,100,000
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
Secretary fee to PELE Consulting (Pvt) Ltd	Administrative expenses	53,500
Catering services expenses to Regent Caterers (Pvt) Ltd	Administrative expenses	920,225
Interest Paid to the HNB Finance PLC	Finance expenses	2,074,923

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 and listed on the Colombo Stock Exchange 08 June 2021.	
Company Registration Number (as a Public Company)	PQ00234680	
Company Secretary	**PELE Consulting (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	– Director-Corporate Affairs/Non-Independent Executive Director
	Ms. S S A P Brahmanage	– Non-Independent Executive Director
	Mr. M Perera	– Independent Non-Executive Director
	Mr. D Kalapuge	– Independent Non-Executive Director
	Mr. S Bandara	– Independent Non-Executive Director
	Mr. D Sooriyaarachchi	– Senior Independent Director/Independent Non-Executive Director
	Mr. N L S Joseph	– Independent Non-Executive Director
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 People's Bank Commercial Bank PLC Sampath Bank PLC Hatton National Bank PLC National Development Bank PLC Bank of Ceylon	