

INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER 2022

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 SIX MONTHS ENDED 30TH SEPTEMBER, 2022

	For the Three Months ended			For the Six Months ended		
	30.09.2022 Unaudited	30.09.2021 Unaudited	Variance %	30.09.2022 Unaudited	30.09.2021 Unaudited	Variance %
	Rs.	Rs.		Rs.	Rs.	
Revenue	9,279,702,250	2,410,824,016	**285%**	13,904,333,146	3,709,522,085	**275%**
Cost of sales	(6,058,709,228)	(1,715,287,762)	**253%**	(9,755,897,956)	(2,600,101,579)	**275%**
Gross profit	3,220,993,022	695,536,254	**363%**	4,148,435,191	1,109,420,506	**274%**
Other income	23,553,828	83,787,883	**-72%**	35,123,680	137,095,763	**-74%**
Distribution expenses	(62,291,089)	(17,262,100)	**261%**	(138,039,250)	(31,396,994)	**340%**
Administrative expenses	(108,320,068)	(109,438,790)	**-1%**	(224,022,545)	(247,282,003)	**-9%**
Operating profit	3,073,935,693	652,623,247	**371%**	3,821,497,076	967,837,272	**295%**
Finance income	117,591,496	14,946,262	**687%**	247,490,649	20,218,576	**1124%**
Finance expenses	(353,734,213)	(94,545,345)	**274%**	(573,868,055)	(186,103,810)	**208%**
Profit before taxation	2,837,792,976	573,024,164	**395%**	3,495,119,669	801,952,038	**336%**
Tax expenses	(393,017,089)	(66,678,585)	**489%**	(466,424,507)	(94,149,930)	**395%**
Profit for the period	2,444,775,887	506,345,579	**383%**	3,028,695,162	707,802,108	**328%**
Other comprehensive income	-	-	**-**	-	-	**-**
Total comprehensive income for the period	2,444,775,887	506,345,579	**383%**	3,028,695,162	707,802,108	**328%**
Earnings per share	2.61	0.56		3.23	0.78	

Figures in brackets indicate deductions.

PRIME LANDS RESIDENCIES PLC
STATEMENT OF FINANCIAL POSITION
AS AT 30TH SEPTEMBER 2022

	As at 30.09.2022 Unaudited Rs.	As at 31.03.2022 Audited Rs.
ASSETS		
Non-current assets		
Property, plant and equipment	178,078,600	11,891,518
Right-of-use assets	29,275,665	46,292,348
Investment properties	725,000,000	725,000,000
Intangible assets	388,286	416,986
Financial assets at amortized cost	384,688,265	359,534,116
Total non-current assets	1,317,430,816	1,143,134,968
Current assets		
Inventory properties	12,005,161,552	15,152,244,109
Financial assets at amortized cost	204,053,631	176,888,765
Financial assets - Fair value through profit or loss	217,500	180,000
Advance paid for contractors	616,792,246	910,170,632
Advances, deposits and other receivables	68,924,898	48,771,664
Cash and cash equivalents	4,187,679,811	1,435,092,137
Total current assets	17,082,829,639	17,723,347,307
Total assets	18,400,260,455	18,866,482,275
EQUITY AND LIABILITIES		
Equity		
Stated capital	3,450,000,000	3,450,000,000
Retained earnings	5,614,627,707	3,242,182,546
Total equity	9,064,627,707	6,692,182,546
Non-current liabilities		
Retirement benefit obligations	18,076,871	16,705,881
Interest bearing borrowings	1,947,023,827	1,718,255,602
Lease liabilities	22,254,919	26,897,955
Deferred tax liabilities	26,595,746	24,795,746
Total non-current liabilities	2,013,951,362	1,786,655,184
Current liabilities		
Trade and other payables	1,128,928,084	1,175,783,486
Amount due to related party	559,516,340	8,109,906
Interest bearing borrowings - Current portion	1,039,525,012	1,677,916,667
Lease liabilities - Current portion	12,950,046	14,977,640
Customer advance collection	2,948,063,057	4,587,607,505
Income tax payable	454,121,374	117,298,979
Bank overdraft	1,178,577,471	2,805,950,362
Total current liabilities	7,321,681,385	10,387,644,546
Total liabilities	9,335,632,747	12,174,299,730
Total equity and liabilities	18,400,260,455	18,866,482,275
Net Assets Per Share (Rs.)	9.67	7.14

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

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

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

Colombo
10-Nov-22

PRIME LANDS RESIDENCIES PLC
STATEMENT OF CHANGES IN EQUITY
INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2022

	Stated capital Rs.	Retained earnings Rs.	Total 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 Period	-	707,802,108	707,802,108
Interim Dividend	-	(375,000,000)	(375,000,000)
Balance as at 30th September, 2021	3,450,000,000	2,265,754,757	5,715,754,757
Balance as at 01st April, 2022	**3,450,000,000**	**3,242,182,545**	**6,692,182,545**
Profit for the Period	-	3,028,695,162	3,028,695,162
Interim Dividend	-	(656,250,000)	(656,250,000)
Balance as at 30th September, 2022	**3,450,000,000**	**5,614,627,707**	**9,064,627,707**

Figures in brackets indicate deductions.

PRIME LANDS RESIDENCIES PLC
STATEMENT OF CASH FLOWS
INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2022

	30.09.2022 Unaudited	30.09.2021 Unaudited
	Rs.	Rs.
Cash flows from operating activities		
Profit before taxation	3,495,119,669	801,952,038
Adjustment for		
Depreciation	19,544,482	18,890,039
Amortization	28,701	28,701
Provision on retirement benefit obligation	2,071,240	2,050,728
Interest expenses	178,310,994	39,440,313
Lease interest	3,371,906	4,572,066
Loan interest	290,641,607	131,871,399
Interest on debentures	(14,153,959)	(8,637,029)
Fair value (gain)/ loss on share investment	(37,500)	(46,500)
Exchange (gain)/loss on investment in debenture	(38,165,057)	9,770,422
	441,612,414	197,940,139
Operating cash flows before change in working capital	3,936,732,083	999,892,177
Changes in working capital		
(Increase)/decrease in inventory properties	3,147,082,557	(721,210,899)
decrease/(Increase)in contractor advances	293,378,386	(429,084,644)
(Increase)/decrease in advances, deposits and other receivables	(20,153,234)	(8,573,220)
Increase/(decrease) in trade and other payables	(48,081,787)	12,069,602
(Decrease)/increase in amounts due to related parties	551,406,434	1,649,038
(decrease)/Increase in customer advance collection	(1,639,544,448)	14,939,959
Cash generated from operations	6,220,819,990	(130,317,987)
Income tax paid	(127,802,112)	(343,794,734)
Interest paid	(178,310,994)	(39,440,313)
Gratuity paid	(700,250)	(685,301)
Net cash generated from/(used in) operating activities	5,914,006,634	(514,238,335)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(168,714,880)	(172,618)
Net cash used in investing activities	(168,714,880)	(172,618)
Cash flows from financing activities		
Lease installments paid	(10,042,536)	(10,108,444)
Dividends paid	(655,023,615)	(375,000,000)
IPO Proceed	-	1,950,000,000
Proceeds from interest bearing borrowings	734,000,000	564,354,376
Repayment of interest bearing borrowings	(1,143,623,430)	(1,324,979,538)
Loan interest paid	(290,641,607)	(131,871,399)
Net cash from/(used in) financing activities	(1,365,331,189)	672,394,995
Net increase/(decrease) in cash and cash equivalents	4,379,960,565	157,984,042
Cash and cash equivalents at the beginning of the period	(1,370,858,225)	(773,258,336)
Cash and cash equivalents at the end of the period	3,009,102,340	(615,274,294)

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 six months ended 30th September 2022 were authorised for issue by the Board of Directors on 10th November 2022.

4 ***Special Note***

The pre-sales collections on the sale of apartments posted a strong growth during the last quarter in anticipation of the withdrawal of VAT exemption granted on the sale of Condominium Apartments together with the introduction of SSCL (2.5%) on the Business of Real Estate w.e.f. 01st October 2022. The strong performance achieved in 2QFY23 further enhanced the overall results for the quarter.

5 Investor Information

5.1 Directors' Shareholding as at 30th September 2022

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%

5.2 Twenty largest shareholders as at 30th September 2022

	Name of the shareholder	No. of shares	(%)
1	Prime Lands (Pvt) Ltd	749,999,970	80.00%
2	Mr. H.P.D.W.N. Gunasekara	7,300,000	0.78%
3	Phantom Investments (Private) Limited	6,900,000	0.74%
4	Ceylinco General Insurance Limited	6,700,000	0.71%
5	Mr. H.K.C.P. Perera	5,000,000	0.53%
6	Askold (Private) Limited	3,381,702	0.36%
7	DFCC Bank PLC/Maskeliya Tea Exports (Pvt) Ltd	3,234,622	0.35%
8	Mr. A.I. Ramachandra	3,175,000	0.34%
9	Seylan Bank PLC/ARCC Capital (Pvt) Ltd	3,020,199	0.32%
10	Jafferjee Brothers (Exports) Limited	2,884,600	0.31%
11	Mr. N.A.S. Brahamanage	2,500,000	0.27%
12	Mr. B.M.D.S. Thaaruna	2,500,000	0.27%
13	Seylan Bank PLC/Jaliya Abeysiri Wijeratne	2,250,000	0.24%
14	Mr. D.N.P. Rathnayake	2,100,000	0.22%
15	Mr. M.A. Jafferjee	2,000,000	0.21%
16	Katunayake Garments Limited.	1,923,000	0.21%
17	Mr. D.G. Wirasekara	1,500,000	0.16%
18	Mr. R. Udalagama	1,300,000	0.14%
19	Dr. W.S.E. Fernando	1,250,000	0.13%
20	Mr. P. Brahmanage	1,200,015	0.13%
		810,119,108	86.41%
	Others	127,380,892	13.59%
		937,500,000	100.00%

5.2.1 Public Shareholding as at 30th September 2022

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)	6,331
Number of Public and Non-Public Shareholders	6,335
Market Capitalization as at 30th September 2022	6,843,750,000
Float Adjusted Market Capitalization as at 30th September 2022	1,359,260,000

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

5..2.2 Computation of Public Share Holding as at 30th September 2022

	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%**

6.1 Stated Capital

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

	No of Shares as at	
	30-Sep-22	**30-Sep-21**
Ordinary Shares	937,500,000	937,500,000

6.2 Earning per share

Earning per share has been calculated, for all periods, based on the number of shares in issue as at 30th September 2022

6.3 Market value per share for the quarter ended	30-Sep-22	30-Sep-21
	Rs.	Rs.
Highest Price	9.20	10.60
Lowest Price	4.20	8.10
Last Traded	7.30	9.80

7 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.

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 30-Sep-22 Rs.**
Assets		
Consultancy Fee for NJ Consultants	Inventory properties	1,133,302
Liability		
Loans obtain from HNB Finance PLC	Interest bearing borrowings	20,454,318
Lease obtain from HNB Finance PLC	Lease liabilities	35,204,965
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	192,250
Interest Paid to the HNB Finance PLC	Finance expenses	2,979,202

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
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 People's Bank Commercial Bank PLC Sampath Bank PLC Hatton National Bank PLC National Development Bank PLC Bank of Ceylon