


# INTERIM FINANCIAL STATEMENTS

## FOR THE NINE MONTHS ENDED 31ST DECEMBER 2023

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 STATEMENT FOR THE NINE MONTHS PERIOD ENDED 31ST DECEMBER 2023



| | For the three months ended | | | For the nine months ended | | |
|---|---|---|---|---|---|---|
| | 31.12.2023 Unaudited | 31.12.2022 Unaudited | Variance % | 31.12.2023 Unaudited | 31.12.2022 Unaudited | Variance % |
| | Rs. | Rs. | | Rs. | Rs. | |
| Revenue | 2,167,729,206 | 3,234,570,423 | -33% | 6,334,691,294 | 17,138,903,569 | -63% |
| Cost of sales | (1,555,628,967) | (2,476,655,042) | 37% | (4,643,985,522) | (12,232,552,998) | 62% |
| Gross profit | 612,100,239 | 757,915,381 | -19% | 1,690,705,771 | 4,906,350,571 | -66% |
| Other income | 18,157,591 | 11,400,419 | 59% | 48,458,955 | 46,524,099 | 4% |
| Distribution expenses | (43,379,747) | (78,299,780) | 45% | (138,862,040) | (216,339,030) | 36% |
| Administrative expenses | (97,011,363) | (124,012,048) | 22% | (281,177,908) | (348,034,592) | 19% |
| Operating profit | 489,866,719 | 567,003,972 | -14% | 1,319,124,778 | 4,388,501,048 | -70% |
| Finance income | 138,189,566 | 154,096,990 | -10% | 447,279,708 | 371,627,023 | 20% |
| Finance expenses | (90,415,970) | (315,217,127) | 71% | (589,413,283) | (859,124,568) | 31% |
| Profit before taxation | 537,640,315 | 405,883,835 | 32% | 1,176,991,203 | 3,901,003,503 | -70% |
| Tax expenses | (136,728,073) | (112,422,378) | -22% | (285,511,592) | (578,846,885) | 51% |
| Profit for the period | 400,912,243 | 293,461,457 | 37% | 891,479,612 | 3,322,156,618 | -73% |
| Earnings per share | 0.43 | 0.31 | | 0.95 | 3.54 | |

Figures in brackets indicate deductions.

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



| | As at 31.12.2023 Unaudited | As at 31.03.2023 Audited |
|---|---|---|
| | Rs. | Rs. |
| **ASSETS** | | |
| **Non-current assets** | | |
| Property, plant and equipment | 14,224,116 | 7,302,143 |
| Right-of-use assets | 11,852,705 | 13,913,562 |
| Investment properties | 735,000,000 | 735,000,000 |
| Intangible assets | 316,926 | 359,742 |
| Financial assets at amortized cost | 364,470,408 | 145,900,235 |
| **Total non-current assets** | 1,125,864,155 | 902,475,682 |
| Current assets | | |
| Inventory properties | 10,727,635,658 | 12,388,430,515 |
| Financial assets at amortized cost | 188,672,742 | 384,815,095 |
| Financial assets - Fair value through profit or loss | 193,500 | 193,500 |
| Advance paid for contractors | 512,119,352 | 391,532,225 |
| Advances, deposits and other receivables | 13,372,943 | 264,618,846 |
| Cash and cash equivalents | 4,026,037,724 | 3,190,655,793 |
| **Total current assets** | 15,468,031,919 | 16,620,245,974 |
| **Total assets** | 16,593,896,075 | 17,522,721,656 |
| **EQUITY AND LIABILITIES** | | |
| **Equity** | | |
| Stated capital | 3,450,000,000 | 3,450,000,000 |
| Retained earnings | 5,890,276,273 | 5,936,296,661 |
| **Total equity** | 9,340,276,273 | 9,386,296,661 |
| **Non-current liabilities** | | |
| Retirement benefit obligations | 26,333,030 | 22,326,080 |
| Interest bearing borrowings | 638,886,218 | 634,439,530 |
| Lease liabilities | - | 8,893,125 |
| Deferred tax liabilities | 60,388,870 | 59,649,238 |
| **Total non-current liabilities** | 725,608,118 | 725,307,973 |
| **Current liabilities** | | |
| Bank overdraft | 1,688,506,017 | 2,616,321,658 |
| Trade and other payables | 796,196,127 | 1,165,388,517 |
| Amount due to related party | 4,418,577 | 7,867,056 |
| Interest bearing borrowings - Current portion | 331,814,593 | 769,370,613 |
| Lease liabilities - Current portion | 14,383,959 | 18,004,830 |
| Customer advance collection | 3,536,093,575 | 2,366,866,780 |
| Income tax payable | 156,598,837 | 467,297,568 |
| **Total current liabilities** | 6,528,011,684 | 7,411,117,022 |
| **Total liabilities** | 7,253,619,802 | 8,136,424,995 |
| **Total equity and liabilities** | 16,593,896,075 | 17,522,721,656 |

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**
Director - Finance

.....
**Ms. H.K. Sandamini R. Perera**
Chairperson

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**
Director

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

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

Colombo
February 02, 2024

| | Stated capital | Retained earnings | Total |
|---|---|---|---|
| | Rs. | Rs. | Rs. |
| Balance as at April 01, 2022 | 3,450,000,000 | 3,242,182,544 | 6,692,182,544 |
| Profit for the period | - | 3,028,695,162 | 3,028,695,162 |
| Dividend 2021/2022 | - | (656,250,000) | (656,250,000) |
| Balance as at September 30, 2022 | 3,450,000,000 | 5,614,627,706 | 9,064,627,706 |
| Balance as at April 01, 2023 | 3,450,000,000 | 5,936,296,661 | 9,386,296,661 |
| Profit for the period | - | 891,479,612 | 891,479,612 |
| Dividend 2022/23 | - | (937,500,000) | (937,500,000) |
| Balance as at 31st December 2023 | 3,450,000,000 | 5,890,276,273 | 9,340,276,273 |

Figures in brackets indicate deductions.

| | 31.12.2023 Unaudited | 31.12.2022 Unaudited |
|---|---|---|
| | Rs. | Rs. |
| Cash flows from operating activities | | |
| Profit before taxation | 1,176,991,203 | 3,901,003,503 |
| Adjustment for | | |
| Depreciation | 2,362,278 | 19,544,482 |
| Amortization | 2,103,672 | 28,701 |
| Provision on retirement benefit obligation | 4,875,000 | 2,071,240 |
| Overdraft interest | 365,158,720 | 178,310,994 |
| Lease interest | 2,549,808 | 3,371,906 |
| Loan interest | 177,477,615 | 290,641,607 |
| Interest on debentures | (19,437,230) | (14,153,959) |
| Fair value (gain)/loss on share investment | - | (37,500) |
| Exchange gain on investment in debenture | (2,990,590) | (38,165,057) |
| | 532,099,273 | 441,612,414 |
| Operating cash flows before change in working capital | 1,709,090,477 | 4,342,615,917 |
| Changes in working capital | | |
| Decrease/(increase) in inventory properties | 1,660,794,857 | 3,147,082,557 |
| Decrease/(increase) in contractor advances | (120,587,127) | 293,378,386 |
| (Increase)/decrease in advances, deposits and other receivables | 251,245,903 | (20,153,234) |
| (Decrease)/increase in trade and other payables | (369,192,390) | (48,081,787) |
| (Decrease)/increase in amounts due to related parties | (3,448,479) | 551,406,434 |
| (Decrease)/increase in customer advance collection | 1,169,226,795 | (1,639,544,448) |
| Cash generated from/(used in) operations | 4,297,130,035 | 6,626,703,827 |
| Income tax paid | (595,470,689) | (127,802,112) |
| Interest paid | (365,158,720) | (178,310,994) |
| Gratuity paid | (868,050) | (700,250) |
| Net cash generated from/(used in) operating activities | 3,335,632,576 | 6,319,890,471 |
| Cash flows from investing activities | | |
| Interest received | - | - |
| Acquisition of property, plant and equipment | (9,284,251) | (168,714,880) |
| Net cash generated from/(used in) investing activities | (9,284,251) | (168,714,880) |
| Cash flows from financing activities | | |
| Lease installments paid | (15,063,804) | (10,042,536) |
| Dividends paid | (937,500,000) | (655,023,615) |
| Proceeds from interest bearing borrowings | 250,000,000 | 734,000,000 |
| Repayment of interest bearing borrowings | (683,109,332) | (1,143,623,430) |
| Loan interest paid | (177,477,615) | (290,641,607) |
| Net cash (used in)/generated from financing activities | (1,563,150,751) | (1,365,331,188) |
| Net increase/(decrease) in cash and cash equivalents during the period | 1,763,197,575 | 4,785,844,403 |
| Cash and cash equivalents at the beginning of the year | 574,334,135 | (1,370,858,226) |
| Cash and cash equivalents at the end of the period | 2,337,531,710 | 3,414,986,174 |

Figures in brackets indicate deductions.

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 2023, 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 nine months ended 31st December 2023, were authorized for issue by the Board of Directors on 02nd February 2024.

4. Investor Information

4.1 Directors' Shareholding as at 31st December 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 December 2023

| | Name of the shareholder | No. of shares | ( % ) |
|---|---|---|---|
| 1 | Prime Lands (Pvt) Ltd | 749,999,970 | 80.00% |
| 2 | Seylan Bank PLC/Phantom Investments (Private) Limited | 9,418,570 | 1.00% |
| 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 | DFCC Bank PLC/Maskeliya Tea Exports (Pvt) Ltd | 3,499,176 | 0.37% |
| 7 | Odyssey Capital Partners (Pvt) Ltd | 3,381,702 | 0.36% |
| 8 | Mr. A.I. Ramachandra | 3,175,000 | 0.34% |
| 9 | Hatton National Bank PLC A/C No. 4 (HNB Retirement Pension Fund) | 2,916,876 | 0.31% |
| 10 | Mr. D.N.P. Rathnayake | 2,822,522 | 0.30% |
| 11 | Mr. N.A.S. Brahmanage | 2,500,000 | 0.27% |
| 12 | Mr. B.M.D.S. Thaaruna | 2,500,000 | 0.27% |
| 13 | Mr. M.A. Jafferjee | 2,000,000 | 0.21% |
| 14 | Katunayake Garments Limited. | 1,923,000 | 0.21% |
| 15 | Mr. A.A.M.P. Amarasinghe | 1,775,000 | 0.19% |
| 16 | Mr. T.F. Raheem | 1,582,000 | 0.17% |
| 17 | Mr. D.G. Wirasekara | 1,500,000 | 0.16% |
| 18 | Mr. D S Aruma Thanthrige | 1,310,000 | 0.14% |
| 19 | Mr. R Udalagama | 1,300,000 | 0.14% |
| 20 | Mr. B Premalal | 1,200,015 | 0.13% |
| | | 811,803,831 | 86.59% |
| | Others | 125,696,169 | 13.41% |
| | | 937,500,000 | 100.00% |

4.3 Public Shareholding as at 31st December 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) | 6,183 |
| Number of Public and Non-Public Shareholders | 6,187 |
| Market Capitalization as at 31st December 2023 | 6,093,750,000 |
| Float Adjusted Market Capitalization as at 31st December 2023 | 1,210,300,000 |

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

4.3.1 Computation of Public Share Holding as at 31st December 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-Dec-23 | 30-Sep-23 |
| 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 December 2023

5.3 Market value per share for the quarter ended

| | 31-Dec-23 | 30-Sep-23 |
|---|---|---|
| | Rs. | Rs. |
| Highest Price | 8.00 | 9.20 |
| Lowest Price | 6.40 | 7.60 |
| Last Traded | 6.50 | 7.90 |

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. RELATED PARTY DISCLOSURES

Transactions with Related Parties

| Items in Statement of Financial Position | Reported under | Quarter Ended 31-Dec-23 Rs. |
|---|---|---|
| Assets | | |
| Consultancy Fee for NJ Consultants | Inventory properties | 1,209,091 |
| Construction Management Fee for Prime Constructions (Pvt) Ltd | Inventory properties | 35,550,000 |
| Liability | | |
| Loans obtain from HNB Finance PLC | Interest bearing borrowings | 3,720,166 |
| Lease obtain from HNB Finance PLC | Lease liabilities | 4,379,753 |
| Reservation made by Mr. B Premalal | Customer advance collection | 16,450,000 |
| Reservation made by Mrs. H K S R Perera | Customer advance collection | 9,770,000 |
| 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 | 135,639 |
| Interest Paid to the HNB Finance PLC | Finance expenses | 705,603 |
| Regent Caterers (Pvt) Ltd | Cost of Construction | 4,123,453 |

CORPORATE INFORMATION

| | |
|---|---|
| Company | Prime Lands Residencies PLC |
| Registered Office | 75, D S Senanayake Mawatha<br>Colombo 08, Sri Lanka<br>Tel: +94 11 2699822<br>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<br>Apart. No. 9/6, 10, Alfred House Gardens<br>Colombo 03, Sri Lanka<br>Tel: +94 77 7352370 |
| Auditors of the Company | Messrs. BDO Partners (Chartered Accountants)<br>65/2, "Charter House", Sir Chittampalam A Gardiner Mawatha<br>Colombo 02, Sri Lanka<br>Tel: +94 11 2421878-79/70 / +94 11 2387002/03<br>Fax: +94 11 2336064 |
| Board of Directors | Mr. B Premalal - Co-Chairman/Non-Independent Executive Director<br>Ms. H K S R Perera - Co-Chairperson/Non-Independent Executive Director<br>Mr. N M Weerakkody - Managing Director/ Non-Independent Executive Director<br>Mr. H M N U Kumara - Director-Corporate Affairs/Non-Independent Executive Director<br>Ms. S S A P Brahmanage - Non-Independent Executive Director<br>Mr. M Perera - Independent Non-Executive Director<br>Mr. D Kalapuge - Independent Non-Executive Director<br>Mr. S Bandara - Independent Non-Executive Director<br>Mr. D Sooriyaarachchi - Senior Independent Director/Independent Non-Executive Director<br>Mr. N L S Joseph - Independent Non-Executive Director |
| Lawyers of the Company | Sharm Fernando Associates<br>35/10, Wijayakumaratunga Mawatha Colombo 05, Sri Lanka<br>Tel: +94 76 6993861 |
| Bankers of the Company | DFCC Bank PLC<br>Seylan Bank PLC<br>Nations Trust Bank PLC<br>People's Bank<br>Commercial Bank PLC<br>Sampath Bank PLC<br>Hatton National Bank PLC<br>National Development Bank PLC<br>Bank of Ceylon |