



Level 15, Seylan Towers, No: 90, Galle Road, Colombo 03.

***Interim Financial Statements
For the year ended 31st December 2021***

SEYLAN DEVELOPMENTS PLC
STATEMENT OF FINANCIAL POSITION

	DEC 31, 2021 (Un Audited)	DEC 31, 2020 (Audited)	Growth %
	Rs '000	Rs '000	
Assets			
Non Current Assets			
Property, plant & equipment	5,355	2,658	101.50
Investment property	5,550,656	5,488,880	1.13
Other investments	200,043	203,568	(1.73)
Total Non Current Assets	5,756,054	5,695,106	1.07
Current Assets			
Inventories	6,264	4,236	47.86
Trade and other receivables	37,728	38,416	(1.79)
Other investments	10,355	58,158	(82.19)
Income tax receivable	51,165	52,573	(2.68)
Cash and cash equivalents	206,434	69,317	197.81
Total Current Assets	311,946	222,701	40.07
Total Assets	6,068,000	5,917,807	2.54
Equity and Liabilities			
Equity			
Stated capital	1,644,392	1,644,392	-
Reserves	495,833	496,714	(0.18)
Retained earnings	3,133,404	2,960,814	5.83
	5,273,629	5,101,920	3.37
Non Current Liabilities			
Deferred tax liability	659,511	684,269	(3.62)
	659,511	684,269	(3.62)
Current Liabilities			
Other liabilities	134,860	131,618	2.46
	134,860	131,618	2.46
Total Equity and Liabilities	6,068,000	5,917,807	2.54
Net Asset per Share	35.64	34.48	3.37

* The Financial Statements have been prepared in compliance with the requirements of the Companies Act no 7 of 2007 .

* The above figures are subject to audit and has been prepared in compliance with the Rule 7.4 of the CSE Listing Rules and Sri Lanka Accounting Standard - LKAS 34 - Interim Financial Reporting.

Sgd.
Kapila Ariyaratne
Chairman

Sgd.
Somadasa Palihawadana
Deputy Chairman

Sgd.
Nirmala Arangalage (Mrs)
Head of Finance

21st February 2022

SEYLAN DEVELOPMENTS PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	FOR THE QUARTER ENDED			FOR THE YEAR ENDED		
	DEC 31, 2021 (Un Audited) Rs '000	DEC 31, 2020 (Audited) Rs '000	Growth %	DEC 31, 2021 (Un Audited) Rs '000	DEC 31, 2020 (Audited) Rs '000	Growth %
	Rental Income	85,958	82,930	3.65	342,129	326,201
Other Income	12,027	40,101	(70.01)	19,918	49,070	(59.41)
	97,985	123,030	(20.36)	362,047	375,271	(3.52)
Operating Expenses	(24,687)	(20,313)	21.53	(82,400)	(86,567)	(4.81)
	73,298	102,717	(28.64)	279,647	288,704	(3.14)
Change in fair value of investment properties	13,864	15,502	(10.57)	13,864	15,502	(10.57)
Operating Profit	87,162	118,220	(26.27)	293,511	304,206	(3.52)
Net Finance income	9,672	6,916	39.84	32,253	29,618	8.90
Profit Before Taxation	96,834	125,136	(22.62)	325,764	333,824	(2.41)
Taxation	(18,839)	(25,789)	(26.95)	25,052	(73,609)	(134.03)
Profit After Taxation	77,995	99,347	(21.49)	350,816	260,215	34.82
Items that will not be reclassified to profit or loss						
Actuarial gain / (loss) on retirement benefit obligations	(797)	157	(607)	(797)	157	(607)
Revaluation of property plant & equipment	3,075	-	100	3,075	-	100
Deferred tax on revaluation	(738)	-	100	(738)	-	(100)
Impact to revaluation reserve due to tax rate change	90	-	100	90	-	100
Items that are or may be reclassified subsequently to profit or loss						
Net change in fair value of available for sale financial assets reclassified to profit or loss	4,808	(889)	(641)	(3,533)	11,797	(130)
Deferred tax on components of other comprehensive income	(481)	(1,180)	(59)	353	(1,180)	(130)
Other comprehensive income for the period, net of income tax	6,439	(1,911)	(437)	(1,549)	10,774	(114)
Total comprehensive income for the period	84,434	97,436	(13.34)	349,267	270,989	28.89
Earnings / (Loss) Per Share	Rs 0.53	Rs 0.67	(21.49)	Rs 2.37	Rs 1.76	34.82

SEYLAN DEVELOPMENTS PLC
STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs '000	Capital Reserve Rs '000	Revaluation Reserve Rs '000	Fair Value Reserve Rs '000	Retained Earnings Rs '000	Total Rs '000
Balance as at 01.01.2020	1,644,392	525,494	1,627	(41,024)	2,863,203	4,993,692
Total Comprehensive Income for the period						
Profit or Loss	-	-	-	-	260,215	260,215
Other Comprehensive Income						
Net fair value change in investment in debt instruments measured at fair value through other comprehensive income	-	-	-	11,797	-	11,797
Deferred tax on components of other comprehensive income	-	-	-	(1,180)	-	(1,180)
Actuarial loss on defined benefit obligation	-	-	-	-	157	157
	-	-	-	10,617	157	10,774
Total Comprehensive Income for the period	-	-	-	10,617	260,372	270,989
Transactions with the owners of the Company						
Dividends paid	-	-	-	-	(162,761)	(162,761)
	-	-	-	-	(162,761)	(162,761)
Balance as at 31.12.2020	1,644,392	525,494	1,627	(30,407)	2,960,814	5,101,920
Balance as at 01.01.2021	1,644,392	525,494	1,627	(30,407)	2,960,814	5,101,920
Total Comprehensive Income for the period						
Profit or Loss	-	-	-	-	350,816	350,816
Other Comprehensive Income						
Net fair value change in investment in debt instruments measured at fair value through other comprehensive income	-	-	-	(3,533)	-	(3,533)
Actuarial loss on defined benefit obligation	-	-	-	-	(797)	(797)
Deferred tax on components of other comprehensive income	-	-	-	353	-	353
Revaluation of property plant & equipment	-	-	3,075	-	-	3,075
Deferred tax on revaluation	-	-	(738)	-	-	(738)
Impact to revaluation reserve due to tax rate change	-	-	90	-	-	90
	-	-	2,427	(3,180)	(797)	(1,549)
Total Comprehensive Income for the period	-	-	2,427	(3,180)	350,020	349,267
Transactions recorded directly in equity						
Reversal of revaluation of property plant & equipment disposed / written off	-	-	(128)	-	128	-
	-	-	(128)	-	128	-
Transactions with the owners of the Company						
Dividends paid	-	-	-	-	(177,558)	(177,558)
	-	-	-	-	(177,558)	(177,558)
Balance as at 31.12.2021	1,644,392	525,494	3,925	(33,587)	3,133,404	5,273,629

SEYLAN DEVELOPMENTS PLC
CASH FLOW STATEMENT

For the period	01.01.21 - 31.12.21 (Un Audited) Rs. 000	01.01.20 - 31.12.20 (Audited) Rs. 000
Cash Flows from Operating Activities		
Receipt from other Operating Activities	349,979	337,271
Cash payments to Employees, Suppliers and Tax Authorities	(82,257)	(85,545)
Interest Payments	(15)	(234)
Operating profit before changes in operating assets	267,707	251,492
(Increase)/Decrease in operating assets :		
Stock & Receivables	268	(1,984)
Increase/(Decrease) in operating liabilities :		
Deposits & Trade payables	9,871	(2,229)
Cash Generated from Operations	277,846	247,279
Income Tax paid	-	-
Net cash from Operating Activities	277,846	247,279
Cash Flows from Investing Activities		
Interest Received	31,067	28,663
Purchase of non-dealing Securities	(67,176)	(74,811)
Disposal of non-dealing Securities	121,611	24,585
Purchase of Property , Plant and Equipment	(762)	(230)
Additions to Investment Properties	(47,911)	(57,416)
Net cash from Investing Activities	36,829	(79,209)
Cash Flows from Financing Activities		
Dividends paid	(177,558)	(162,761)
Net Cash from Financing Activities	(177,558)	(162,761)
Total net increase in cash and cash equivalents during the period	137,117	5,309
Cash and Cash equivalents at beginning of period	69,317	64,008
Cash and Cash Equivalents at end of period	206,434	69,317
Reconciliation of Cash and Cash Equivalents		
Cash and Short Term Funds	206,434	69,317
	206,434	69,317

SEYLAN DEVELOPMENTS PLC
Notes to the Financial Statements

1 General

Seylan Developments PLC (the "Company") is a "Public Quoted Company" and a Limited Liability Company Incorporated, reregistered under Companies Act No. 07 of 2007 (PQ 151) and domiciled in Sri Lanka and listed on the Colombo Stock Exchange.

- The Company's registered office is situated at Level 15, Seylan Towers, No. 90, Galle Road, Colombo 03.
- The Company is in the business of development of property, administration & maintenance.
- The Company is a subsidiary of Seylan Bank PLC.
- The staff strength of the Company as at 31st December 2021 is 19 (2020- 20).

2 Accounting Policies

The interim Financial Statements have been prepared and presented in accordance with the Sri Lanka Accounting Standards (LKAS / SLFRS) and provided necessary disclosure to comply with LKAS 34, Interim Financial Reporting.

There are no changes to the accounting policies & methods of computation since the publication of the last Annual Report.

3 Events After the Reporting Period

Proposed Final Dividend

The Board of Directors of the company recommended that a final dividend of Rs: 1.40 per share, be paid by way of cash dividend for the financial year ended December 31, 2021 (Rs: 1.20 per share paid for the year ended December 31, 2020), subject to approval by the shareholders at the Annual General Meeting.

Imposition of Surcharge Tax

The Bill governing the imposition and administration of the Surcharge Tax was published in the Gazette on 07 February 2022. The Surcharge Tax was proposed in the Budget 2022, as a one-time tax. The tax is payable by any individual, partnership, company or each company of a group of companies (holding and subsidiaries) subject to the taxable income threshold as specified in the Bill.

Surcharge Tax will be levied on any individual, partnership or company, whose taxable income calculated in accordance with the provisions of the Inland Revenue Act, No. 24 of 2017, exceeds rupees two thousand million, for the year of assessment commenced on 1st April 2020, at the rate of twenty five per centum on the taxable income of such individual, partnership or company, for such year of assessment.

The Board of Directors of the Company determined that the Company is not liable for the said surcharge tax on the basis that the Company has not reported a taxable income for the year of assessment 2020/21.

No circumstances have arisen since the Reporting date which would require adjustments to or disclosure in the Financial Statements other than above.

4 Stated Capital

147,964,860 Ordinary Shares	1,553,631,030
Share Premium	90,760,620
	<u>1,644,391,650</u>

5 Share price movement

	Quarter Ended		Year Ended
	31.12.2021	31.12.2020	31.12.2021
Highest Price	19.50	14.70	19.90
Lowest Price	15.90	11.40	13.50
Last Traded Price	18.00	14.40	18.00
Market Capitalization	2,663,367,480	2,130,693,984	2,663,367,480

6 Contingent Assets and Contingent Liabilities

There are no Contingent Liabilities as at the reporting date other than what is disclosed below;

(a) Income Tax for the year of assessment 2012/13 (Rs: 9,269,763/-, Assessment no: ITA 15301100123 V1) determined by the Commissioner General of Inland Revenue have been referred to the Tax Appeals Commission.

Based on the available information and current status of above cases, the Board of Directors are of the opinion that the outcome of any actions will be favorable to Company and will not have any material impact on the Financial Statements.

SEYLAN DEVELOPMENTS PLC
Notes to the Financial Statements

7 Comparative Information

Comparative figures have been re-stated / adjusted where necessary, to conform to the current period presentation.

8 Major 20 Share Holder List - As at 31 December 2021

	NAME OF SHAREHOLDER	NO OF SHARES 31.12.2021	%
1	Seylan Bank PLC	104,332,112	70.51
2	Mr Perera Kulappuarachchige Don Dammika	8,546,640	5.78
3	Mr. Thissera Amal Joseph	3,690,400	2.49
4	Mrs Udeshi (DESC) Majula Moraji	1,287,900	0.87
5	Mr. Abishek Sithampalam	845,674	0.57
6	Hatton National Bank PLC / Arunasalam Sithampalam	824,554	0.56
7	Sandwave Limited	674,183	0.46
8	Asian Guild Financial Services (Pvt) Ltd	609,121	0.41
9	Mr. Perera Wannakuwattawaduge Don Nimal Hemasiri	600,000	0.41
10	Zagra Investment Consultants (Pvt) Ltd	594,200	0.40
11	Mr. Gautam Rahul	572,502	0.39
12	Mr. Tay Biak Chye	505,948	0.34
13	Hatton National Bank PLC / Mushtaq Mohamed Fuad	499,929	0.34
14	People's Leasing & Finance PLC / L P Hapangama	479,656	0.32
15	Mr. Loganathan Tharmalingam	474,281	0.32
16	Bank of Ceylon A/C Ceybank Century Growth Fund	388,303	0.26
17	Mr. Ragupathy Arunasalam	352,974	0.24
18	Hatton National Bank PLC / Siyambalapitiyage Don Chathura	334,840	0.23
19	Mr. Van Oostenbrugge Alexander	321,400	0.22
20	Mr. Withana Nandana Arangala	300,177	0.20

9 Names of existing Directors in Seylan Developments PLC

	NAME OF DIRECTOR	NO OF SHARES 31.12.2021
1	Mr. K. Ariyaratne	25,000
2	Mr. S. Paliawadana	10,000
3	Mr. R. Jayasekara	-
4	Mr. P. Hennayake	-
5	Mr. W.S.D. De Silva	-

- 10** Public Shareholdings % as at 31st December 2021 29.46%
No of public shareholders as at 31st December 2021 5,887
Float adjusted market capitalization (Rs:) 784,628,060
The Company complies with option 5 of the Listing Rules 7.13.1 (a) - less than Rs: 2.5 Bn Float adjusted market capitalization which requires 20% minimum Public Holdings.