



Seylan Developments PLC

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

Interim Financial Statements

For the Nine months ended 30th September 2019

SEYLAN DEVELOPMENTS PLC
STATEMENT OF FINANCIAL POSITION

	SEP 30, 2019 (Un Audited)	DEC 31, 2018 (Audited)	Growth %
	Rs '000	Rs '000	
Assets			
Non Current Assets			
Property, plant & equipment	2,643	3,263	(19.00)
Investment property	5,364,365	5,312,210	0.98
Other investments	-	143,885	-
Total Non Current Assets	5,367,008	5,459,358	(1.69)
Current Assets			
Inventories	4,356	5,441	(19.95)
Trade and other receivables	39,835	44,684	(10.85)
Other investments	189,994	5,151	3,588.70
Income tax receivable	45,068	23,931	88.33
Cash and cash equivalents	49,055	108,075	(54.61)
Total Current Assets	328,308	187,282	75.30
Total Assets	5,695,316	5,646,640	0.86
Equity and Liabilities			
Equity			
Stated capital	1,644,392	1,644,392	-
Reserves	483,709	469,070	3.12
Retained earnings	2,798,686	2,821,087	(0.79)
	4,926,787	4,934,549	(0.16)
Non Current Liabilities			
Deferred tax liability	597,327	546,365	9.33
	597,327	546,365	9.33
Current Liabilities			
Bank overdrafts	191	-	100.00
Other liabilities	171,010	165,726	3.19
	171,202	165,726	3.30
Total Equity and Liabilities	5,695,316	5,646,640	0.86
Net Asset per Share	33.30	33.35	(0.16)

* 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 Paliawadana
Deputy Chairman

Sgd.
Ponniiah Saravanapavan
Director

Sgd.
Nirmala Arangalage (Mrs)
Head of Finance

30th October 2019

SEYLAN DEVELOPMENTS PLC
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	FOR THE QUARTER ENDED			FOR THE NINE MONTHS ENDED		
	SEP 30, 2019	SEP 30, 2018	Growth	SEP 30, 2019	SEP 30, 2018	Growth
	<i>(Un Audited)</i> Rs '000	<i>(Un Audited)</i> Rs '000	%	<i>(Un Audited)</i> Rs '000	<i>(Un Audited)</i> Rs '000	%
Rental Income	72,670	71,591	1.51	218,167	202,108	7.95
Other Income	1,530	1,889	(19.01)	4,118	7,655	(46.20)
	74,200	73,480	0.98	222,285	209,763	5.97
Operating Expenses	(24,227)	(21,555)	12.39	(66,311)	(62,099)	6.78
Operating Profit	49,973	51,925	(3.76)	155,974	147,663	5.63
Net Finance income	7,835	6,622	18.32	21,301	36,673	(41.92)
Profit Before Taxation	57,808	58,547	(1.26)	177,275	184,337	(3.83)
Taxation	(16,838)	(17,071)	(1.36)	(50,961)	(52,503)	(2.94)
Profit After Taxation	40,970	41,476	(1.22)	126,314	131,834	(4.19)
Other comprehensive income						
Net change in fair value of available for sale financial assets.	(452)	1,010	(144.73)	13,888	3,058	354.22
Other comprehensive income for the period, net of income tax	(452)	1,010	(144.73)	13,888	3,058	354.22
Total comprehensive income for the period	40,518	42,486	(4.63)	140,202	134,892	3.94
Earnings / (Loss) Per Share	<u>Rs</u> 0.28	<u>Rs</u> 0.28	(1.22)	<u>Rs</u> 0.85	<u>Rs</u> 0.89	(4.19)

STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs '000	Capital Reserve Rs '000	Revaluation Reserve Rs '000	Available for Sale Reserve Rs '000	Retained Earnings Rs '000	Total Rs '000
Balance as at 01.01.2018	1,644,392	525,494	1,867	(3,976)	2,653,793	4,821,570
Adjustment on initial application of SLFRS 9				(47,591)	47,591	-
Adjusted balance as at 01.01.2018	1,644,392	525,494	1,867	(51,567)	2,701,384	4,821,570
Total Comprehensive Income for the period						
Profit or Loss	-	-	-	-	131,834	131,834
Other Comprehensive Income						
Net gain / (loss) on investment in debt instruments measured at fair value through other comprehensive income	-	-	-	3,058	-	3,058
	-	-	-	3,058	-	3,058
Total Comprehensive Income for the period	-	-	-	3,058	131,834	134,891
Transactions recorded directly in equity						
Dividend Declared	-	-	-	-	(133,168)	(133,168)
Balance as at 30.09.2018	1,644,392	525,494	1,867	(48,510)	2,700,050	4,823,292
Balance as at 01.01.2019	1,644,392	525,494	1,639	(58,062)	2,821,087	4,934,550
Total Comprehensive Income for the period						
Profit or Loss	-	-	-	-	126,314	126,314
Other Comprehensive Income						
Net gain / (loss) on investment in debt instruments measured at fair value through other comprehensive income	-	-	-	13,888	-	13,888
Disposal of equity investment measured at FVOCI	-	-	-	750	(750)	-
	-	-	-	14,638	(750.00)	13,888
Total Comprehensive Income for the period	-	-	-	14,638	125,564	140,202
Transactions recorded directly in equity						
Dividend Declared	-	-	-	-	(147,965)	(147,965)
Balance as at 30.06.2019	1,644,392	525,494	1,639	(43,424)	2,798,686	4,926,787

SEYLAN DEVELOPMENTS PLC
CASH FLOW STATEMENT

For the period	01.01.19 - 30.09.19 (Un Audited) Rs. 000	01.01.18 - 30.09.18 (Un Audited) Rs. 000
Cash Flows from Operating Activities		
Receipt from other Operating Activities	221,186	209,763
Cash payments to Employees, Suppliers and Tax Authorities	(65,850)	(61,763)
Interest Payments	(508)	(1,800)
Operating profit before changes in operating assets	154,828	146,200
(Increase)/Decrease in operating assets :		
Stock & Receivables	(15,200)	9,534
Increase/(Decrease) in operating liabilities :		
Deposits & Trade payables	6,390	(7,260)
Cash Generated from Operations	146,018	148,474
Income Tax paid	(1,106)	(24,784)
Net cash from Operating Activities	144,912	123,690
Cash Flows from Investing Activities		
Interest Received	21,927	38,829
Purchase of non-dealing Securities	(47,106)	(164,945)
Disposal of non-dealing Securities	21,225	63,042
Purchase of Property , Plant and Equipment	(63)	(124)
Additions to Investment Properties	(52,156)	(946,575)
Net cash from Investing Activities	(56,173)	(1,009,773)
Cash Flows from Financing Activities		
Dividends paid	(147,965)	(133,168)
Net Cash from Financing Activities	(147,965)	(133,168)
Total net increase in cash and cash equivalents during the period	(59,226)	(1,019,251)
Cash and Cash equivalents at beginning of period	108,091	974,903
Cash and Cash Equivalents at end of period	48,864	(44,348)
Reconciliation of Cash and Cash Equivalents		
Cash and Short Term Funds	49,055	8,200
Bank Overdraft	(191)	(52,548)
	48,864	(44,348)

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 30th September 2019 is 21 (2018- 22).

2 Accounting Policies

There are no changes to the accounting policies & method of computation since the publication of the last Annual Report. The interim Financial Statements are presented in accordance with LKAS 34, Interim Financial Reporting. The Interim Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended December 31, 2018 which have been prepared in accordance with LKAS / SLFRS.

3 Events After the Reporting Period

There have been no material events after the reporting period that would require adjustments / disclosures in the Financial Statements.

4 Stated Capital

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

5 Share price movement

	Quarter Ended		Year Ended 31.12.2018
	30.09.2019	30.09.2018	
Highest Price	11.70	11.90	14.90
Lowest Price	9.60	10.20	10.00
Last Traded Price	10.40	10.20	11.00
Market Capitalization	1,538,834,544	1,509,241,572	1,627,613,460

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.

7 Comparative Information

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

SEYLAN DEVELOPMENTS PLC
Notes to the Financial Statements

8 Major 20 Share Holder List - As at 30 September 2019

	NAME OF SHAREHOLDER	NO OF SHARES 30.09.2019	%
1	Seylan Bank PLC	104,332,112	70.51
2	Mr Perera Kulappuarachchige Don Dammika	8,546,640	5.78
3	Mr. Udeshi Anant Hargovind	1,925,495	1.30
4	Mrs Udeshi (DESC) Majula Moraji	1,287,900	0.87
5	Mrs. Saraswathi Vasudevan	897,398	0.61
6	Mr. Abishek Sithampalam	845,674	0.57
7	Hatton National Bank PLC / Arunasalam Sithampalam	824,554	0.56
8	Mr. Grero Anthony Romesh	700,050	0.47
9	Asian Guild Financial Services (Pvt) Ltd	609,121	0.41
10	Acuity Partners (Pvt) Limited / Mr. Anthony Romesh Grero	600,002	0.41
11	Zagra Investment Consultants (Pvt) Ltd	594,200	0.40
12	Mr. Gautam Rahul	559,992	0.38
13	Sandwave Limited	509,668	0.34
14	Mr. Tay Biak Chye	505,948	0.34
15	People's Leasing & Finance PLC / Mr. D. M. P. Disanayake	483,315	0.33
16	Pobran Investments (Pvt) Ltd	379,074	0.26
17	Mr. Patel Saifuddin Esmail	369,601	0.25
18	Mr. Ragupathy Arunasalam	352,974	0.24
19	Bank of Ceylon A/C Ceybank Century Growth Fund	348,926	0.24
20	Mr. Van Oostenbrugge Alexander	321,400	0.22

9 Names of existing Directors in Seylan Developments PLC

	NAME OF DIRECTOR	NO OF SHARES 30.09.2019
1	Mr. K. Ariyaratne	25,000
2	Mr S. Palihawadana	10,000
3	Mr. P. Saravanapavan	-
4	Mr. R. Jayasekara	-
5	Mr. P. Hennayake	-
6	Mr. L.T. Kiringoda	-

- 10** Public Shareholdings % as at 30th September 2019 29.46%
No of public shareholders as at 30th September 2019 6,150
Float adjusted market capitalization (Rs:) 453,340,657
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.