



Seylan Developments PLC

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

Interim Financial Statements

For the Nine months ended 30th September 2020

SEYLAN DEVELOPMENTS PLC

STATEMENT OF FINANCIAL POSITION

	SEP 30, 2020 (Un Audited)	DEC 31, 2019 (Audited)	Growth %
	Rs '000	Rs '000	
Assets			
Non Current Assets			
Property, plant & equipment	2,915	3,456	(15.64)
Investment property	5,469,838	5,415,962	0.99
Other investments	199,677	191,779	-
Total Non Current Assets	5,672,430	5,611,197	1.09
Current Assets			
Inventories	4,148	4,166	(0.44)
Trade and other receivables	71,279	36,392	95.87
Other investments	7,726	6,735	14.72
Income tax receivable	52,573	52,521	0.10
Cash and cash equivalents	27,077	64,008	(57.70)
Total Current Assets	162,803	163,822	(0.62)
Total Assets	5,835,233	5,775,019	1.04
Equity and Liabilities			
Equity			
Stated capital	1,644,392	1,644,392	-
Reserves	498,783	486,097	2.61
Retained earnings	2,861,310	2,863,203	(0.07)
	5,004,485	4,993,692	0.22
Non Current Liabilities			
Deferred tax liability	658,710	609,480	8.08
	658,710	609,480	8.08
Current Liabilities			
Other liabilities	172,038	171,847	0.11
	172,038	171,847	0.11
Total Equity and Liabilities	5,835,233	5,775,019	1.04
Net Asset per Share	33.82	33.75	0.22

* 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

28th October 2020

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

	FOR THE QUARTER ENDED			FOR THE NINE MONTHS ENDED		
	SEP 30, 2020	SEP 30, 2019	Growth	SEP 30, 2020	SEP 30, 2019	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	81,606	72,670	12.30	243,271	218,167	11.51
Other Income	6,812	1,530	345.18	8,970	4,118	117.82
	88,418	74,200	19.16	252,241	222,285	13.48
Operating Expenses	(20,920)	(24,227)	(13.65)	(66,254)	(66,311)	(0.09)
Operating Profit	67,498	49,973	35.07	185,987	155,974	19.24
Net Finance income	8,579	7,835	9.50	22,702	21,301	6.58
Profit Before Taxation	76,077	57,808	31.60	208,689	177,275	17.72
Taxation	(15,629)	(16,838)	(7.18)	(47,821)	(50,961)	(6.16)
Profit After Taxation	60,448	40,970	47.54	160,868	126,314	27.36
Other comprehensive income						
Net change in fair value of available for sale financial assets.	450	(452)	(199.51)	12,686	13,888	(8.66)
Other comprehensive income for the period, net of income tax	450	(452)	(199.51)	12,686	13,888	(8.66)
Total comprehensive income for the period	60,898	40,518	50.30	173,554	140,202	23.79
Earnings / (Loss) Per Share	<u>Rs</u> 0.41	<u>Rs</u> 0.28	47.54	<u>Rs</u> 1.09	<u>Rs</u> 0.85	27.36

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 01.01.2019	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	-	-	-	13,888.40	-	13,888
Net gain / (loss) on 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						
Dividends paid	-	-	-	-	(147,965)	(147,965)
Balance as at 30.09.2019	1,644,392	525,494	1,639	(43,424)	2,798,686	4,926,787
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	-	-	-	-	160,868	160,868
Other Comprehensive Income						
Net gain / (loss) on investment in debt instruments measured at fair value through other comprehensive income	-	-	-	12,686	-	12,686
	-	-	-	12,686	-	12,686
Total Comprehensive Income for the period	-	-	-	12,686	160,868	173,554
Transactions recorded directly in equity						
Dividends paid	-	-	-	-	(162,761)	(162,761)
Balance as at 30.09.2020	1,644,392	525,494	1,627	(28,338)	2,861,310	5,004,485

SEYLAN DEVELOPMENTS PLC
CASH FLOW STATEMENT

For the period	01.01.20 - 30.09.20 (Un Audited) Rs. 000	01.01.19 - 30.09.19 (Un Audited) Rs. 000
Cash Flows from Operating Activities		
Receipt from other Operating Activities	252,241	221,186
Cash payments to Employees, Suppliers and Tax Authorities	(65,800)	(65,850)
Interest Payments	(62)	(508)
Operating profit before changes in operating assets	186,379	154,828
(Increase)/Decrease in operating assets :		
Stock & Receivables	(34,921)	(15,200)
Increase/(Decrease) in operating liabilities :		
Deposits & Trade payables	191	6,390
Cash Generated from Operations	151,649	146,018
Income Tax paid	-	(1,106)
Net cash from Operating Activities	151,649	144,912
Cash Flows from Investing Activities		
Interest Received	21,860	21,927
Purchase of non-dealing Securities	(18,388)	(47,106)
Disposal of non-dealing Securities	24,585	21,225
Purchase of Property , Plant and Equipment	-	(63)
Additions to Investment Properties	(53,876)	(52,156)
Net cash from Investing Activities	(25,819)	(56,173)
Cash Flows from Financing Activities		
Dividends paid	(162,761)	(147,965)
Net Cash from Financing Activities	(162,761)	(147,965)
Total net increase in cash and cash equivalents during the period	(36,931)	(59,226)
Cash and Cash equivalents at beginning of period	64,008	108,091
Cash and Cash Equivalents at end of period	27,077	48,864
Reconciliation of Cash and Cash Equivalents		
Cash and Short Term Funds	27,077	49,055
Bank Overdraft	-	(191)
	27,077	48,864

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 2020 is 21 (2019- 21).

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, 2019 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
	30.09.2020	30.09.2019	31.12.2019
Highest Price	13.30	11.70	12.40
Lowest Price	10.00	9.60	9.00
Last Traded Price	12.60	10.40	11.50
Market Capitalization	1,864,357,236	1,538,834,544	1,701,595,890

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.

8 Others

(i) Income Tax and Net deferred tax liability

As the proposed income tax rate of 24% for companies is pending for formal approvals, it is not considered as substantially enacted as at the reporting date. Accordingly, the tax rate of 28% has been considered for income tax and deferred tax computation as at 30th September 2020 (2019 - 28%).

SEYLAN DEVELOPMENTS PLC
Notes to the Financial Statements

9 Major 20 Share Holder List - As at 30 September 2020

	NAME OF SHAREHOLDER	NO OF SHARES 30.09.2020	%
1	Seylan Bank PLC	104,332,112	70.51
2	Mr Perera Kulappuarachchige Don Dammika	8,546,640	5.78
3	Mr. Tissera Amal Joseph	2,350,550	1.59
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	Mr. Anthony Romesh Grero / Acuity Partners (Pvt) Limited - Mr. Anthony Romesh Grero	683,032	0.46
8	Asian Guild Financial Services (Pvt) Ltd	609,121	0.41
9	Zagra Investment Consultants (Pvt) Ltd	594,200	0.40
10	Mr. Gautam Rahul	581,500	0.39
11	Mr. Tay Biak Chye	505,948	0.34
12	Mr. Loganathan Tharmalingam	416,633	0.28
13	Pobran Investments (Pvt) Ltd	402,741	0.27
14	Bank of Ceylon A/C Ceybank Century Growth Fund	365,926	0.25
15	Mr. Ragupathy Arunasalam	352,974	0.24
16	Mr. Van Oostenbrugge Alexander	321,400	0.22
17	Merchant Bank of Sri Lanka & Finance PLC / C. N. Pakianathan	304,850	0.21
18	Mr. Withana Nandana Arangala	300,177	0.20
19	Mrs. Umeshwary Sithampalam	241,948	0.16
20	Mr. Satkunam Selliah	240,000	0.16

10 Names of existing Directors in Seylan Developments PLC

	NAME OF DIRECTOR	NO OF SHARES 30.09.2020
1	Mr. K. Ariyaratne	25,000
2	Mr. S. Palihawadana	10,000
3	Mr. R. Jayasekara	-
4	Mr. P. Hennayake	-
5	Mr. L. T. Kiringoda	-
6	Mr. W.S.D. De Silva	-

- 11** Public Shareholdings % as at 30th September 2020 29.46%
No of public shareholders as at 30th September 2020 6,117
Float adjusted market capitalization (Rs:) 549,239,642
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.