



***Seylan Developments PLC***

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

***Interim Financial Statements  
For the year ended 31st December 2019***

SEYLAN DEVELOPMENTS PLC  
STATEMENT OF FINANCIAL POSITION

	DEC 31, 2019 (Un Audited)	DEC 31, 2018 (Audited)	Growth %
	Rs '000	Rs '000	
<b>Assets</b>			
<b>Non Current Assets</b>			
Property, plant & equipment	3,456	3,263	5.90
Investment property	5,415,962	5,312,210	1.95
Other investments	191,779	143,885	-
<b>Total Non Current Assets</b>	<b>5,611,197</b>	<b>5,459,358</b>	2.78
<b>Current Assets</b>			
Inventories	4,166	5,441	(23.44)
Trade and other receivables	36,392	44,684	(18.56)
Other investments	6,735	5,151	30.75
Income tax receivable	52,521	23,931	119.47
Cash and cash equivalents	64,008	108,075	(40.77)
<b>Total Current Assets</b>	<b>163,822</b>	<b>187,282</b>	(12.53)
<b>Total Assets</b>	<b>5,775,019</b>	<b>5,646,640</b>	2.27
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Stated capital	1,644,392	1,644,392	-
Reserves	486,097	469,070	3.63
Retained earnings	2,863,203	2,821,087	1.49
	<b>4,993,692</b>	<b>4,934,549</b>	1.20
<b>Non Current Liabilities</b>			
Deferred tax liability	609,480	546,365	11.55
	<b>609,480</b>	<b>546,365</b>	11.55
<b>Current Liabilities</b>			
Other liabilities	171,847	165,726	3.69
	<b>171,847</b>	<b>165,726</b>	3.69
<b>Total Equity and Liabilities</b>	<b>5,775,019</b>	<b>5,646,640</b>	2.27
<b>Net Asset per Share</b>	<b>33.75</b>	<b>33.35</b>	1.20

\* 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

20<sup>th</sup> February 2020

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

	FOR THE QUARTER ENDED			FOR THE YEAR ENDED		
	DEC 31, 2019	DEC 31, 2018	Growth	DEC 31, 2019	DEC 31, 2018	Growth
	(Un Audited) Rs '000	(Audited) Rs '000	%	(Un Audited) Rs '000	(Audited) Rs '000	%
Rental Income	69,878	77,685	(10.05)	288,045	279,792	2.95
Other Income	3,668	4,040	(9.19)	7,786	11,695	(33.42)
	<u>73,546</u>	<u>81,725</u>	<u>(10.01)</u>	<u>295,831</u>	<u>291,487</u>	<u>1.49</u>
Operating Expenses	(29,370)	(19,191)	53.04	(95,681)	(81,290)	17.70
	<u>44,176</u>	<u>62,535</u>	<u>(29.36)</u>	<u>200,150</u>	<u>210,198</u>	<u>(4.78)</u>
Change in fair value of investment properties	27,919	73,633	(62.08)	27,919	73,633	(62.08)
Operating Profit	72,095	136,167	(47.05)	228,069	283,831	(19.65)
Net Finance income	6,431	5,379	19.56	27,732	42,052	(34.05)
Profit Before Taxation	<u>78,526</u>	<u>141,546</u>	<u>(44.52)</u>	<u>255,801</u>	<u>325,883</u>	<u>(21.51)</u>
Taxation	(11,827)	(18,344)	(35.53)	(62,788)	(70,847)	(11.38)
Profit After Taxation	<u>66,699</u>	<u>123,202</u>	<u>(45.86)</u>	<u>193,013</u>	<u>255,036</u>	<u>(24.32)</u>
<b>Other comprehensive income</b>						
<b>Items that will not be reclassified to profit or loss</b>						
Actuarial loss on retirement benefit obligations	(2,298)	(482)	377.15	(2,298)	(482)	377.15
Net change in fair value of equity investments measured at FVOCI	(650)	(2,000)	(67.50)	(650)	(2,000)	(67.50)
<b>Items that are or may be reclassified subsequently to profit or loss</b>						
Net fair value change in investment in debt instruments measured at FVOCI	1,931	(11,553)	(116.71)	15,819	(8,495)	(286.22)
Deferred tax on components of other comprehensive income	(330)	-	100.00	(330)	-	100.00
<b>Other comprehensive income for the period, net of income tax</b>	<u>(1,347)</u>	<u>(14,034)</u>	<u>(90.40)</u>	<u>12,541</u>	<u>(10,977)</u>	<u>(214.25)</u>
<b>Total comprehensive income for the period</b>	<u>65,352</u>	<u>109,168</u>	<u>(40.14)</u>	<u>205,554</u>	<u>244,060</u>	<u>(15.78)</u>
<b>Earnings / (Loss) Per Share</b>	<u>Rs</u> 0.45	<u>Rs</u> 0.83	(45.86)	<u>Rs</u> 1.30	<u>Rs</u> 1.72	(24.32)

	Stated Capital	Capital Reserve	Revaluation Reserve	Fair value Reserve	Retained Earnings	Total
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
<b>Balance as at 01.01.2018</b>	1,644,392	525,494	1,867	(3,976)	2,653,793	4,821,569
Adjustment on initial application of SLFRS 9				(47,591)	47,591	-
<b>Adjusted balance as at 01.01.2018</b>	1,644,392	525,494	1,867	(51,567)	2,701,384	4,821,569
<b>Total Comprehensive Income for the period</b>						
Profit for the year	-	-	-	-	255,036	255,036
<b>Other Comprehensive Income</b>						
Net losses on investment in debt instruments measured at fair value through other comprehensive income	-	-	-	(8,495)	-	(8,495)
Actuarial loss on defined benefit obligation	-	-	-	-	(482)	(482)
Net change in fair value of financial assets at FVOCI reclassified from profit or loss	-	-	-	2,000	(2,000)	-
<b>Total Comprehensive Income for the period</b>	-	-	-	(6,495)	252,554	246,059
<b>Transactions recorded directly in equity</b>						
Reversal of revaluation of property plant & equipment disposed / written off	-	-	(317)	-	317	-
Reversal of deferred tax liability on revaluation gain	-	-	89	-	-	89
	-	-	(228)	-	317	89
<b>Transactions with the owners of the Company</b>						
Dividend Declared	-	-	-	-	(133,168)	(133,168)
	-	-	-	-	(133,168)	(133,168)
<b>Balance as at 31.12.2018</b>	<b>1,644,392</b>	<b>525,494</b>	<b>1,639</b>	<b>(58,062)</b>	<b>2,821,087</b>	<b>4,934,549</b>
<b>Balance as at 01.01.2019</b>	1,644,392	525,494	1,639	(58,062)	2,821,087	4,934,549
<b>Total Comprehensive Income for the period</b>						
Profit for the year	-	-	-	-	193,013	193,013
<b>Other Comprehensive Income</b>						
Net fair value change in investment in debt instruments measured at fair value through other comprehensive income	-	-	-	15,819	-	15,819
Actuarial loss on defined benefit obligation	-	-	-	-	(2,298)	(2,298)
Changes in fair value of equity investments disposed / written off measured at FVOCI	-	-	-	1,550	(650)	900
Deferred tax on components of other comprehensive income	-	-	-	(330)	-	(330)
<b>Total Comprehensive Income for the period</b>	-	-	-	17,039	190,065	207,104
<b>Transactions recorded directly in equity</b>						
Reversal of revaluation of property plant & equipment disposed / written off	-	-	(17)	-	17	-
Reversal of deferred tax liability on revaluation gain	-	-	5	-	-	5
	-	-	(12)	-	17	5
<b>Transactions with the owners of the Company</b>						
Dividend paid	-	-	-	-	(147,965)	(147,965)
	-	-	-	-	(147,965)	(147,965)
<b>Balance as at 31.12.2019</b>	<b>1,644,392</b>	<b>525,494</b>	<b>1,627</b>	<b>(41,024)</b>	<b>2,863,203</b>	<b>4,993,692</b>

**SEYLAN DEVELOPMENTS PLC**  
**CASH FLOW STATEMENT**

For the period	01.01.19 - 31.12.19 (Un Audited) Rs. 000	01.01.18 - 31.12.18 (Audited) Rs. 000
<b>Cash Flows from Operating Activities</b>		
Receipt from other operating activities	295,831	291,481
Cash payments to employees, suppliers and tax authorities	(95,466)	(80,983)
Interest payments	(1,592)	(3,377)
<b>Operating profit before changes in operating assets</b>	<b>198,773</b>	<b>207,120</b>
<b>(Increase)/Decrease in operating assets :</b>		
Inventories & receivables	(20,902)	(13,192)
<b>Increase/(Decrease) in operating liabilities :</b>		
Deposits & trade payables	7,597	6,117
<b>Cash Generated from Operations</b>	<b>185,468</b>	<b>200,046</b>
Income tax paid	(1,477)	(25,154)
<b>Net cash from Operating Activities</b>	<b>183,991</b>	<b>174,891</b>
<b>Cash Flows from Investing Activities</b>		
Interest received	27,987	46,053
Purchase of non-dealing securities	(53,300)	(173,862)
Disposal of non-dealing securities	22,125	175,529
Purchase of property , plant and equipment	(1,091)	(235)
Proceeds from disposal of property, plant and equipment	4	200
Additions to investment properties	(75,834)	(956,220)
<b>Net cash from Investing Activities</b>	<b>(80,110)</b>	<b>(908,536)</b>
<b>Cash Flows from Financing Activities</b>		
Dividends paid	(147,965)	(133,168)
<b>Net Cash from Financing Activities</b>	<b>(147,965)</b>	<b>(133,168)</b>
<b>Total net increase in cash and cash equivalents during the period</b>	<b>(44,083)</b>	<b>(866,813)</b>
Cash and cash equivalents at beginning of period	108,091	974,903
<b>Cash and cash Equivalents at end of period</b>	<b>64,008</b>	<b>108,091</b>
<b>Reconciliation of cash and cash Equivalents</b>		
Cash and short term funds	64,008	108,091
<b>Cash and cash equivalents as per the Statement of Financial Position</b>	<b>64,008</b>	<b>108,091</b>

**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**

The Company has initially applied SLFRS 16 from 01 January 2019. Based on the requirements of the standard, the Company has not made any adjustments to the financial information as at 1st January 2019 (i.e, at the date of transition) since the impact of adopting the standard does not result in a material adjustment to the amount disclosed previously.

Except for the changes made in accounting policies related to Accounting for Leases, the Company has consistently applied accounting policies to all periods presented in these financial statements.

The interim Financial Statements are presented in accordance with LKAS 34, Interim Financial Reporting.

**3 Events After the Reporting Period**

**Proposed Final Dividend**

The Board of Directors of the company recommended that a final dividend of Rs: 1.10 per share, be paid by way of cash dividend for the financial year ended December 31, 2019 (Rs: 1.00 per share paid for the year ended December 31, 2018), subject to approval by the shareholders at the Annual General Meeting.

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
	31.12.2019	31.12.2018	31.12.2019
Highest Price	12.30	11.90	12.40
Lowest Price	10.40	10.00	9.00
Last Traded Price	11.50	11.00	11.50
Market Capitalization	1,701,595,890	1,627,613,460	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.

**SEYLAN DEVELOPMENTS PLC**  
**Notes to the Financial Statements**

**8 Major 20 Share Holder List - As at 31st December 2019**

	NAME OF SHAREHOLDER	NO OF SHARES 31.12.2019	%
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	1,716,478	1.16
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	601,002	0.41
11	Zagra Investment Consultants (Pvt) Ltd	594,200	0.40
12	Mr. Gautam Rahul	559,992	0.38
13	Mr. Tay Biak Chye	505,948	0.34
14	People's Leasing & Finance PLC / Mr. D. M. P. Disanayake	483,315	0.33
15	Pobran Investments (Pvt) Ltd	397,741	0.27
16	Mr. Patel Saifuddin Esmail	369,601	0.25
17	Mr. Ragupathy Arunasalam	352,974	0.24
18	Bank of Ceylon A/C Ceybank Century Growth Fund	350,926	0.24
19	Mr. Van Oostenbrugge Alexander	321,400	0.22
20	Asha Financial Services Limited / Mr. C. N. Pakianathan	304,850	0.21

**9 Names of existing Directors in Seylan Developments PLC**

	NAME OF DIRECTOR	NO OF SHARES 31.12.2019
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 31st December 2019 29.46%  
No of public shareholders as at 31st December 2019 6,145  
Float adjusted market capitalization (Rs:) 501,290,149  
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.