

SERENDIB LAND PLC

QUARTERLY FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED AND YEAR ENDED MARCH 31,2014

Registered Office

NO.9/5,THAMBIAH AVENUE
COLOMBO 07.

SERENDIB LAND PLC

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED MARCH 31, 2014

| | Unaudited 3 months ended 31.03.14 Rs. | Unaudited 3 months ended 31.03.13 Rs. | Variance % | Unaudited Year ended 31.03.14 Rs. | Audited Year ended 31.03.2013 Rs. | Variance % |
|----------------------------------|---|---|---------------|---|---|---------------|
| Revenue | 3,285,000 | 3,285,000 | 0.00 | 13,140,000 | 13,005,000 | 1.04 |
| Direct Operating Expenses | (211,019) | (211,018) | (0.00) | (844,074) | (844,074) | 0.00 |
| Gross profit | 3,073,982 | 3,073,982 | (0.00) | 12,295,926 | 12,160,926 | 1.11 |
| Other Income | 309,384 | 196,697 | 57.29 | 1,115,215 | 591,621 | 88.50 |
| Administrative expenses | (131,458) | (637,065) | (79.36) | (1,933,617) | (1,767,752) | 9.38 |
| Profit from operations | 3,251,907 | 2,633,614 | 23.48 | 11,477,524 | 10,984,795 | 4.49 |
| Profit Before taxation | 3,251,907 | 2,633,614 | 23.48 | 11,477,524 | 10,984,795 | 4.49 |
| Income Tax Expenses | (330,191) | (271,080) | 21.81 | (1,152,752) | (1,373,093) | (16.05) |
| Net profit for the period | 2,921,717 | 2,362,534 | 23.67 | 10,324,771 | 9,611,702 | 7.42 |
| Earnings per share (Rs.) | 8.12 | 6.56 | | 28.68 | 26.70 | |

*The above figures are provisional & subject to audit
Figures in brackets indicate deductions.*

SERENDIB LAND PLC

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2014

| | Un Audited As at 31.03.14 Rs | Audited As at 31.03.13 Rs |
|-------------------------------------|---------------------------------------|------------------------------------|
| ASSETS | | |
| NON-CURRENT ASSETS | | |
| Investment Property | 251,160,000 | 251,160,000 |
| CURRENT ASSETS | | |
| Trade & Other Receivables | 633,056 | 670,557 |
| Short Term Investment | 9,709,858 | 6,813,059 |
| Cash & Cash Equivalents | 330,857 | 1,593,240 |
| | 10,673,771 | 9,076,856 |
| TOTAL ASSETS | 261,833,771 | 260,236,856 |
| EQUITY AND LIABILITIES | | |
| CAPITAL & RESERVES | | |
| Stated Capital | 36,000,000 | 36,000,000 |
| Retained Earnings | 201,181,278 | 199,856,507 |
| Shareholders' fund | 237,181,278 | 235,856,507 |
| NON CURRENT LIABILITIES | | |
| Deferred Tax Liability | 23,184,000 | 23,184,000 |
| | 23,184,000 | 23,184,000 |
| CURRENT LIABILITIES | | |
| Trade & Other Payables | 388,000 | 479,000 |
| Income Tax Payable | 390,952 | 39,009 |
| Dividend Payable | 531,605 | 453,800 |
| Bank Over draft | 157,936 | 224,540 |
| | 1,468,492 | 1,196,349 |
| TOTAL EQUITY AND LIABILITIES | 261,833,771 | 260,236,856 |

The above figures are provisional & subject to audit.

These financial statements are in compliance with the requirements of the Companies Act No.07 of 2007.

(Sgd)Shehan De Alwis
Chief Financial Officer

Approved and signed for and on behalf of the Board.

(Sgd)T.Someswaran
Chairman, Audit Committee

(Sgd)S.Nagendra - Chairman
Chairman

26 th May,2014
Colombo,

SERENDIB LAND PLC

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED MARCH 31,2014

| | Stated Capital | Retained Earnings | Total |
|-------------------------------------|--------------------------|---------------------------|---------------------------|
| | Rs. | Rs. | Rs. |
| Balance as at April 1, 2012 | 36,000,000 | 197,444,804 | 233,444,804 |
| Net Profit for the Period | - | 9,611,703 | 9,611,703 |
| Final Dividend | - | (7,200,000) | (7,200,000) |
| Balance as at March 31, 2013 | <u>36,000,000</u> | <u>199,856,507</u> | <u>235,856,507</u> |
| Balance as at April 1, 2013 | 36,000,000 | 199,856,507 | 235,856,507 |
| Net Profit for the Period | - | 10,324,771 | 10,324,771 |
| Final Dividend | - | (9,000,000) | (9,000,000) |
| Balance as at March 31, 2014 | <u>36,000,000</u> | <u>201,181,278</u> | <u>237,181,278</u> |

Figures in brackets indicate deductions.

Stated Capital comprised the 360,000 shares as at March 31,2014

SERENDIB LAND PLC

CASH FLOW STATEMENT
YEAR ENDED MARCH 31,2014

| | Cummulative Cash Flows | | | |
|---|---|---|---|---|
| | Unaudited 3 Months ended 31.03.2014 Rs. | Unaudited 3 Months ended 31.03.2013 Rs. | Unaudited Year ended 31.03.2014 Rs. | Audited Year ended 31.03.2013 Rs. |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Profit before Taxation | 3,251,907 | 2,633,614 | 11,477,524 | 10,984,795 |
| Adjustments for: | | | | |
| Interest expenses | - | - | - | - |
| Interest Income | (309,384) | (196,697) | (1,115,215) | (591,621) |
| Operating Cash flows before working capital changes | 2,942,523 | 2,436,917 | 10,362,309 | 10,393,174 |
| (Increase)/ Decrease in receivables | (726,901) | (397,936) | (74,382) | 41,497 |
| Increase / (Decrease) in payables | (115,518) | 109,086 | (13,195) | (210,314) |
| Cash generated from operating activities | 2,100,104 | 2,148,067 | 10,274,732 | 10,224,357 |
| Interest Received | 43,332 | 9,356 | 788,854 | 531,695 |
| Income tax paid | (56,281) | - | (688,925) | (274,625) |
| Net cash generated from operating activities | 2,087,155 | 2,157,423 | 10,374,661 | 10,481,427 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| (Investment)/Withdrawal of Short Term Investment | (2,776,577) | (2,788,589) | (2,570,439) | (3,846,041) |
| Net cash flow used in investing activities | (2,776,577) | (2,788,589) | (2,570,439) | (3,846,041) |
| CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Dividend Paid | - | - | (9,000,000) | (7,200,000) |
| Net cash flow used in finance activities | - | - | (9,000,000) | (7,200,000) |
| Net Increase / (Decrease) in cash and cash equivalents | (689,422) | (631,167) | (1,195,778) | (564,614) |
| Cash and cash equivalents at the beginning of the period | 862,344 | 1,999,867 | 1,368,700 | 1,933,314 |
| | 172,922 | 1,368,700 | 172,922 | 1,368,700 |
| <i>Figures in brackets indicate deductions.</i> | | | | |
| Cash and cash equivalents at the end of the period | | | | |
| Cash & Cash Equivalents | 330,857 | 1,593,240 | 330,857 | 1,593,240 |
| Bank Overdraft | (157,936) | (224,540) | (157,936) | (224,540) |
| | 172,922 | 1,368,700 | 172,922 | 1,368,700 |

SERENDIB LAND PLC
NOTES TO THE FINANCIAL STATEMENTS

01. Corporate information

Serendib Land PLC is a limited liability company listed in the Colombo Stock Exchange and domiciled in Sri Lanka. The Registered Office of the Company is located at No.9/5, Thambiah Avenue, Colombo 07.

02. Basis of Preparation

The interim financial statements have been prepared in accordance with Sri Lanka Accounting Standard-LKAS 34 Interim Financial Reporting. These interim condensed financial statements should be read in conjunction with the annual financial statements for the year ended 31st March 2013. The financial statements provide information as required in terms of Rule 7.4 of the Colombo Stock Exchange.

Comparative information has been restated in line with the changes to the new Sri Lanka Accounting Standards (SLFRS/LKAS) which are effective from 01 January 2012.

The financial statements are provisional and subject to audit.

The interim financial statements have been prepared on a historical cost basis except for financial instruments.

The interim financial statements are presented in Sri Lankan rupees and all values are rounded to the nearest thousand except when otherwise indicated.

03 Significant Accounting Policies

The accounting policies adopted for the current interim period are consistent with those of the previous financial year (2012/2013) except as described below.

3.1 Financial Instruments

As required by Sri Lanka Accounting Standards LKAS 39 *Financial Instruments ; Recognition and Measurements*, trade receivables, cash and cash equivalents, investments in quoted public companies, trade payables, bank borrowings and intercompany loans are recognized as financial instruments.

3.1.1 Available for sale financial assets

Available for sale (AFS) financial assets are recognised at fair value ,subsequently measured at fair value ,with changes recognised in other comprehensive income (OCI) . If there is significant and prolong decline in fair value ,such decline is identified as impairment. impairment losses shall be recognised in the profit or loss. Any cumulative losses recognised in the OCI shall be recycled to the profit or loss.

According to LKAS 39, long term investments (Investments in quoted shares) are classified as Avialable for sales (AFS) financial assets.

3.1.3 Financial assets at fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is classified as held for trading. Financial assets at fair value through profit or loss are measured at

Short term investments are classified as FVTPL financial assets.

04. There were no material contingent liabilities as at March 31,2014.

05. No circumstances have arisen since the Balance Sheet date, Which would requaire adjustments or disclosure in the financial statements.

SHAREHOLDERS' INFORMATION

| | Unaudited 31.03.2014 Rs. | Audited 31.03.13 Rs. |
|-----------------------------------|--------------------------------|----------------------------|
| Earnings per Ordinary Share (Rs.) | 28.68 | 26.70 |
| Net Assets per Share (Rs.) | 658.84 | 655.16 |
| Debt/Equity Ratio (%) | - | - |
| Current Ratio (Times) | 7.27 | 7.59 |

SERENDIB LAND PLC

ADDITIONAL INFORMATION FOR THE QUARTERLY STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

1. Share Information

Information pertaining to the shares traded during the Quarter ended 31st March, 2014, extracted from the website of the Colombo Stock Exchange, is set out below:

| Period | 2014-1 | 2013-1 |
|------------------|------------|-----------|
| Date High | 24-Jan-14 | 11-Feb-13 |
| High Rs. | 1,362.90 | 1775 |
| Date Low | 24-Mar-14 | 6-Mar-13 |
| Low Rs. | 780.10 | 1105 |
| Close Rs. | 999.00 | 1572 |
| Trade Vol. | 29 | 46 |
| Share Vol. | 1,020 | 233 |
| Turn Over Rs. | 957,467.30 | 359024.4 |
| Last traded Date | 28-Mar-14 | 25-Mar-13 |
| Days Traded | 15 | 18 |

Directors' Shareholding

| | As at 31.03.2014 | As at 31.03.2013 |
|---------------------------------------|---------------------|---------------------|
| Mr. S. Nagendra | 257 | 257 |
| Dr. (Ms.) Y. Ponnambalam | - | - |
| Mr. Gajendrakumar G. Ponnambalam | - | - |
| Dr. (Ms.) M.Ponnambalam | - | - |
| Dr. B. Sivaprakasapillai | - | - |
| Dr. (Ms.) V. Sivaprakasapillai | 30,267 | 30,267 |
| Mr. Indika Prematunga - (Nominee Dire | - | - |
| Mr. J. M. Swaminathan | - | - |
| Mr. T Someswaran | - | - |

The Public Holding Percentage

7.58% of the issued shares were held by the public as at 31st March, 2014

2. 20 Largest Shareholders

| 20 Major Shareholders | 31.03.2014 | |
|----------------------------------|------------|-------|
| | Shares | % |
| Gee Gees Properties (Pvt) Ltd | 76,735 | 21.32 |
| Gitanjali Gajaluckshmi (Pvt) Ltd | 76,697 | 21.30 |
| Gitanjali Group (Pvt) Ltd. | 67,992 | 18.89 |
| AIA Insurance PLC-A/C No 02 | 55,054 | 15.29 |
| Dr (Mrs) V. Sivaprakasapillai | 30,267 | 8.41 |
| AIA Insurance PLC-A/C No 03 | 25,714 | 7.14 |
| Mr. O D Liyanage | 4,033 | 1.12 |
| Mrs. S Z Ossman | 2,200 | 0.61 |
| Mr. A. Saverimuttu | 1,900 | 0.53 |
| Ossman Associates (Pvt) Ltd | 1,779 | 0.49 |
| Ms. N Gunatileke | 1,499 | 0.42 |
| Mr.G.C.W. De Silva | 1,212 | 0.34 |
| Mr. K. T. Wickremaratne | 750 | 0.21 |
| Colombo Investment Trust Ltd | 642 | 0.18 |
| DR. (Mrs.) M.S.P. Wijenayake | 555 | 0.15 |
| Mr. A. L. Weerasinghe | 534 | 0.15 |
| Mrs. A N De Mel | 534 | 0.15 |
| Mrs. E Shinya | 514 | 0.14 |
| Mr. B.G.S. De Silva | 514 | 0.14 |
| Mr. C L Iddamalgoda | 507 | 0.14 |