

HAYLEYS PLC

Interim Report



EXCEPTIONAL

FOURTH QUARTER

Twelve months ended 31st March 2022

STATEMENT OF PROFIT OR LOSS

	Notes	Consolidated			Consolidated		
		Unaudited	Audited	Change	Unaudited	Unaudited	Change
		12 months to 31.03.22 Rs.'000	12 months to 31.03.21 Rs.'000		3 months to 31.03.22 Rs.'000	3 months to 31.03.21 Rs.'000	
				%			%
Revenue	4	338,009,580	241,275,661	40	95,743,008	69,380,173	38
Cost of sales		(258,715,354)	(178,244,709)	45	(73,423,463)	(51,297,400)	43
Direct interest cost		(1,920,345)	(1,872,405)	3	(531,189)	(458,186)	16
Gross profit		77,373,881	61,158,547	27	21,788,356	17,624,587	24
Other income		1,997,601	1,467,771	36	717,513	556,484	29
Distribution expenses		(12,514,847)	(10,949,210)	14	(3,113,914)	(2,116,231)	47
Administrative expenses		(32,842,133)	(25,561,250)	28	(9,980,723)	(7,336,968)	36
Other expenses		(420,743)	(162,060)	160	(277,976)	(53,514)	419
Results from operating activities		33,593,759	25,953,798	29	9,133,256	8,674,358	5
Finance income		16,831,989	3,175,954	430	13,437,581	1,243,977	980
Finance cost		(14,882,770)	(10,051,725)	48	(6,494,582)	(2,260,929)	187
Net finance cost		1,949,219	(6,875,771)	(128)	6,942,999	(1,016,952)	(783)
Change in fair value of investment properties		328,543	195,638	68	328,543	195,638	68
Share of profit of equity accounted investees (net of tax)		226,794	252,611	(10)	(22,763)	(32,633)	(30)
Value added tax on financial services		(381,570)	(292,487)	30	(126,598)	(101,357)	25
Profit before tax for the period	5	35,716,745	19,233,789	86	16,255,437	7,719,054	111
Tax expense		(7,617,844)	(5,187,582)	47	(2,801,798)	(1,876,122)	49
Profit for the period		28,098,901	14,046,207	100	13,453,639	5,842,932	130
Profit for the period attributable to:							
Owners of the parent		18,256,527	7,637,231	139	8,763,676	3,549,688	147
Non-controlling interest		9,842,374	6,408,976	54	4,689,963	2,293,244	105
Profit for the period		28,098,901	14,046,207	100	13,453,639	5,842,932	130
Earnings / per share							
Basic (Rs.)		24.34	10.18		11.68	4.73	
Diluted (Rs.)		24.34	10.18		11.68	4.73	

The Notes on pages 12 to 14 form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

STATEMENT OF PROFIT OR LOSS

	Notes	Company			Company		
		Unaudited	Audited	Change %	Unaudited	Unaudited	Change %
		12 months to	12 months to		3 months to	3 months to	
		31.03.22	31.03.21		31.03.22	31.03.21	
Rs.'000	Rs.'000	Rs.'000	Rs.'000				
Revenue		497,642	422,634	18	123,746	125,191	(1)
Cost of sales		(379,217)	(368,700)	3	(101,393)	(93,367)	9
Gross profit		118,425	53,934	120	22,353	31,824	(30)
Group dividend		5,145,509	3,618,236	42	1,494,884	1,611,934	(7)
Other income		13,111	153,209	(91)	262	153,082	(100)
Administrative expenses		257,512	132,199	95	(19,895)	44,072	145
Other expenses		(6,089)	-	-	(587)	-	-
Results from operating activities		5,528,468	3,957,578	40	1,497,017	1,840,912	(19)
Finance income		188,410	32,755	475	101,054	15,286	561
Finance cost		(2,219,372)	(2,587,774)	(14)	(595,236)	(531,339)	12
Net finance cost		(2,030,962)	(2,555,019)	(21)	(494,182)	(516,053)	(4)
Change in fair value of investment properties		9,250	3,700	150	9,250	3,700	150
Profit/Loss before tax for the period		3,506,756	1,406,259	149	1,012,085	1,328,559	(24)
Tax expense		139,979	(207,625)	(167)	150,022	(190,009)	(179)
Profit/Loss for the period		3,646,735	1,198,634	204	1,162,107	1,138,550	2

STATEMENT OF COMPREHENSIVE INCOME

	Consolidated			Consolidated		
	Unaudited	Audited	Change	Unaudited	Unaudited	Change
	12 months to	12 months to		3 months to	3 months to	
	31.03.22	31.03.21	%	31.03.22	31.03.21	%
	Rs.'000	Rs.'000		Rs.'000	Rs.'000	
Profit for the period	28,098,901	14,046,207	100	13,453,639	5,842,932	130
Other Comprehensive income						
Items that will not be reclassified subsequently to Statement of Profit or Loss						
Revaluation of land	3,202,928	-	-	3,202,928	-	-
Actuarial gain/(loss) on employee benefit obligations	(455,365)	189,862	(340)	(455,365)	189,862	(340)
Net change on equity instruments designated at fair value through other comprehensive income	94,263	117,880	(20)	(19,702)	52,511	(138)
Tax on other comprehensive income	(540,638)	333,557	(262)	(540,638)	333,557	(262)
Items that will be reclassified subsequently to Statement of Profit or Loss						
Net exchange differences on translation of foreign operations	8,243,528	1,573,609	424	8,620,339	946,573	811
Net gain loss on cash flow hedges	(1,782,572)	(121,511)	1,367	(1,929,525)	(295,058)	554
Share of other comprehensive income of equity accounted investees	(341)	(684)	(50)	(341)	(684)	(50)
Total other comprehensive income for the period, net of tax	8,761,803	2,092,713	319	8,877,696	1,226,760	624
Total comprehensive income for the period, net of tax	36,860,704	16,138,920	128	22,331,335	7,069,692	216
Total comprehensive income for the period attributable to						
Owners of the parent	23,397,488	8,818,695	165	13,885,260	4,184,699	232
Non-controlling interest	13,463,216	7,320,225	84	8,446,075	2,884,993	193
	36,860,704	16,138,920	128	22,331,335	7,069,692	216

The Notes on pages 12 to 14 form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

STATEMENT OF COMPREHENSIVE INCOME

	Company			Company		
	Unaudited	Audited	Change	Unaudited	Unaudited	Change
	12 months to	12 months to		3 months to	3 months to	
31.03.22	31.03.21	%	31.03.22	31.03.21	%	
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
Profit for the period	3,646,735	1,198,634	204	1,162,107	1,138,550	2
Other Comprehensive income						
Items that will not be reclassified subsequently to Statement of Profit or Loss						
Actuarial gain/(loss) on employee benefit obligations	(140,653)	(12,818)	997	(140,653)	(12,818)	997
Net change on equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	-
Tax on other comprehensive income	2,730	(1,571)	(274)	2,730	(1,571)	(274)
Items that will be reclassified subsequently to Statement of Profit or Loss						
Net exchange differences on translation of foreign operations	-	-	-	-	-	-
Net gain /(loss) on cash flow hedges	-	-	-	-	-	-
Share of other comprehensive income of equity accounted investees	-	-	-	-	-	-
Total other comprehensive income for the period, net of tax	(137,923)	(14,389)	859	(137,923)	(14,389)	859
Total comprehensive income for the period, net of tax	3,508,812	1,184,245	196	1,024,184	1,124,161	(9)

STATEMENT OF FINANCIAL POSITION

	Notes	Consolidated		Company	
		Unaudited as at 31.03.22	Audited as at 31.03.21	Unaudited as at 31.03.22	Audited as at 31.03.21
		Rs.'000	Rs.'000	Rs.'000	Rs.'000
ASSETS					
Non - current assets					
Property, plant & equipment		111,189,851	89,685,742	100,095	137,225
Right-of- use assets		11,389,087	9,934,309	191,497	255,329
Investment properties		2,601,101	2,824,180	88,850	79,600
Biological assets		599,064	530,543	-	-
Intangible assets		15,544,031	13,272,669	74,310	58,698
Investments in subsidiaries		-	-	38,903,712	39,070,361
Investments in equity accounted investees		2,164,377	2,097,766	1,504,863	1,504,863
Other non-current financial assets		91,199	248,805	57,125	64,687
Non - current trade and other receivables		12,331,710	11,912,418	-	-
Other non-current assets		983,043	1,007,322	-	-
Deferred tax assets		2,803,644	2,311,501	14,772	24,526
Amounts due from subsidiaries		-	-	610,000	610,000
Total non-current assets		159,697,107	133,825,255	41,545,224	41,805,289
Current assets					
Inventories		82,397,947	53,100,096	7,493	1,739
Amounts due from subsidiaries		-	-	3,897,840	2,509,908
Amounts due from equity accounted investees		142,891	318,905	1,190	90,985
Trade and other receivables		107,082,528	67,226,195	32,907	39,391
Other current assets		4,179,463	2,893,143	31,555	19,716
Income tax recoverable		837,838	764,443	68,645	-
Other current financial assets		1,400,423	463,524	7,706	8,002
Short-term deposits		19,927,939	7,876,500	254,515	241,719
Cash in hand and at bank		27,409,656	12,912,378	697,773	85,613
Assets classified as held for sale	7	-	3,021	-	-
Total current assets		243,378,685	145,558,205	4,999,624	2,997,073
Total assets		403,075,792	279,383,460	46,544,848	44,802,362
EQUITY AND LIABILITIES					
Stated capital	6	1,575,000	1,575,000	1,575,000	1,575,000
Capital reserves		711,396	688,411	13,226	13,226
Other components of equity		30,077,359	24,734,483	-	-
Revenue reserves		35,026,096	20,620,432	15,027,783	14,518,971
Total equity attributable to equity holders of the company		67,389,851	47,618,326	16,616,009	16,107,197
Non- controlling interest		37,896,875	27,580,255	-	-
Total Equity		105,286,726	75,198,581	16,616,009	16,107,197
Non - current liabilities					
Interest bearing borrowings		63,540,193	51,503,754	18,265,278	19,205,466
Grants		838,161	836,618	-	-
Deferred tax liabilities		7,433,449	5,357,821	-	-
Security deposits		1,462,347	1,366,565	-	-
Other non-current liabilities		1,637,526	1,666,017	-	-
Other non-current financial liabilities		2,317,848	2,091,132	-	-
Employee benefit obligations		11,208,145	9,777,004	1,298,429	1,055,971
Total non-current liabilities		88,437,669	72,598,911	19,563,707	20,261,437
Current liabilities					
Trade and other payables		79,256,611	52,983,547	1,268,501	1,147,120
Other current liabilities		7,725,691	3,897,687	29,704	17,185
Other current financial liabilities		9,828,666	8,374,066	-	-
Amounts due to subsidiaries		-	-	672,807	224,881
Amounts due to equity accounted investees		322	8,036	322	3,152
Deferred Revenue		618,787	492,080	-	-
Income tax payable		3,527,178	2,871,625	-	84,485
Current portion of long term interest bearing borrowings		27,568,587	24,677,856	5,361,853	4,945,176
Short-term interest bearing borrowings		80,825,555	38,280,739	3,031,945	2,011,729
Liabilities directly associated with assets classified as held for sale	7	-	332	-	-
Total current liabilities		209,351,397	131,585,968	10,365,132	8,433,728
Total liabilities		297,789,066	204,184,879	29,928,839	28,695,165
Total equity and liabilities		403,075,792	279,383,460	46,544,848	44,802,362

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

sgd.

Choliya De Silva
Group Chief Financial Officer

The Directors are responsible for the preparation and presentation of these Financial Statements.
Signed for and on behalf of the Board

sgd.

Mohan Pandithage
Chairman & Chief Executive
19th May 2022

sgd.

Sarath Ganegoda
Director

The Notes on pages 12 to 14 form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

STATEMENT OF CHANGES IN EQUITY

For the period ended 31st March	Attributable to owners of the Company														Total Equity
	Capital Reserves			Other Components of Equity					Revenue Reserves			Shareholders' Funds	Non-controlling interest		
	Stated capital	Reserve on scrip issue	Other capital reserve	Revaluation reserve	Fair value of financial assets at FVOCI	Cashflow hedge reserve	Foreign currency translation reserve	General reserve	Timber reserve	Bearer Biological reserve	Retained earnings				
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	
Balance as at 31st March 2021	1,575,000	175,432	512,979	21,708,907	76,471	(849,098)	3,798,203	2,279,714	114,574	10,015	18,216,129	47,618,326	27,580,255	75,198,581	
Profit for the period	-	-	-	-	-	-	-	-	(2,170)	1,668	18,257,029	18,256,527	9,842,374	28,098,901	
Other Comprehensive income															
Net exchange differences on translation of foreign operations	-	-	-	-	-	-	4,785,897	-	-	-	-	4,785,897	3,457,631	8,243,528	
Share of other comprehensive income of equity accounted investees	-	-	-	-	-	-	-	-	-	(330)	(330)	(330)	(11)	(341)	
Net gain on cash flow hedges	-	-	-	-	-	(1,588,176)	-	-	-	-	-	(1,588,176)	(194,396)	(1,782,572)	
Effect of Hedge to Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net change on equity instruments designated at fair value through other comprehensive income	-	-	-	-	57,781	-	-	-	-	-	-	57,781	36,482	94,263	
Realised gain on timber	-	-	-	-	-	-	-	-	16,444	-	(16,444)	-	-	-	
Revaluation of land	-	-	-	2,786,859	-	-	-	-	-	-	-	2,786,859	416,069	3,202,928	
Actuarial loss on defined benefit obligations	-	-	-	-	-	-	-	-	-	-	(427,344)	(427,344)	(28,021)	(455,365)	
Deferred tax on other comprehensive income	-	-	-	(533,279)	448	-	-	-	-	-	59,105	(473,726)	(66,912)	(540,638)	
Total other comprehensive income	-	-	-	2,253,580	58,229	(1,588,176)	4,785,897	-	16,444	-	(385,013)	5,140,961	3,620,842	8,761,803	
Total Comprehensive income for the period	-	-	-	2,253,580	58,229	(1,588,176)	4,785,897	-	14,274	1,668	17,872,016	23,397,488	13,463,216	36,860,704	
Transactions with owners, recorded directly in equity															
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-	(3,000,000)	(3,000,000)	(3,656,018)	(6,656,018)	
Transfers	-	-	22,175	(116,685)	(120,513)	-	-	150	-	-	214,873	-	-	-	
Total contributions by and distributions to owners	-	-	22,175	(116,685)	(120,513)	-	-	150	-	-	(2,785,127)	(3,000,000)	(3,656,018)	(6,656,018)	
Changes in ownership interests in subsidiaries															
Adjustment on changes to non-controlling interest in subsidiaries	-	204	606	69,095	1,458	(2,339)	2,330	676	258	22	(698,273)	(625,963)	473,148	(152,815)	
Disposal of Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(6,000)	(6,000)	
Acquisition of Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	42,274	42,274	
Total changes in ownership interests in subsidiaries	-	204	606	69,095	1,458	(2,339)	2,330	676	258	22	(698,273)	(625,963)	509,422	(116,541)	
Total transactions with owners	-	204	22,781	(47,590)	(119,055)	(2,339)	2,330	826	258	22	(3,483,400)	(3,625,963)	(3,146,596)	(6,772,559)	
Balance as at 31st March 2022	1,575,000	175,636	535,760	23,914,897	15,645	(2,439,613)	8,586,430	2,280,540	129,106	11,705	32,604,745	67,389,851	37,896,875	105,286,726	

The Notes on pages 12 to 14 form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

STATEMENT OF CHANGES IN EQUITY

For the period ended 31st March	Attributable to owners of the Company												Non-controlling interest	Total Equity	
	Consolidated	Capital Reserves			Other Components of Equity				Revenue Reserves			Shareholders' Funds			
		Stated capital	Reserve on scrip issue	Other capital reserve	Revaluation reserve	Fair value reserve of financial assets at FVOCI	Cashflow hedge reserve	Foreign currency translation reserve	General reserve	Timber reserve	Bearer Biological reserve				Retained earnings
		Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000				Rs.'000
Balance as at 31st March 2020	1,575,000	176,795	499,309	21,518,151	1,785	(750,405)	2,875,401	2,290,444	111,714	3,482	11,402,883	39,704,559	23,151,943	62,856,502	
Profit for the period	-	-	-	-	-	-	-	-	3,455	6,533	7,627,243	7,637,231	6,408,976	14,046,207	
Other Comprehensive income															
Net exchange differences on translation of foreign operations	-	-	-	-	-	-	934,593	-	-	-	-	934,593	639,016	1,573,609	
Share of other comprehensive income of equity accounted invest	-	-	-	-	-	-	-	-	-	-	(654)	(654)	(30)	(684)	
Net loss on cash flow hedges	-	-	-	-	-	(130,999)	-	-	-	-	-	(130,999)	9,488	(121,511)	
Net change on equity instruments designated at fair value through other comprehensive income	-	-	-	-	78,374	-	-	-	-	-	-	78,374	39,506	117,880	
Realised gain on timber	-	-	-	-	-	-	-	-	(595)	-	595	-	-	-	
Revaluation of land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Actuarial loss on defined benefit obligations	-	-	-	-	-	-	-	-	-	-	29,912	29,912	159,950	189,862	
Income tax on other comprehensive income	-	-	-	279,892	(1,700)	-	-	-	-	-	(7,954)	270,238	63,319	333,557	
Total other comprehensive income	-	-	-	279,892	76,674	(130,999)	934,593	-	(595)	-	21,899	1,181,464	911,249	2,092,713	
Total Comprehensive income for the period	-	-	-	279,892	76,674	(130,999)	934,593	-	2,860	6,533	7,649,142	8,818,695	7,320,225	16,138,920	
Transactions with owners, recorded directly in equity															
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-	(975,000)	(975,000)	(3,103,476)	(4,078,476)	
Transfers	-	-	14,640	-	(1,180)	-	-	366	-	-	(13,826)	-	-	-	
Total contributions by and distributions to owners	-	-	14,640	-	(1,180)	-	-	366	-	-	(988,826)	(975,000)	(3,103,476)	(4,078,476)	
Changes in ownership interests in subsidiaries															
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Adjustment on changes to non-controlling interest in	-	(1,363)	(970)	(89,136)	(808)	32,306	(11,791)	(11,096)	-	-	152,930	70,072	80,923	150,995	
Transfer to equity accounted investees	-	-	-	-	-	-	-	-	-	-	-	-	130,640	130,640	
Total changes in ownership interests in subsidiaries	-	(1,363)	(970)	(89,136)	(808)	32,306	(11,791)	(11,096)	-	-	152,930	70,072	211,563	281,635	
Total transactions with owners	-	(1,363)	13,670	(89,136)	(1,988)	32,306	(11,791)	(10,730)	-	-	(835,896)	(904,928)	(2,891,913)	(3,796,841)	
Balance as at 31st March 2021	1,575,000	175,432	512,979	21,708,907	76,471	(849,098)	3,798,203	2,279,714	114,574	10,015	18,216,129	47,618,326	27,580,255	75,198,581	

The Notes on pages 12 to 14 form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

STATEMENT OF CHANGES IN EQUITY

Company	Capital Reserve		Revenue Reserves		Total Equity
	Stated capital	Other capital reserve	General reserve	Retained earnings	
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	
For the period ended 31st March					
Balance as at 31st March 2021	1,575,000	13,226	382,087	14,136,884	16,107,197
Profit for the period	-	-	-	3,646,735	3,646,735
Other Comprehensive income					
Net change in fair value of available-for-sale financial assets	-	-	-	-	-
Actuarial losses on defined benefit obligations	-	-	-	(140,653)	(140,653)
Income tax on other comprehensive income	-	-	-	2,730	2,730
Total other comprehensive income	-	-	-	(137,923)	(137,923)
Total Comprehensive income for the period	-	-	-	3,508,812	3,508,812
Transactions with owners, recorded directly in equity					
Dividends to equity holders	-	-	-	(3,000,000)	(3,000,000)
Total contributions by and distributions to owners	-	-	-	(3,000,000)	(3,000,000)
Total transactions with owners	-	-	-	(3,000,000)	(3,000,000)
Balance as at 31st March 2022	1,575,000	13,226	382,087	14,645,696	16,616,009
Balance as at 31st March 2020	1,575,000	13,226	382,087	13,927,639	15,897,952
Profit for the period	-	-	-	1,198,634	1,198,634
Repayment of Employee Share trust Loan	-	-	-	-	-
Other Comprehensive income					
Net change in fair value of available-for-sale financial assets	-	-	-	-	-
Revaluation of land	-	-	-	-	-
Actuarial losses on defined benefit obligations	-	-	-	(12,818)	(12,818)
Income tax on other comprehensive income	-	-	-	(1,571)	(1,571)
Total other comprehensive income	-	-	-	(14,389)	(14,389)
Total Comprehensive income for the period	-	-	-	1,184,245	1,184,245
Transactions with owners, recorded directly in equity					
Dividends to equity holders	-	-	-	(975,000)	(975,000)
Total contributions by and distributions to owners	-	-	-	(975,000)	(975,000)
Total transactions with owners	-	-	-	(975,000)	(975,000)
Balance as at 31st March 2021	1,575,000	13,226	382,087	14,136,884	16,107,197

The Notes on pages 12 to 14 form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

STATEMENT OF CASH FLOWS

	Consolidated		Company	
	Unaudited 12 months to 31.03.22 Rs.'000	Audited 12 months to 31.03.21 Rs.'000	Unaudited 12 months to 31.03.22 Rs.'000	Audited 12 months to 31.03.21 Rs.'000
Cash flows from operating activities				
Cash generated from operations (Note A)	16,123,985	36,719,920	5,146,425	4,093,091
Employee benefit paid	(1,011,913)	(851,217)	(34,925)	(47,443)
Income tax paid	(6,640,710)	(2,940,271)	-	(15,104)
Net cash inflow from operating activities	8,471,362	32,928,432	5,111,500	4,030,544
Cash flows from investing activities				
Purchase and construction of property, plant & equipment	(14,040,140)	(5,768,264)	(19,908)	(44,957)
Purchase of intangible assets	(487,147)	-	(15,885)	-
Investments in other non- current assets	(178,458)	(79,263)	-	-
Investments in other current financial assets	(10,594,939)	(2,569,859)	(7,278,000)	(227)
Investments in other non-current financial assets	(1,200)	-	-	-
Development of biological assets	1,059	(15,192)	-	-
Grants received - capital	38,950	82,779	-	-
Improvements to investment property	-	(2,282)	-	-
Proceeds from disposal of property, plant & equipment	166,971	280,672	30	356
Proceeds from disposal of intangible assets	49,722	93,984	-	-
Proceeds from disposal of non-current financial assets	245,611	-	-	39,420
Proceeds from disposal of current financial assets	9,731,452	2,567,831	7,308,563	-
Proceeds from sale of investment property	400,000	-	-	-
Proceeds from disposal of assets held for sale	-	93,000	-	-
Proceeds from disposal of subsidiaries	30,592	-	249,921	-
On acquisition of right to generate hydro power/ ERP system	-	(270,932)	-	-
Proceeds from buy back of shares of non current financial assets	-	170,056	-	-
Long term investments in group companies and others	(4,608,960)	94,678	(70,161)	(23,667)
Disposal of subsidiary shares	-	-	-	215,989
Interest received	1,301,488	579,391	99,828	19,086
Net movement in deferred revenue	126,707	108,864	-	-
Dividends received from equity accounted investees	137,500	137,500	-	-
Dividends received from non-group companies	6,413	4,417	249	319
Net cash used in investing activities	(17,674,379)	(4,492,620)	274,638	206,319
Net cash inflow before financing	(9,203,017)	28,435,812	5,386,139	4,236,863
Cash flows from financing activities				
Payment on lease	(1,381,425)	(2,121,159)	-	-
Interest paid (including interest capitalized)	(9,955,142)	(7,683,560)	(2,173,690)	(2,525,448)
Dividend paid to non-controlling interest	(3,656,018)	(3,103,476)	-	-
Proceeds from interest-bearing borrowings	37,806,769	37,333,408	5,800,000	11,200,000
Repayment of interest-bearing borrowings	(28,099,956)	(41,086,784)	(6,275,000)	(9,150,000)
Long term loan facility fee	-	7,610	-	(3,000)
Net movement in financial liabilities	1,681,316	3,450,153	-	-
Net movement in security deposits	95,782	(28,046)	-	-
Acquisition of non-controlling interest	(152,815)	150,995	-	-
Debenture issue fee	-	11,930	-	-
Dividends paid to equity holders of parent	(3,132,708)	(225,000)	(3,132,708)	(225,000)
Net cash inflow / (outflow) from financing activities	(6,794,197)	(13,293,929)	(5,781,398)	(703,448)
Net increase / (decrease) in cash and cash equivalents	(15,997,214)	15,141,883	(395,259)	3,533,415
Cash and cash equivalents at beginning of the year/period	(17,490,746)	(32,632,629)	(1,684,397)	(5,217,812)
Cash and cash equivalents at end of the year/period (Note B)	(33,487,960)	(17,490,746)	(2,079,656)	(1,684,397)

Net cash flows related to discontinued operation, shown in Note 7, discontinued operation

The Notes on pages 12 to 14 form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

STATEMENT OF CASH FLOWS

	Consolidated		Company	
	Unaudited	Audited	Unaudited	Audited
	12 months to 31.03.22 Rs.'000	12 months to 31.03.21 Rs.'000	12 months to 31.03.22 Rs.'000	12 months to 31.03.21 Rs.'000
A. Cash generated from operations				
Profit before tax	35,716,745	19,233,789	3,506,756	1,406,259
Adjustments for:				
Net finance costs	(1,949,219)	6,875,771	2,030,962	2,555,019
Share of profits from equity accounted investees	(226,794)	(252,611)	-	-
Depreciation on property, plant & equipment	6,407,181	5,330,155	48,585	62,978
Impairment of property, plant & equipment	97,620	5,000	-	-
Depreciation on right of use assets	1,752,023	1,715,456	63,832	63,832
Change in fair value of investment properties	(328,543)	(195,638)	(9,250)	(3,700)
Change in fair value of agricultural produce on bearer biological assets	(2,511)	(21,897)	-	-
Change in fair value of biological assets	(67,692)	(10,111)	-	-
(Gain)/loss on the disposal of property, plant & equipment	(37,258)	(55,645)	6,089	(141)
(Gain)/loss on the disposal of Investment properties	(7,378)	-	-	(35,075)
(Gain)/loss on disposal of subsidiary/subsidiary shares	(6,593)	(35,075)	(13,112)	(117,993)
Amortisation of intangible assets	259,642	205,984	2,606	-
Impairment of intangible assets	137,864	-	-	-
Net (gain)/loss on translation of foreign currency	12,456,930	2,165,334	-	-
Impairment of trade & other receivables	925,027	902,758	-	-
Provision for unrealised profit and write-down of inventories	1,915,933	442,703	-	-
Impairment/ amortisation of other non-current assets	95,904	33,798	-	-
Gain on bargain purchase	(12,305)	-	-	-
Provision for post employee benefit obligations	1,514,224	1,511,196	137,837	138,045
Grants amortised	(37,407)	(34,154)	-	-
	-	-	-	-
	58,603,393	37,816,813	5,774,305	4,069,224
(Increase)/decrease in trade and other receivables and other current assets	(40,063,521)	(10,384,252)	(1,248,102)	19,432
(Increase)/decrease in inventories	(29,456,558)	(11,218,090)	(5,754)	36
Increase/(decrease) in trade and other payables	27,040,671	20,505,449	625,976	4,399
	16,123,985	36,719,920	5,146,425	4,093,091
B. Analysis of cash and cash equivalents				
Cash in hand and at bank *	27,409,656	12,913,493	697,773	85,613
Short-term deposits	19,927,939	7,876,500	254,515	241,719
	47,337,595	20,789,993	952,288	327,332
Short-term interest bearing borrowings	(80,825,555)	(38,280,739)	(3,031,945)	(2,011,729)
Cash and cash equivalents	(33,487,960)	(17,490,746)	(2,079,656)	(1,684,397)

* Includes discontinued operations.

The Notes on pages 12 to 14 form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

NOTES TO THE FINANCIAL STATEMENTS

- 1** The Interim Condensed Financial Statements have been prepared in compliance 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 2021.

The Interim Condensed Financial Statements have been prepared on a historical cost basis, except for, land, biological assets and financial instruments.

- 2** There has not been a significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31st March 2021.
- 3** No circumstances have arisen since the reporting date, which would require adjustments to or disclosure in the Financial Statements. The presentation and classification of the Financial Statements of the previous year have been amended, where relevant, for better presentation and to be comparable with those of the current year.

4 INDUSTRY SEGMENT REVENUE

	Consolidated			
	Total	Intra-group	External	
			Unaudited 12 months to 31.03.22	Audited 12 months to 31.03.21
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Eco Solutions	13,754,453	2,623,238	11,131,215	7,827,005
Hand Protection	37,917,943	60,034	37,857,909	30,396,579
Purification Products	33,160,474	409,881	32,750,593	25,484,567
Textiles	32,677,481	1,009,292	31,668,189	14,575,487
Construction Materials	9,595,225	77,534	9,517,691	5,892,089
Agriculture	24,393,352	303,952	24,089,400	19,232,968
Plantations	17,601,741	232,343	17,369,398	15,930,341
Transportation & Logistics	71,662,766	2,389,905	69,272,861	37,684,971
Consumer & Retail	83,576,024	33,157	83,542,867	73,022,659
Industry Inputs	6,170,713	422,178	5,748,535	3,694,900
Power & Energy	1,315,222	23,143	1,292,079	1,310,591
Leisure	3,481,706	62,202	3,419,504	1,345,876
Others	12,525,639	2,176,300	10,349,339	4,877,629
	347,832,739	9,823,159	338,009,580	241,275,661

NOTES TO THE FINANCIAL STATEMENTS

5 INDUSTRY SEGMENT RESULTS

	Consolidated	
	Unaudited 12 months to 31.03.22 Rs.'000	Audited 12 months to 31.03.21 Rs.'000
Eco Solutions	717,994	657,064
Hand Protection	3,107,453	5,502,171
Purification Products	3,079,056	4,435,708
Textiles	1,756,662	879,073
Construction Materials	1,487,728	1,232,655
Agriculture	3,011,320	1,980,753
Plantations	2,450,344	1,886,589
Transportation & Logistics	8,421,628	3,989,997
Consumer & Retail	8,543,771	5,597,397
Industry Inputs	509,809	365,521
Power & Energy	693,956	740,789
Leisure	(1,018,772)	(1,830,151)
Others	6,508,783	4,393,640
Segment results	39,269,732	29,831,206
Non - segment income/(expenses)	(5,675,973)	(3,877,409)
Operating profit	33,593,759	25,953,798
Net finance cost	1,949,219	(6,875,771)
Change in fair value of investment properties	328,543	195,638
Share of profits from equity accounted investees	226,794	252,611
Value added tax on financial services	(381,570)	(292,487)
Profit before tax	35,716,745	19,233,789

NOTES NOTES TO THE FINANCIAL STATEMENTS

6 STATED CAPITAL

Company Audited as at 31.03.21 Rs.'000		Company	
		Unaudited as at 31.03.22 Rs.'000	Audited as at 31.03.21 Rs.'000
	Issued and fully paid		
1,575,000	750,000,000 (750,000,000 - 31.03.2021) Ordinary Shares	1,575,000	1,575,000

7 ASSETS AND LIABILITIES OF DISCONTINUED OPERATIONS

Consolidated Audited as at 31.03.21 Rs.'000		Consolidated	
		Unaudited as at 31.03.22 Rs.'000	Audited as at 31.03.21 Rs.'000
	Assets classified as held for sale		
1,906	Trade and Other Receivables	-	1,906
1,115	Cash in Hand and at Bank	-	1,115
3,021	Total assets	-	3,021
	Liabilities directly associated with assets classified as held for sale		
332	Trade and other payables	-	332
332	Total equity and liabilities	-	332

8 ACQUISITION OF SUBSIDIARIES

Subsequent to the acquisition of a 98.83% equity stake in South Asia Textiles Limited on 22nd April 2021, the balance 1.17% equity stake was acquired on 15th July 2021 for Rs. 46.6 Mn. A provisional amount of Rs. 2.1 Bn has been recognized as Goodwill in the Interim Condensed Financial Statements owing to the business combination. Further considerations are presently being made in the determination of fair values for assets acquired and liabilities assumed through the business combination.

	Unaudited Rs.'000
Net identifiable assets and liabilities acquired excluding cash and cash equivalents	2,280,038
Cash in hand and bank acquired	50,701
Short term borrowings	(806,712)
Total net assets acquired including cash & cash Equivalent	1,524,027
Less : Non-controlling interests	(17,831)
	1,506,196
Goodwill acquired	2,103,885
Value of investment	3,610,081

9 EVENTS OCCURRING AFTER THE REPORTING DATE

The Government of Sri Lanka in its Budget for 2022 proposed a one-time tax, referred to as a surcharge tax, at the rate of 25% to be imposed on any companies that have earned a taxable income in excess of Rs. 2Bn for the year of assessment 2020/2021. The tax is imposed by the Surcharge Tax Act No. 14 of 2022 which was passed by the Parliament of Sri Lanka on 7th April 2022. As the law imposing the surcharge tax was enacted after the reporting period end, the financial statements for the year ended 31st March 2022 do not reflect the tax liability that would arise in consequence, the amount of which is best estimated at Rs. 2.4Bn

INVESTOR INFORMATION

MARKET VALUE OF SHARES

The market value of an ordinary share of Hayleys PLC was as follows:

	31.03.22	31.03.21
	<u>Rs.</u>	<u>Rs.</u>
Last traded price	76.00	60.80
Highest price recorded for the three months ending	151.50	860.00
Lowest price recorded for the three months ending	74.00	52.00
Market capitalisation (Rs. mn.)	57,000	45,600

RATIOS

Net assets per share	89.85	63.49
Price earnings ratio (times)	3.12	5.97

SHARE TRADING FROM 1ST JANUARY 2022 TO 31ST MARCH, 2022

No. of transactions	43,523
No. of shares traded	56,064,860
Value of shares traded (Rs.)	6,877,765,104

LISTED DEBENTURES

Details regarding the listed debentures are as follows;

DEBENTURE 1 -

Listed, rated, senior, unsecured, redeemable debentures,

Type A- Fixed rate at 12.50% p.a. payable semi annually redeemable on 31st July 2023

Interest rate of comparable Government Securities as at 31st March, 2022 12.41%

Type B- Floating rate AWPLR+1% p.a. payable semi annually redeemable on 31st July 2023

Interest rate of comparable Government Securities as at 31st March, 2022 12.41%

DEBENTURE TRADING INFORMATION FOR THE THREE MONTHS ENDED - 31.03.2022

There were no transactions during the period.

DEBENTURE 2 -

Listed, rated, senior, unsecured, redeemable debentures,

Type A- Fixed rate at 13.00% p.a. payable semi annually redeemable on 26th August 2024

Interest rate of comparable Government Securities as at 31st March, 2022 13.95%

Type B- Floating rate AWPLR+2% p.a. payable semi annually redeemable on 26th August 2024

Interest rate of comparable Government Securities as at 31st March, 2022 13.95%

DEBENTURE TRADING INFORMATION FOR THE THREE MONTHS ENDED - 31.03.2022

There were no transactions during the period.

RATIOS

	31.03.22	31.03.21
Debt/ equity ratio	1.60	1.62
Quick asset ratio	0.48	0.36
Interest cover	2.54	0.46

INVESTOR INFORMATION

FIRST TWENTY SHAREHOLDERS AS AT 31ST MARCH 2022

Name of the Shareholder	No.of Shares	%
1 Mr.K.D.D.Perera	382,596,970	51.01
2 Trustees of the D.S.Jayasundera Trust	86,980,170	11.60
3 Hayleys Group Services (Pvt) Ltd No.02 A/C	11,170,900	1.49
4 McLarens Holdings Ltd	10,084,743	1.34
5 Sri Lanka Insurance Corporation Ltd-Life Fund	6,383,159	0.85
6 Mrs.R.N.Ponnambalam	6,266,880	0.84
7 Mr.N.K.A.D.De Silva	5,701,660	0.76
8 Mrs.R.M.Spittel	5,646,970	0.75
9 Seylan Bank PLC / Janashakthi Capital Limited	5,000,000	0.67
10 Seylan Bank PLC / Mr.M.N.Deen	4,881,889	0.65
11 Mrs.Y.M.Spittel (Deceased)	4,655,610	0.62
12 Mrs.A.M.L.Johnpulle & Mr.B.J.M.Johnpulle	4,501,650	0.60
13 Mrs.S.D.Wickremasinghe	4,492,980	0.60
14 Mrs.P.M Godamunne	4,434,470	0.59
15 Mrs.A.K.Wikramanayake	4,384,490	0.58
16 Mrs.S.R.D.Wikramanayake	3,214,320	0.43
17 Mr.S.Rameshan	3,169,820	0.42
18 Miss.N.K.R.H.De Silva	2,834,010	0.38
19 GF Capital Global Limited	2,729,000	0.36
20 Dr.D.Jayanntha	2,580,000	0.34
TOTAL	561,709,691	74.89

There were no non voting shares as at 31st March, 2022

PUBLIC HOLDING

Percentage of public holding as at 31st March, 2022	37.09%
Total number of Shareholders representing the Public Holding	14,347
Float- adjusted market capitalization (Rs.)	21,391,657,500
The Company complies with option 1 of the Listing Rules 7.13.1 (a) which no minimum Public Holding.	

DIRECTORS' SHAREHOLDINGS AS AT 31ST MARCH, 2022

Directors' holdings of ordinary shares in the Company were as follows

Name of the Director	No.of Shares
Mr.K.D.D.Perera	382,613,630 *
Mr. A M Pandithage	1,253,570
Mr S C Ganegoda	250,000
Mr H S R Kariyawasan	94,270
Mr L R V Waidyaratne	379,300
Ms. J. Dharmasena	210,950

* Inclusive of indirect holding through other companies in which he owns controlling interest.

CORPORATE INFORMATION

NAME OF COMPANY

Hayleys PLC
(A public limited company, incorporated in Sri Lanka in 1952)

COMPANY NUMBER

PQ 22

STOCK EXCHANGE LISTING

The ordinary shares of the Company are listed with the Colombo Stock Exchange of Sri Lanka

REGISTERED OFFICE

Hayley Building,
P.O. Box 70, 400, Deans Road,
Colombo 10, Sri Lanka
Telephone: (94-11)2627000
Facsimile: (94-11)2699299
Website: <http://www.hayleys.com>

DIRECTORS

A M Pandithage – Chairman & Chief Executive
K D D Perera - Co-Chairman (Non - Executive)
S C Ganegoda
H S R Kariyawasan
Dr. H Cabral, PC
L R V Waidyaratne
M H Jamaldeen
M Y A Perera
Ms. J Dharmasena
R J Karunarajah
K D G Gunaratne
Ms. A A K Amarasinghe (Alternate to K D D Perera)

GROUP MANAGEMENT COMMITTEE

A M Pandithage – Chairman & Chief Executive
S C Ganegoda
H S R Kariyawasan
L R V Waidyaratne
Ms. J Dharmasena
W G R Rajadurai
E R P Goonethileke
Ms. D Talpahewa
C De Silva
N R Ranatunge
D W P N Dediwela
H Prematillake
Ng Soon Huat
M Wijewardene
R J Karunarajah
W Jayasekara (appointed w.e.f 01. 08. 2021)
M M A R P Goonetilleke (appointed w.e.f 15.09.2021)

AUDIT COMMITTEE

M Y A Perera - Chairman
Dr H Cabral, PC
M H Jamaldeen
K D G Gunaratne

REMUNERATION COMMITTEE

Dr H Cabral, PC – Chairman
K D D Perera
M H Jamaldeen
M Y A Perera

NOMINATION COMMITTEE

A M Pandithage – Chairman
K D D Perera
Dr H Cabral, PC

RELATED PARTY TRANSACTION REVIEW COMMITTEE

Dr H Cabral, PC - Chairman
S C Ganegoda
M Y A Perera

SECRETARIES

Hayleys Group Services (Private) Limited
400, Deans Road, Colombo 10, Sri Lanka
Telephone: (94-11)2627650
Facsimile: (94-11)2627645
E-mail: info.sec@hayleys.com
Please direct any queries about the administration of shareholdings to the Company Secretaries

INVESTOR RELATIONS

Please contact Strategic Business Development Unit
Telephone: (94-11)2627662
E-mail: info@cau.hayleys.com