

SINGER®

SINGER (SRI LANKA) PLC

INTERIM FINANCIAL STATEMENTS FOR THE FOR THE
TWELVE MONTHS ENDED 31ST MARCH 2022

Statement of Profit or Loss and Other Comprehensive Income

For the Year ended 31st March	Consolidated		Company		Variance		Variance	
	2021/22 Rs. '000	2020/21 Rs. '000	2021/22 Rs. '000	2020/21 Rs. '000	Consolidated Rs. '000	%	Company Rs. '000	%
Revenue	76,847,841	67,412,239	68,652,289	54,863,686	9,435,602	+ 14	13,788,603	+ 25
Cost of Sales	(52,735,992)	(47,028,484)	(50,090,399)	(39,896,592)	(5,707,508)	+ 12	(10,193,807)	+ 26
Direct Interest Cost	(1,920,345)	(1,872,403)	-	-	(47,942)	+ 3	-	-
Gross Profit	22,191,504	18,511,352	18,561,890	14,967,094	3,680,152	+ 20	3,594,796	+ 24
Other Income	262,196	220,853	195,629	265,402	41,343	+ 19	69,773	- 26
Selling and Administrative Expenses	(13,512,870)	(12,429,596)	(11,344,160)	(10,528,257)	(1,083,274)	+ 9	(815,903)	+ 8
Impairment Loss on Trade and Other Receivables	(703,478)	(920,008)	(281,361)	(459,524)	(216,530)	- 24	(178,163)	- 39
Operating Profit	8,237,352	5,382,601	7,131,998	4,244,715	2,854,751	+ 53	2,887,283	+ 68
Finance Cost	(2,527,599)	(2,135,702)	(2,128,766)	(2,174,970)	(391,897)	+ 18	(46,204)	- 2
Finance Income	207,377	863,596	134,643	639,103	656,219	- 76	504,460	- 79
Net Finance Cost	(2,320,222)	(1,272,106)	(1,994,123)	(1,535,867)	(1,048,116)	+ 82	(458,256)	+ 30
Value Added Tax on Financial Services	(381,570)	(292,488)	(94,000)	(79,800)	(89,082)	+ 30	(14,200)	+ 18
Profit Before Tax	5,535,560	3,818,007	5,043,875	2,629,048	1,717,553	+ 45	2,414,827	+ 92
Income Tax Expense	(1,425,768)	(1,210,485)	(1,135,233)	(879,872)	(215,283)	+ 18	(255,361)	+ 29
Profit for the Year	4,109,792	2,607,522	3,908,642	1,749,176	1,502,270	+ 58	2,159,466	>100
Other Comprehensive Income								
Other Comprehensive Income Items that will not be Reclassified to Profit or Loss								
Revaluation Gain on Property, Plant and Equipment	640,110	-	181,134	-				
Actuarial Gain / (Loss) on Remeasurement of Defined Benefit Obligation	(77,032)	3,706	(57,319)	4,188				
Equity Investments at FVOCI - Change in Fair Value	(2,089)	7,928	(2,089)	7,928				
Related Taxes								
Deferred Tax on Other Comprehensive Income	(116,768)	190,836	(29,217)	41,515				
Total Other Comprehensive Income for the Year, Net of Tax	444,221	202,470	92,509	53,631				
Total Comprehensive Income for the Year, Net of Tax	4,554,013	2,809,992	4,001,151	1,802,807				
Profit Attributable to -								
Owners of the Company	3,958,148	2,452,009	3,908,642	1,749,176				
Non - Controlling Interests	151,644	155,513	-	-				
	4,109,792	2,607,522	3,908,642	1,749,176				
Total Comprehensive Income Attributable to -								
Owners of the Company	4,329,024	2,624,895	4,001,151	1,802,807				
Non - Controlling Interests	224,989	185,097	-	-				
Total Comprehensive Income for the year Net of Tax	4,554,013	2,809,992	4,001,151	1,802,807				
Basic / Diluted Earnings Per Share (Rs.)	3.51	2.18	3.47	1.55				
Above figures are provisional and subject to audit.								
Share Prices	For the Twelve Months ended 31st March 2022		For the Twelve Months ended 31st March 2021					
Highest		28.20		86.00				
Lowest		13.50		15.80				
Last Traded Price		14.30		17.40				

Statement of Profit or Loss and Other Comprehensive Income

For the Quarter ended 31st March	Consolidated		Company		Variance		Variance	
	2021/22 Rs. '000	2020/21 Rs. '000	2021/22 Rs. '000	2020/21 Rs. '000	Consolidated Rs. '000	%	Company Rs. '000	%
Revenue	21,450,482	18,024,448	18,991,310	15,767,671	3,426,034	+ 19	3,223,639	+ 20
Cost of Sales	(14,510,785)	(12,645,403)	(13,606,400)	(11,729,187)	(1,865,382)	+ 15	(1,877,213)	+ 16
Direct Interest Cost	(531,189)	(458,184)	-	-	(73,005)	+ 16	-	-
Gross Profit	6,408,508	4,920,861	5,384,910	4,038,484	1,487,647	+ 30	1,346,426	+ 33
Other Income	109,842	63,286	17,099	47,469	46,556	+ 74	30,370	- 64
Selling and Administrative Expenses	(3,648,782)	(3,605,502)	(2,984,903)	(3,042,036)	(43,280)	+ 1	(57,133)	- 2
Impairment Reversal on Trade and Other Receivables	214,664	526,219	210,558	507,354	(311,555)	- 59	(296,796)	- 58
Operating Profit	3,084,232	1,904,864	2,627,664	1,551,271	1,179,368	+ 62	1,076,393	+ 69
Finance Cost	(1,688,851)	(424,233)	(1,171,559)	(426,942)	(1,264,618)	> 100	(744,617)	> 100
Finance Income	90,486	84,300	70,090	32,775	6,186	+ 7	37,315	> 100
Net Finance Cost	(1,598,365)	(339,933)	(1,101,469)	(394,167)	(1,258,432)	> 100	(707,302)	> 100
Value Added Tax on Financial Services	(126,598)	(101,356)	(27,000)	(27,000)	(25,242)	+ 25	-	- 0
Profit Before Tax	1,359,269	1,463,575	1,499,195	1,130,104	104,306	- 7	369,091	+ 33
Income Tax Expense	(403,923)	(611,520)	(360,276)	(549,284)	(207,597)	- 34	(189,008)	- 34
Profit for the Period	955,346	852,055	1,138,919	580,820	103,291	+ 12	558,099	+ 96
Other Comprehensive Income								
Other Comprehensive Income Items that will not be Reclassified to Profit or Loss								
Revaluation of Property, Plant and Equipment	640,110	-	181,134	-				
Actuarial Gain / (Loss) on Remeasurement of Defined Benefit Obligation	(77,032)	3,706	(57,319)	4,188				
Equity Investments at FVOCI - Change in Fair Value	(2,089)	7,928	(2,089)	7,928				
Related Taxes								
Deferred Tax on Other Comprehensive Income	(116,768)	190,836	(29,217)	41,515				
Total Other Comprehensive Income for the Period, Net of Tax	444,221	202,470	92,509	53,631				
Total Comprehensive Income for the Period, Net of Tax	1,399,567	1,054,525	1,231,428	634,451				
Profit Attributable to -								
Owners of the Company	906,464	761,957	1,138,919	580,820				
Non- Controlling Interests	48,882	90,098	-	-				
Profit for the Period	955,346	852,055	1,138,919	580,820				
Total Comprehensive Income Attributable to -								
Owners of the Company	1,277,342	934,843	1,231,428	634,451				
Non Controlling Interests	122,227	119,682	-	-				
Total Comprehensive Income for the year Net of Tax	1,399,569	1,054,525	1,231,428	634,451				
Basic / Diluted Earnings Per Share (Rs.)	0.80	0.68	1.01	0.52				
Above figures are provisional and subject to audit.								
Share Prices	For the Quarter ended 31st March 2022		For the Quarter ended 31st March 2021					
Highest	28.20		86.00					
Lowest	13.50		15.80					
Last Traded Price	14.30		17.40					

Statement of Financial Position

	Consolidated		Company	
	31st March 2022 Rs. '000	31st March 2021 Rs. '000	31st March 2022 Rs. '000	31st March 2021 Rs. '000
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	7,521,444	6,805,750	3,807,243	3,578,266
Right -of- Use Assets	4,807,413	4,433,003	4,148,095	3,863,148
Intangible Assets	548,839	315,022	422,366	222,618
Investment in Subsidiaries	-	-	2,968,023	2,968,023
Other Non-Current Assets	59,315	60,617	-	-
Other Investments	22,900	24,990	22,858	24,948
Trade and Other Receivables	12,230,122	11,861,154	743,482	802,806
Deferred Tax Assets	1,269,801	873,745	1,125,639	832,575
	26,459,834	24,374,281	13,237,706	12,292,384
Current Assets				
Inventories	23,022,192	18,180,683	20,524,781	16,150,897
Loans due from Related Parties	-	-	110,000	-
Income Tax Receivables	45,914	17,119	-	-
Trade and Other Receivables	35,236,625	23,977,624	18,309,794	12,965,214
Amounts Due from Related Parties	24,157	10,820	198,611	38,814
Deposits with Banks	177,450	60,935	-	-
Short term Investments	1,412,979	813,264	-	-
Cash and Cash Equivalents	2,971,530	1,868,859	1,731,688	783,540
	62,890,847	44,929,304	40,874,874	29,938,465
Total Assets	89,350,681	69,303,585	54,112,580	42,230,849
EQUITY AND LIABILITIES				
Equity				
Stated Capital	626,048	626,048	626,048	626,048
Capital Reserves	1,635,092	1,232,580	1,291,761	1,170,908
Other Component of Equity	4,438	6,026	4,438	6,025
Statutory Reserve	223,763	198,939	-	-
Revenue Reserves	9,080,204	6,416,501	5,919,945	3,277,635
Total Equity Attributable to Owners of the Company	11,569,545	8,480,094	7,842,192	5,080,616
Non-Controlling Interest	1,971,084	1,778,544	-	-
Total Equity	13,540,629	10,258,638	7,842,192	5,080,616
Non-Current Liabilities				
Interest - Bearing Loans and Borrowings	12,112,183	7,129,287	6,500,000	3,000,000
Lease Liability	4,570,731	4,307,592	3,925,205	3,786,997
Employee Benefit Obligations	1,041,152	946,775	719,014	654,639
Security Deposits	1,462,347	1,366,565	1,406,991	1,293,745
Deferred Tax Liability	468,501	376,416	-	-
Other Financial Liabilities	2,317,848	2,091,132	-	-
Deferred Revenue	110,358	107,608	110,358	107,609
Other Non - Current Liabilities	187,706	142,414	187,706	142,413
	22,270,826	16,467,789	12,849,274	8,985,403
Current Liabilities				
Trade and Other Payables	19,322,714	18,754,807	13,765,297	13,559,595
Deferred Revenue	201,549	209,075	198,212	183,470
Dividends Payable	73,587	132,672	67,967	58,822
Amounts Due to Related Parties	1,074,260	341,304	4,137,893	4,259,226
Income Tax Payable	714,483	278,063	433,940	25,209
Other Financial Liabilities	9,828,666	8,374,066	-	-
Lease Liability	912,300	686,421	854,484	624,048
Interest - Bearing Loans and Borrowings	20,235,539	12,085,399	13,536,189	8,132,721
Bank Overdrafts	1,176,128	1,715,351	427,132	1,321,739
	53,539,226	42,577,158	33,421,114	28,164,830
Total Liabilities	75,810,052	59,044,947	46,270,388	37,150,233
Total Equity and Liabilities	89,350,681	69,303,585	54,112,580	42,230,849
Net Assets per Share (Rs.)	10.27	7.53	6.96	4.51

I certify that the above Financial Statements of the Company comply with the requirements of the Companies Act No.07 of 2007.

(Sgd.)

Ramesh Chitrasiri

Finance Director

Above figures are provisional and subject to audit.

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

(Sgd.)

A.M. Pandithage

Chairman

Colombo,

13th May 2022

(Sgd.)

Maresh Wijewardene

Director/Group Chief Executive Officer

Statement of Changes in Equity

For the Year ended 31st March			Attributable to equity holders of the Company						
Group			Capital Reserve	Other Component of Equity	Revenue Reserve				
	Stated Capital	Reserve Fund	Revaluation Reserves	Fair Value Reserve	General Reserves	Retained Earnings	Total	Non -Controlling Interest	Total Equity
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Balance as at 31st March 2020									
Transferred to /(from) during the year	-	16,391	-	-	-	(16,391)	-	-	
Realisation on Revaluation Surplus	-	-	(23,030)	-	-	23,030	-	-	-
Profit for the Year	-	-	-	-	-	2,452,009	2,452,009	155,513	2,607,522
Other Comprehensive Income for the Year									
Actuarial gain/(loss) on Employee Benefit Obligations	-	-	-	-	-	4,743	4,743	(1,037)	3,706
Fair Value Change in equity instruments designated at fair value through other comprehensive income	-	-	-	7,928	-	-	7,928	-	7,928
Related Taxes									
Deferred Tax on Actuarial gain/(loss) on Employee Benefit Obligations	-	-	-	-	-	(1,051)	(1,051)	200	(851)
Deferred Tax on Equity investments at FVOCI – change in fair value	-	-	-	(1,903)	-	-	(1,903)	-	(1,903)
Impact of Deferred Tax Rate change on Revaluation Reserve	-	-	163,169	-	-	-	163,169	30,421	193,590
Total Other Comprehensive Income for the Year, Net of Tax	-	-	163,169	6,026	-	3,692	172,886	29,584	202,470
Total Comprehensive Income for the Year, Net of Tax	-	-	163,169	6,026	-	2,455,701	2,624,895	185,097	2,809,992
Distributions to Owners of the Company									
Interim Dividend – 2020/21	-	-	-	-	-	(713,695)	(713,695)	(25,566)	(739,261)
Total Distributions to Owners of the Company	-	-	-	-	-	(713,695)	(713,695)	(25,566)	(739,261)
Balance as at 31st March 2021									
Transferred to /(from) during the year	-	24,824	-	-	-	(24,824)	-	-	-
Realisation of Revaluation Surplus	-	-	(27,005)	-	-	27,005	-	-	-
Profit for the Year	-	-	-	-	-	3,958,148	3,958,148	151,644	4,109,792
Total Comprehensive Income for the Year									
Other Comprehensive Income									
Revaluation Gain on Property , Plant and Equipment	-	-	546,538	-	-	-	546,538	93,572	640,110
Actuarial gain on Employee Benefit Obligations	-	-	-	-	-	(73,978)	(73,978)	(3,054)	(77,032)
Fair Value Change in equity instruments designated at fair value through other comprehensive income	-	-	-	(2,089)	-	-	(2,089)	-	(2,089)
Related Taxes									
Deferred Tax on Revaluation Gain	-	-	(117,022)	-	-	-	(117,022)	(17,776)	(134,798)
Deferred Tax on Actuarial gains on Employee Benefit Obligations	-	-	-	-	-	16,926	16,926	602	17,528
Deferred Tax on Equity investments at FVOCI – change in fair value	-	-	-	502	-	-	502	-	502
Total Other Comprehensive Income Net of tax									
Total Comprehensive Income Net of tax	-	-	429,516	(1,587)	-	(57,052)	370,877	73,344	444,221
Transactions with Owners of the Company, Recognised Directly in Equity									
Distributions to Owners of the Company									
Final Dividend - 2020/2021	-	-	-	-	-	(281,722)	(281,722)	(32,448)	(314,170)
Interim Dividend -2021/2022	-	-	-	-	-	(957,853)	(957,853)	-	(957,853)
Balance as at 31st March 2022	626,048	223,763	1,635,092	4,438	2,700,000	6,380,204	11,569,545	1,971,084	13,540,629

Statement of Changes in Equity

For the Year ended 31st March			Capital Reserve	Other Component of Equity	Revenue Reserve		
Company	Stated Capital	Revaluation Reserves	Fair Value Reserve	General Reserves	Retained Earnings	Total	
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	
Balance as at 31st March 2020	626,048	1,142,409	-	2,700,000	(476,953)	3,991,505	
Realisation of Revaluation Surplus	-	(15,924)	-	-	15,924		
Profit for the Year	-	-	-	-	1,749,176	1,749,176	
Other Comprehensive Income							
Actuarial gain on Employee Benefit Obligations	-	-	-	-	4,188	4,188	
Fair Value Change in equity instruments designated at fair value through other comprehensive income	-	-	7,928	-	-	7,928	
Related Taxes							
Deferred Tax on Actuarial gains on Employee Benefit Obligations	-	-	-	-	(1,005)	(1,005)	
Deferred Tax on Equity investments at FVOCI – change in fair value	-	-	(1,903)	-	-	(1,903)	
Impact of Deferred Tax Rate change on revaluation reserve	-	44,422	-	-	-	44,422	
Total Other Comprehensive Income Net of tax	-	44,422	6,025	-	3,183	53,631	
Total Comprehensive Income Net of tax	-	44,422	6,025	-	1,752,359	1,802,807	
Transactions with Owners of the Company, Recognised Directly in Equity							
Distributions to Owners of the Company							
Interim Dividend – 2020/21	-	-	-	-	(713,695)	(713,695)	
Total Distributions to Owners of the Company	-	-	-	-	(713,695)	(713,695)	
Balance as at 31st March 2021	626,048	1,170,908	6,025	2,700,000	577,635	5,080,616	
Realisation of Revaluation Surplus	-	(16,808)	-	-	16,808	-	
Profit for the Year	-	-	-	-	3,908,642	3,908,642	
Other Comprehensive Income							
Revaluation Gain on Property , Plant and Equipment	-	181,134	-	-	-	181,134	
Actuarial gain on Employee Benefit Obligations	-	-	-	-	(57,319)	(57,319)	
Fair Value Change in equity instruments designated at fair value through other comprehensive income	-	-	(2,089)	-	-	(2,089)	
Related Taxes							
Deferred Tax on Revaluation Gain	-	(43,472)	-	-	-	(43,472)	
Deferred Tax on Actuarial gains on Employee Benefit Obligations	-	-	-	-	13,754	13,754	
Deferred Tax on Equity investments at FVOCI – change in fair value	-	-	502	-	-	502	
Total Other Comprehensive Income Net of tax		137,662	(1,587)		(43,566)	92,509	
Total Comprehensive Income Net of tax		137,662	(1,587)	-	3,865,076	4,001,151	
Transactions with Owners of the Company, Recognised Directly in Equity							
Distributions to Owners of the Company							
Final Dividend - 2020/2021	-	-	-	-	(281,722)	(281,722)	
Interim Dividend - 2021/2022	-	-	-	-	(957,853)	(957,853)	
Total Distributions to Owners of the Company	-	-	-	-	(1,239,575)	(1,239,575)	
Balance as at 31st March 2022	626,048	1,291,761	4,438	2,700,000	3,219,945	7,842,192	

STATEMENT OF CASH FLOWS

For the Year ended 31st March 2022	Group		Company	
	2022/21 Rs. '000	2021/20 Rs. '000	2022/21 Rs. '000	2021/20 Rs. '000
Cash Flows from Operating Activities				
Net Profit before Income Tax Expense	5,535,560	3,818,007	5,043,875	2,629,048
Adjustment for:				
Depreciation of Property, Plant and Equipment	737,804	650,524	548,854	478,836
Amortization of Intangible Assets	46,870	24,602	29,306	13,638
Amortization of Leasehold Right	1,301	1,301	-	-
Depreciation of Right of Use Assets	1,039,128	891,876	932,864	802,801
(Gain)/Loss on Disposal of Property, Plant and Equipment	(759)	1,312	(759)	283
Change in Fair Value of Derivative Assets	-	27,088	-	27,088
Interest Expense	2,172,813	2,176,811	2,128,766	2,174,970
Interest Income	(170,084)	(120,795)	(171,938)	(81,295)
Provisions on Inventory	51,653	179,485	39,682	144,075
Impairment loss on Trade and Other Receivables	703,478	920,008	281,362	459,524
Dividend Income	(240)	(320)	(129,210)	(192,227)
Provisions for Employee Benefit Obligations	115,964	153,142	79,783	105,976
Operating Profit before Working Capital Changes	10,233,488	8,723,043	8,782,585	6,562,716
(Increase)/Decrease in Inventories	(4,891,540)	(2,312,713)	(4,414,836)	(2,021,733)
(Increase)/Decrease in Debtors falling Due after one Year	(368,967)	(531,137)	59,324	30,395
(Increase)/Decrease in Debtors falling Due within one year	(12,302,930)	(1,339,718)	(5,966,393)	(1,000,520)
(Increase)/Decrease in Dues from Related Parties	(12,536)	22,606	(158,997)	27,863
Increase/(Decrease) in Dues to Related Parties	732,956	114,568	(121,333)	834,483
Increase/(Decrease) in Security Deposits	95,782	(28,046)	113,247	(36,219)
Increase/(Decrease) in Trade and Other Payables	613,202	9,493,945	250,995	6,983,585
Increase/(Decrease) in Deferred Liabilities	(4,776)	50,121	17,493	31,629
Cash Generated from Operations	(5,905,321)	14,192,669	(1,437,915)	11,412,198
Finance Costs Paid	(1,459,131)	(1,851,933)	(1,486,953)	(1,694,977)
Employee Benefits Paid	(98,619)	(103,646)	(72,728)	(77,892)
Income Tax Paid	(1,438,883)	(749,426)	(1,048,787)	(470,480)
Net Cash from/(used in) Operating Activities	(8,901,954)	11,487,663	(4,046,383)	9,168,849
Cash Flows from Investing Activities				
Acquisition of Property, Plant and Equipment and Intangible Assets	(1,101,267)	(654,942)	(830,050)	(468,298)
Proceeds from Disposal of Property Plant and Equipment	5,529	24,793	5,529	22,675
Proceeds from Disposal of Investment in Debentures in Subsidiaries	-	-	-	600,090
Acquisition of Marketable Securities	(599,717)	(23,373)	-	-
Investment/(Withdrawal) of Bank Deposits	(116,515)	40,459	-	-
Net Cashflows from Loans Given to Related Companies	-	-	(110,000)	446,000
Interest Income Received	170,084	120,795	171,938	81,295
Dividends Received	240	320	129,210	158,071
Net Cash Flows from Investing Activities	(1,641,646)	(491,948)	(633,373)	839,834
Cash Flow from Financing Activities				
Net proceeds from interest - bearing Loans and Borrowings	13,082,620	(10,384,198)	8,853,050	(7,549,145)
Net settlements to Lease Creditors	(1,247,332)	(1,327,933)	(1,100,111)	(1,197,191)
Increase in Customer Deposit Liabilities	1,681,316	3,451,112	-	-
Net (payment) to Minority Share holders	(32,449)	(25,566)	-	-
Dividends Paid	(1,298,661)	(704,836)	(1,230,428)	(694,023)
Net Cash Flow from Financing Activities	12,185,494	(8,991,421)	6,522,511	(9,440,359)
Net Increase /(Decrease) in Cash and Cash Equivalents	1,641,894	2,004,294	1,842,755	568,325
Cash and Cash Equivalents at the Beginning of the Year	153,508	(1,850,786)	(538,199)	(1,106,524)
Cash and Cash Equivalents at the Year end	1,795,402	153,508	1,304,556	(538,199)

Notes to the Financial Statements

1.0 BASIS OF PREPARATION AND GROUP'S ACCOUNTING POLICIES

The interim condensed consolidated financial statements for the Twelve months ended 31st March 2022 have been prepared in accordance with LKAS 34 Interim Financial Reporting

The financial statements for the year ended 31st March 2022, includes "the Company" referring to Singer (Sri Lanka) PLC, as the holding company and "the Group" referring to the companies whose accounts have been consolidated therein

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 March 2022.

The presentation and classification of the financial statements of the previous period have been amended, where relevant, for better presentation and to be comparable with those of the current period.

The interim condensed financial statements are presented in Sri Lankan Rupees (LKR) and all values are rounded to the nearest thousand except when otherwise indicated.

1.1 Fair Value measurement and related fair value disclosures - Financial Instruments

	Group		Company		Level	
	2022	2021	2022	2021		
	Rs. '000	Rs.'000"	Rs. '000	Rs.'000"		
Recurring Fair Value Measurements	22,899	24,990	22,858	24,948	3	Financial Assets at FVOCI
Investment in Equity Securities	22,899	24,990	22,858	24,948		

2.0 Segmental Analysis of Company Net Turnover is as follows:

	Quarter ended	Quarter ended	Twelve Months months ended	Twelve Months months ended
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
	Rs. '000	Rs'000	Rs. '000	Rs'000
Consumer Electronics	1,898,043	2,077,716	8,056,214	7,275,145
Financial Services	747,173	812,188	2,991,414	3,187,212
Furniture	1,253,789	925,236	3,697,938	2,700,253
Home Appliances	7,933,709	6,137,986	27,244,947	19,945,907
IT products	4,373,819	3,702,204	17,575,982	14,588,155
Sewing Machines	1,301,815	1,008,182	3,957,471	2,848,773
Other	1,482,962	1,104,159	5,128,323	4,318,241
	18,991,310	15,767,671	68,652,289	54,863,686

2.1 Segmental Analysis of Company Profits Before Tax is as follows:

	Quarter ended	Quarter ended	Twelve Months months ended	Twelve Months months ended
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
	Rs. '000	Rs'000	Rs. '000	Rs'000
Consumer Electronics	281,513	150,383	1,003,703	735,409
Financial Services	221,911	73,038	812,013	522,915
Furniture	163,644	81,896	431,043	238,254
Home Appliances	1,057,205	398,936	3,077,748	1,798,323
IT products	405,693	170,098	1,213,613	664,858
Sewing Machines	163,300	70,624	417,686	257,305
Other	123,840	64,786	328,343	294,948
Intercompany Dividend	-	34,156	129,210	192,227
Impairment (Loss) / Reversal on Trade and Other Receivables	210,558	507,354	(281,361)	(459,524)
Operating Profit	2,627,664	1,551,271	7,131,998	4,244,715
Net Finance Cost	(1,101,469)	(394,167)	(1,994,123)	(1,535,867)
VAT on Financial Services	(27,000)	(27,000)	(94,000)	(79,800)
Profit Before Tax	1,499,195	1,130,104	5,043,875	2,629,048

2.2 Segmental Analysis of Group Net Turnover is as follows:

	Quarter ended 31st March 2022 Rs. '000	Quarter ended 31st March 2021 Rs'000	Twelve Months months ended 31st March 2022 Rs. '000	Twelve Months months ended 31st March 2021 Rs'000
Consumer Electronics	1,898,043	2,077,716	8,056,214	7,275,145
Financial Services	2,187,031	1,971,062	8,164,251	7,644,344
Furniture	1,253,789	925,236	3,697,938	2,700,253
Home Appliances	7,940,119	6,147,109	27,266,277	19,963,193
IT products	5,377,451	4,785,694	20,546,893	22,649,064
Sewing Machines	1,301,905	1,008,182	3,957,665	2,848,773
Other	1,492,144	1,109,449	5,158,603	4,331,467
	21,450,482	18,024,448	76,847,841	67,412,239

2.3 Segmental Analysis of Group Profits Before Tax is as follows:

	Quarter ended 31st March 2022 Rs. '000	Quarter ended 31st March 2021 Rs'000	Twelve Months months ended 31st March 2022 Rs. '000	Twelve Months months ended 31st March 2021 Rs'000
Consumer Electronics	281,513	150,383	1,003,703	735,409
Financial Services	641,018	338,497	2,358,530	1,750,810
Furniture	163,644	81,896	431,043	238,254
Home Appliances	1,083,395	536,600	3,206,462	2,021,743
IT Products	355,677	133,398	1,130,097	1,031,049
Sewing Machines	212,626	66,790	456,692	213,412
Other	131,455	71,081	354,063	311,612
Dividend	240	-	240	320
Impairment (Loss) / Reversal on Trade and Other Receivables	214,664	526,219	(703,478)	(920,008)
Operating Profit	3,084,232	1,904,864	8,237,352	5,382,601
Net Finance Cost	(1,598,365)	(339,933)	(2,320,222)	(1,272,106)
VAT on Financial Services	(126,598)	(101,356)	(381,570)	(292,488)
Profit Before Tax	1,359,269	1,463,575	5,535,560	3,818,007

3 STATED CAPITAL

	31st March 2022	31st March 2022
Value-Ordinary Shares (Rs.)	626,048,050	626,048,050
1,126,886,490 Ordinary Shares		
Weighted Average Number of Ordinary Shares	1,126,886,490	1,126,886,490
Voting Rights	One Vote per Ordinary Share	One Vote per Ordinary Share

Notes to the Financial Statements

4 CONTINGENCIES

- a) Commissioner General of Inland Revenue has issued assessment notices on Singer (Sri Lanka) PLC pertaining to an additional VAT Liability/ Payment on account of Deemed VAT for seven quarters for the period 1st January 2014 to 30th September 2015. The assessment was for a Deemed VAT payment of Rs. 1,076 million and penalty of Rs. 423 million totalling to Rs. 1,499 million. Commissioner General of Inland Revenue has given the determination on the appeal. Accordingly, Rs. 791 million of Deemed VAT liability and penalty of Rs. 395 million totalling to Rs. 1,186 million is payable as a Deemed VAT liability for seven quarters for the period 1st January 2014 to 30th September 2015. The Company after carefully reviewing the situation and based on the advice of tax consultants, is of the opinion that there is no basis for the Company to be made liable for Deemed VAT. Accordingly Company has decided to appeal to the Tax Appeal Commission against the determination. Hence, no provision has been made in the Financial Statements. The Company previously sought a clarification from the Inland Revenue Department on the interpretation of the Act and did not receive the required clarification. Deemed VAT is removed with effect from 1st January 2016 under VAT Amendment Act No. 20 of 2016.
- b) Singer (Sri Lanka) PLC has provided bank guarantees amounting to Rs. 337 million to Director General of Customs to clear imports during the years 2008 to March 2022. The bank guarantee related to alleged additional duty payable on imports, claimed by the customs and is being contested by the Company in courts. The Court of Appeal ordered that the Director General of Customs continue with the investigations. The Company being aggrieved by the decision has filed an appeal, which is pending before the Supreme Court. The Company lawyers are of the opinion that there is no basis that the Company is liable for the additional duty. Based on assessment of the probability is higher that the Company would not be required to settle the liabilities. Hence, no provision is made in the Financial Statements.
- c) Singer Finance (Lanka) PLC has provided letters of guarantee totalling to Rs. 3.5 million against fixed deposits of Rs. 3.7 million.
- d) Case bearing No. 404 has been filled against Singer Finance (Lanka) PLC by a customer in the District Court of Ampara claiming Rs. 2 million as damages caused by repossessing and selling of a vehicle leased through the Company. The lawyers of the Company are of the view that the ultimate resolution of this litigation would not likely to have a material impact.
- e) Regnis (Lanka) PLC has provided corporate guarantees to banks on behalf of Regnis Appliances (Private) Limited amounting to Rs. 410 million for the purpose of obtaining banking facilities.
- f) Regnis (Lanka) PLC cleared a shipment of imported goods during the year 2008 on provision of a bank guarantee amounting to Rs. 7 million to the Director of Customs. The bank guarantee relates to alleged additional duty payable on imports which is contested by the Company. The customs inquiry initiated in 2008 is still pending. The Management is of the opinion that there is no basis that the Company is liable for the additional duty and hence, no provision is made in the Financial Statements.

5 Events Occuring After The Balance Sheet Date

There are no material events after reporting date, which require adjustments to or disclosure in the Financial Statements except for the following.

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 LK Rs. 2,000 million 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 31 March 2022 do not reflect the tax liability that would arise in consequence, the amount of which is best estimated at Rs.1,283 million.

On 13th May 2022, Board of Directors proposed and approved a final Dividend of Rs. 0.20 per share amounting to Rs. 225 million for the year ended 31st March 2022.

6 LISTED DEBENTURES

Details regarding the listed debentures are as follows

- i 12% senior rated listed unsecured debenture redeemed on 28th September 2021
Interest rates of comparable Government Securities as at Issue Date (%) of the redeemed debenture was 9.51%

For the Year ended 31st March 2022	Group		Company	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Debt Equity Ratio	3.56	3.37	3.00	3.17
Interest Cover	3.39	4.00	3.53	2.71
Quick Assets Ratio	0.74	0.63	0.61	0.49

7 Top 20 Shareholders as at 31st March 2022

	Name	Number of Shares	Percentage
1	HAYLEYS PLC	783,801,111	69.55
2	HAYLEYS ADVANTIS LIMITED	111,382,980	9.88
3	VOLANKA (PVT) LIMITED	34,787,235	3.09
4	HAYLEYS AVENTURA (PRIVATE) LIMITED	31,595,745	2.80
5	CARBOTELS (PVT) LIMITED	29,042,553	2.58
6	HAYLEYS AGRICULTURE HOLDINGS LIMITED	28,404,255	2.52
7	MR. KULAPPUARACHCHIGE DON DAMMIKA PERERA	20,807,739	1.85
8	MRS. MIHIRI VIRANI FERNANDO	6,025,000	0.53
9	PEOPLE'S LEASING & FINANCE PLC/MR. D.M.P. DISANAYAKE	1,697,617	0.15
10	COMMERCIAL BANK OF CEYLON PLC/ANDARADENIYA ESTATE (PVT) LTD	1,500,000	0.13
11	MRS. ANOMA KAMALIKA AMARASURIYA	1,200,000	0.11
12	MISS NAI KALUGE RUVANI HEMAMALA DE SILVA	1,192,914	0.11
13	JAFFERJEE BROTHERS (EXPORTS) LIMITED	1,126,800	0.10
14	HATTON NATIONAL BANK PLC- ASTRUE ALPHA FUND	1,011,088	0.09
15	HATTON NATIONAL BANK PLC/HENNASY GEETH BALASURIYA	1,001,101	0.09
16	MRS. VASUDEVAN SARASWATHI & MR. S. VASUDEVAN	1,000,516	0.09
17	MRS. ENOKA KAMALI WICKRAMASINGHE	884,571	0.08
18	MR. ABEYSIRI HEMAPALA MUNASINGHE	810,268	0.07
19	MR. NAI KALUGE ANURA DEEPAL DE SILVA & MISS. S.H. DE SILVA	662,385	0.06
	MR. NAI KALUGE ANURA DEEPAL DE SILVA & MRS. G.V. DE SILVA	662,385	0.06
20	SISIRA INVESTORS LIMITED	651,348	0.06
		1,059,247,611	94.00
	Others	67,638,879	6.00
	Total Issued Shares	1,126,886,490	100.00

8 Directors' and CEO's Shareholding as at

Name of the Director	Shareholding 31st March 2022 Number of Shares	Shareholding 31st March 2021 Number of Shares
Mr. A.M. Pandithage	-	-
Mr. K.D.D. Perera	20,807,739	20,807,739
Mr. D. Sooriyaarachchi	-	-
Mr. D.H. Fernando	-	-
Mr. M.H. Wijewardene (CEO)	-	-
Mr. M.H. Jamaldeen	-	-
Mr. S.C. Ganegoda	-	-
Mr. D.K. De Silva Wijeyeratne	-	-
Ms. H.M.G. De Alwis	-	-
Mr. H.P.S. Perera (Alternate Director to Mr. M.H. Wijewardene)	-	-
Ms. A.A.K. Amarasinghe (Alternate Director to Mr. K.D.D. Perera)	-	-

Notes to the Financial Statements

9 Public Holding

Shares held by public as at 31st March 2022

Number of share holders	Number of shares	Percentage
4,033	86,959,872	7.72%

Float adjusted market capitalization - Rs.1,217,938,919

The Company is not in compliance with option 5 of the Listing Rule 7.13.1 (a) which requires a Company with a Float Adjusted Market Capitalization of less than Rs. 2.5 Bn. to maintain a minimum public Holding of 20%

10 Explanatory Note

Hayleys Group Services (Private) Limited
400, Deans Road, Colombo 10, Sri Lanka
Contact No. 0112627650

Singer (Sri Lanka) PLC

No. 112, Havelock Road,
Colombo 05, Sri Lanka.

Phone : +94 11 231 6316 (13 lines)

Facsimile : +94 11 242 3544

Email : singer@singersl.com

Website : www.singer.lk