



**LANKA MILK FOODS (CWE) PLC**  
**INTERIM FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST MARCH 2022**

**LANKA MILK FOODS (CWE) PLC****CORPORATE INFORMATION**

|                             |  |
|-----------------------------|--|
| THE COMPANY                 | - LANKA MILK FOODS (CWE) PLC.  |
| LEGAL STATUS                | - A PUBLIC QUOTED COMPANY WITH LIMITED LIABILITY<br>UNDER THE PROVISION OF COMPANIES ACT NO 7 OF 2007  |
| REGISTERED OFFICE           | - WELISARA, RAGAMA, SRI LANKA<br>- TEL: +9411 5222600 FAX: +9411 2956266<br>- EMAIL: lakspray@lmfgroup.lk<br>- WEBSITE: www.lmfgroup.lk  |
| DATE OF INCORPORATION       | - 12TH NOVEMBER 1981   |
| COMPANY REGISTRATION NUMBER | - PQ 142   |
| COMPANY SECRETARY           | MS. H.K BULATHWATTE  |
| BOARD OF DIRECTORS          | - MR. D.H.S JAYAWARDENA (CHAIRMAN)<br>MR. C.R JANSZ (DIRECTOR)<br>MR. D.S.K AMARASEKERA (INDEPENDENT<br>NON-EXECUTIVE DIRECTOR)<br>DR. A. SHAKTHEVALE (INDEPENDENT<br>NON-EXECUTIVE DIRECTOR)<br>MR. D.HASITHA .S JAYAWARDENA (NON-EXECUTIVE DIRECTOR)<br>MS. D.S.T JAYAWARDENA (DIRECTOR) |
| AUDITORS                    | - MESSRS. KPMG (CHARTERED ACCOUNTANTS)<br>32 A, SIR MOHAMED MACAN MARKAR MAWATHA<br>P.O BOX 186<br>COLOMBO 3.<br>SRI LANKA   |
| SUBSIDIARY COMPANIES        | - LANKA DAIRIES (PRIVATE) LIMITED<br>AMBEWELA LIVESTOCK COMPANY LIMITED<br>PATTIPOLA LIVESTOCK COMPANY LIMITED<br>AMBEWELA PRODUCTS (PRIVATE) LIMITED<br>INDO LANKA EXPORTS (PRIVATE) LIMITED<br>UNITED DAIRIES LANKA (PRIVATE) LIMITED  |
| BANKERS                     | - HATTON NATIONAL BANK PLC.<br>DFCC BANK PLC.<br>COMMERCIAL BANK OF CEYLON PLC<br>HONGKONG & SHANGHAI BANKING CORPORATION LTD<br>BANK OF CEYLON  |

**LANKA MILK FOODS (CWE) PLC.**  
**CONDENSED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2022**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

|  | <b><u>GROUP</u></b>         |                          |                         |                                  |                          |                         |
|--|-----------------------------|--------------------------|-------------------------|----------------------------------|--------------------------|-------------------------|
|  | <b><u>Quarter Ended</u></b> |                          |                         | <b><u>FOR THE YEAR ENDED</u></b> |                          |                         |
|  | <b><u>2022.03.31</u></b>    | <b><u>2021.03.31</u></b> | <b><u>Change</u></b>    | <b><u>2022.03.31</u></b>         | <b><u>2021.03.31</u></b> | <b><u>Change</u></b>    |
|  | <b><u>Rs. 000's</u></b>     | <b><u>Rs. 000's</u></b>  | <b><u>Rs. 000's</u></b> | <b><u>Rs. 000's</u></b>          | <b><u>Rs. 000's</u></b>  | <b><u>Rs. 000's</u></b> |
|  |                             |                          | <b><u>+ / (-)</u></b>   |                                  |                          | <b><u>+ / (-)</u></b>   |
| Revenue  | 2,937,242                   | 1,778,289                | 1,158,953               | 9,979,819                        | 7,597,192                | 2,382,627               |
| Cost of Sales  | (2,393,603)                 | (1,513,004)              | (880,599)               | (8,524,459)                      | (6,519,974)              | (2,004,485)             |
| <b>GROSS PROFIT</b>  | <b>543,639</b>              | <b>265,285</b>           | <b>278,354</b>          | <b>1,455,360</b>                 | <b>1,077,218</b>         | <b>378,142</b>          |
| Other Operating Income   | 132,091                     | 208,703                  | (76,612)                | 1,301,192                        | 835,427                  | 465,765                 |
| Administrative Expenses  | (189,067)                   | (200,009)                | 10,942                  | (610,998)                        | (564,467)                | (46,531)                |
| Distribution Expenses  | (119,664)                   | (124,171)                | 4,507                   | (383,443)                        | (362,199)                | (21,244)                |
| Other Operating Expenses                                       | (49,337)                    | (37,346)                 | (11,991)                | (141,130)                        | (109,214)                | (31,916)                |
| <b>PROFIT/(LOSS) FROM OPERATIONS</b>                           | <b>317,662</b>              | <b>112,462</b>           | <b>205,200</b>          | <b>1,620,981</b>                 | <b>876,765</b>           | <b>744,216</b>          |
| Finance Income   | 7,016                       | (1,684)                  | 8,700                   | 18,525                           | 77,535                   | (59,010)                |
| Finance Expense  | (441,827)                   | (16,119)                 | (425,708)               | (509,140)                        | (120,354)                | (388,786)               |
| Net Finance - Income / (Expense)                               | (434,811)                   | (17,803)                 | (417,008)               | (490,615)                        | (42,819)                 | (447,796)               |
| <b>PROFIT /(LOSS) BEFORE INCOME TAX EXPENSES</b>               | <b>(117,149)</b>            | <b>94,659</b>            | <b>(211,808)</b>        | <b>1,130,366</b>                 | <b>833,946</b>           | <b>296,420</b>          |
| Income Tax (Expenses)/Reversal                                 | 6,827                       | 49,233                   | (42,406)                | (35,842)                         | 7,818                    | (43,660)                |
| <b>PROFIT/(LOSS) FOR THE YEAR</b>                              | <b>(110,322)</b>            | <b>143,892</b>           | <b>(254,214)</b>        | <b>1,094,524</b>                 | <b>841,764</b>           | <b>252,760</b>          |
| <b>Other Comprehensive Income/(Expense) for the Year</b>       |                             |                          |                         |                                  |                          |                         |
| <b>Items that will never be reclassified to profit or loss</b> |                             |                          |                         |                                  |                          |                         |
| Net change in Fair Value of Equity Securities-at FVOCI         | (2,430,661)                 | (1,241,763)              | (1,188,898)             | (723,799)                        | 138,911                  | (862,710)               |
| Actuarial Gain/(Loss) on Retirement benefit Obligation         | 28,557                      | (32,767)                 | 61,324                  | 28,557                           | (32,767)                 | 61,324                  |
| Tax On Other Comprehensive Income                              | (5,298)                     | 5,153                    | (10,451)                | (5,298)                          | 5,153                    | (10,451)                |
| Other Comprehensive Income/(Expense) for the Period            | (2,407,402)                 | (1,269,377)              | (1,138,025)             | (700,540)                        | 111,297                  | (811,837)               |
| <b>Total Comprehensive Income/(Expense) For the Year</b>       | <b>(2,517,724)</b>          | <b>(1,125,485)</b>       | <b>(1,392,239)</b>      | <b>393,984</b>                   | <b>953,061</b>           | <b>(559,077)</b>        |
| <b>Profit /(Loss) Attributable To:</b>                         |                             |                          |                         |                                  |                          |                         |
| Owners of the Company  | (110,322)                   | 143,970                  | (254,292)               | 1,094,604                        | 841,842                  | 252,762                 |
| Non Controlling Interest                                       |                             | (78)                     | 78                      | (80)                             | (78)                     | (2)                     |
| <b>PROFIT/(LOSS) FOR THE YEAR</b>                              | <b>(110,322)</b>            | <b>143,892</b>           | <b>(254,214)</b>        | <b>1,094,524</b>                 | <b>841,764</b>           | <b>252,760</b>          |
| <b>Total Comprehensive Income/(Expense) Attributable To :</b>  |                             |                          |                         |                                  |                          |                         |
| Owners of the Company  | (2,517,724)                 | (1,125,407)              | (1,392,317)             | 394,064                          | 953,139                  | (559,075)               |
| Non Controlling Interest                                       |                             | (78)                     | 78                      | (80)                             | (78)                     | 2.00                    |
| <b>Total Comprehensive Income/(Expense) For the Year</b>       | <b>(2,517,724)</b>          | <b>(1,125,485)</b>       | <b>(1,392,239)</b>      | <b>393,984</b>                   | <b>953,061</b>           | <b>(559,077)</b>        |
| <b>BASIC EARNINGS /(LOSS) PER SHARE OF Rs.</b>                 | <b>(2.76)</b>               | <b>3.60</b>              |                         | <b>27.37</b>                     | <b>21.05</b>             |                         |

**LANKA MILK FOODS (CWE) PLC.**  
**CONDENSED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2022**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

|  | <b>COMPANY</b>          |                         |                         |                           |                         |                         |
|--|-------------------------|-------------------------|-------------------------|---------------------------|-------------------------|-------------------------|
|  | <b>Quarter Ended</b>    |                         |                         | <b>FOR THE YEAR ENDED</b> |                         |                         |
|  | <b>2022.03.31</b>       | <b>2021.03.31</b>       | <b>Change</b>           | <b>2022.03.31</b>         | <b>2021.03.31</b>       | <b>Change</b>           |
|  | <b><u>Rs. 000's</u></b> | <b><u>Rs. 000's</u></b> | <b><u>Rs. 000's</u></b> | <b><u>Rs. 000's</u></b>   | <b><u>Rs. 000's</u></b> | <b><u>Rs. 000's</u></b> |
|  |                         |                         | <b>+ / (-)</b>          |                           |                         | <b>+ / (-)</b>          |
| Revenue  | 1,209,129               | 908,900                 | 300,229                 | 3,423,954                 | 3,101,450               | 322,504                 |
| Cost of Sales  | (995,037)               | (867,730)               | (127,307)               | (3,252,483)               | (2,981,161)             | (271,322)               |
| <b>GROSS PROFIT</b>  | <b>214,092</b>          | <b>41,170</b>           | <b>172,922</b>          | <b>171,471</b>            | <b>120,289</b>          | <b>51,182</b>           |
| Other Operating Income   | 110,273                 | 5,099                   | 105,174                 | 1,128,784                 | 558,303                 | 570,481                 |
| Administrative Expenses  | (80,226)                | (86,033)                | 5,807                   | (264,143)                 | (259,605)               | (4,538)                 |
| Distribution Expenses  | (34,191)                | (45,862)                | 11,671                  | (115,612)                 | (149,389)               | 33,777                  |
| Other Operating Expenses                                       | (37,500)                | 44,008                  | (81,508)                | (42,500)                  | -                       | 42,500                  |
| <b>PROFIT/(LOSS) FROM OPERATIONS</b>                           | <b>172,448</b>          | <b>(41,618)</b>         | <b>214,066</b>          | <b>878,000</b>            | <b>269,598</b>          | <b>608,402</b>          |
| Finance Income   | 12,412                  | 5,683                   | 6,729                   | 29,697                    | 73,996                  | (44,299)                |
| Finance Expense  | (412,220)               | (5,066)                 | (407,154)               | (427,475)                 | (36,108)                | (391,367)               |
| Net Finance - Income / (Expense)                               | (399,808)               | 617                     | (400,425)               | (397,778)                 | 37,888                  | (435,666)               |
| <b>PROFIT /(LOSS) BEFORE INCOME TAX EXPENSES</b>               | <b>(227,360)</b>        | <b>(41,001)</b>         | <b>(186,359)</b>        | <b>480,222</b>            | <b>307,486</b>          | <b>172,736</b>          |
| Income Tax (Expenses)/Reversal                                 | 6,202                   | 5,007                   | 1,195                   | 9,178                     | (14,436)                | 23,614                  |
| <b>PROFIT/(LOSS) FOR THE YEAR</b>                              | <b>(221,158)</b>        | <b>(35,994)</b>         | <b>(185,164)</b>        | <b>489,400</b>            | <b>293,050</b>          | <b>196,350</b>          |
| <b>Other Comprehensive Income/(Expense) for the Year</b>       |                         |                         |                         |                           |                         |                         |
| <b>Items that will never be reclassified to profit or loss</b> |                         |                         |                         |                           |                         |                         |
| Net change in Fair Value of Equity Securities-at FVOCI         | (2,430,661)             | (1,241,763)             | (1,188,898)             | (723,799)                 | 138,911                 | (862,710)               |
| Actuarial Gain/(Loss) on Retirement benefit Obligation         | 21,494                  | (16,403)                | 37,897                  | 21,494                    | (16,403)                | 37,897                  |
| Tax on Other Comprehensive Income                              | 3,869                   | (2,953)                 | 6,822                   | (3,869)                   | 2,953                   | (6,822)                 |
| Other Comprehensive Income/(Expense) for the Year              | (2,405,298)             | (1,261,119)             | (1,144,179)             | (706,174)                 | 125,461                 | (831,635)               |
| <b>Total Comprehensive Income/(Expense) For the Year</b>       | <b>(2,626,456)</b>      | <b>(1,297,113)</b>      | <b>(1,329,343)</b>      | <b>(216,774)</b>          | <b>418,511</b>          | <b>(635,285)</b>        |
| <b>Profit /(Loss) Attributable To:</b>                         |                         |                         |                         |                           |                         |                         |
| Owners of the Company  | (221,158)               | (35,994)                | (185,164)               | 489,400                   | 293,050                 | 196,350                 |
| Non Controlling Interest                                       | -                       | -                       | -                       | -                         | -                       | -                       |
| <b>PROFIT/(LOSS) FOR THE YEAR</b>                              | <b>(221,158)</b>        | <b>(35,994)</b>         | <b>(185,164)</b>        | <b>489,400</b>            | <b>293,050</b>          | <b>196,350</b>          |
| <b>Total Comprehensive Income/(Expense) Attributable To:</b>   |                         |                         |                         |                           |                         |                         |
| Owners of the Company  | (2,626,456)             | (1,297,113)             | (1,329,343)             | (216,774)                 | 418,511                 | (635,285)               |
| Non Controlling Interest                                       | -                       | -                       | -                       | -                         | -                       | -                       |
| <b>Total Comprehensive Income/(Expense) For the Year</b>       | <b>(2,626,456)</b>      | <b>(1,297,113)</b>      | <b>(1,329,343)</b>      | <b>(216,774)</b>          | <b>418,511</b>          | <b>(635,285)</b>        |
| <b>BASIC EARNINGS /(LOSS) PER SHARE OF Rs.</b>                 | <b>(5.53)</b>           | <b>(0.90)</b>           |                         | <b>12.24</b>              | <b>7.33</b>             |                         |

**STATEMENT OF FINANCIAL POSITION**

|   | <b>GROUP</b>      |                   | <b>COMPANY</b>    |                   |
|---|-------------------|-------------------|-------------------|-------------------|
| As At   | <b>2022.03.31</b> | <b>2021.03.31</b> | <b>2022.03.31</b> | <b>2021.03.31</b> |
|   | <b>Rs. 000's</b>  | <b>Rs. 000's</b>  | <b>Rs. 000's</b>  | <b>Rs. 000's</b>  |
| <b>ASSETS</b>   |                   |                   |                   |                   |
| <b>NON-CURRENT ASSETS</b>   |                   |                   |                   |                   |
| Property Plant and Equipment                                      | 4,498,440         | 3,050,465         | 125,497           | 143,283           |
| Investment in Subsidiaries  | -                 | -                 | 1,065,000         | 1,065,000         |
| Investment in Equity Securities                                   | 6,852,754         | 7,576,553         | 6,852,754         | 7,576,553         |
| Biological Assets   | 1,290,805         | 1,121,110         | -                 | -                 |
| Deferred Tax Asset  | 17,368            | 12,059            | 17,368            | 12,059            |
| Right Of Use Assets   | 318,922           | 283,388           | 307               | 335               |
| <b>TOTAL NON CURRENT ASSETS</b>                                   | <b>12,978,289</b> | <b>12,043,575</b> | <b>8,060,926</b>  | <b>8,797,230</b>  |
| <b>CURRENT ASSETS</b>   |                   |                   |                   |                   |
| Inventories   | 1,487,686         | 1,206,992         | 397,598           | 439,541           |
| Biological Assets   | 40,772            | 28,700            | -                 | -                 |
| Investment in Equity Securities                                   | 153,778           | 197,002           | 153,778           | 197,002           |
| Trade Receivable  | 796,418           | 646,109           | 194,872           | 228,608           |
| Other Receivables   | 55,933            | 86,905            | 26,564            | 53,253            |
| Amounts Due from Related Companies                                | 24,848            | 24,995            | 1,416,720         | 728,200           |
| Current Tax Assets  | 9,167             | 29,132            | 9,167             | 20,322            |
| Cash & Cash equivalents   | 1,213,491         | 237,740           | 1,002,342         | 228,851           |
| <b>TOTAL CURRENT ASSETS</b>                                       | <b>3,782,093</b>  | <b>2,457,575</b>  | <b>3,201,041</b>  | <b>1,895,777</b>  |
| <b>TOTAL ASSETS</b>   | <b>16,760,382</b> | <b>14,501,150</b> | <b>11,261,967</b> | <b>10,693,007</b> |
| <b>EQUITY AND LIABILITIES</b>                                     |                   |                   |                   |                   |
| <b>EQUITY</b>   |                   |                   |                   |                   |
| Stated Capital ( Note 7)  | 999,950           | 999,950           | 999,950           | 999,950           |
| Capital Reserves  | 105,116           | 105,116           | 105,116           | 105,116           |
| Available for Sale Reserve  | 6,281,668         | 7,005,467         | 6,281,668         | 7,005,467         |
| Revenue Reserves  | 4,072,978         | 3,155,105         | 2,231,272         | 1,924,237         |
| <b>Total Equity attributable to Equity Holders of the company</b> | <b>11,459,712</b> | <b>11,265,638</b> | <b>9,618,006</b>  | <b>10,034,770</b> |
| Non Controlling Interest  | 282               | 362               | -                 | -                 |
| <b>Total Equity</b>   | <b>11,459,994</b> | <b>11,266,000</b> | <b>9,618,006</b>  | <b>10,034,770</b> |
| <b>LIABILITIES</b>  |                   |                   |                   |                   |
| <b>NON-CURRENT LIABILITIES</b>                                    |                   |                   |                   |                   |
| Loans and Borrowings  | 1,753,645         | 1,207,551         | -                 | -                 |
| Lease Liabilities   | 319,814           | 277,015           | 290               | 306               |
| Deferred Tax Liability  | 94,911            | 152,612           | -                 | -                 |
| Retirement Benefits Obligation                                    | 141,324           | 161,972           | 69,507            | 86,153            |
| <b>TOTAL NON CURRENT LIABILITIES</b>                              | <b>2,309,694</b>  | <b>1,799,150</b>  | <b>69,797</b>     | <b>86,459</b>     |
| <b>CURRENT LIABILITIES</b>  |                   |                   |                   |                   |
| Trade and Other Payables  | 1,512,523         | 349,206           | 1,182,560         | 95,516            |
| Amounts Due to Related Companies                                  | 171,677           | 164,090           | 168,854           | 139,566           |
| Income Tax Payable  | 36,177            | 33,704            | -                 | -                 |
| Loans and Borrowings  | 375,000           | 338,953           | -                 | 300,000           |
| Lease Liabilities   | 34,378            | 34,376            | 60                | 59                |
| Bank Overdraft  | 860,939           | 515,671           | 222,690           | 36,637            |
| <b>TOTAL CURRENT LIABILITIES</b>                                  | <b>2,990,694</b>  | <b>1,436,000</b>  | <b>1,574,164</b>  | <b>571,778</b>    |
| <b>TOTAL LIABILITIES</b>  | <b>5,300,388</b>  | <b>3,235,150</b>  | <b>1,643,961</b>  | <b>658,237</b>    |
| <b>TOTAL EQUITY AND LIABILITIES</b>                               | <b>16,760,382</b> | <b>14,501,150</b> | <b>11,261,967</b> | <b>10,693,007</b> |
| <b>Net Asset Value Per Share Rs. Cts.</b>                         | <b>286.51</b>     | <b>281.66</b>     | <b>240.46</b>     | <b>250.88</b>     |

I certify that the Financial Statements have been prepared in compliance with the requirements of Companies Act No 07 of 2007.

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

  
W.A. Dharmathilaka  
Group Chief Financial Officer  
30th May 2022

  
C.R. Jansz  
Director

  
A. Shakhthevale  
Director

## STATEMENT OF CHANGES IN EQUITY

GROUP

|   | Stated Capital | Revaluation Reserve | Dairy Development Project Reserve | FVOCI Reserve    | Retained Earnings | Total             | Non Controlling Interest | Total Equity      |
|---|----------------|---------------------|-----------------------------------|------------------|-------------------|-------------------|--------------------------|-------------------|
|   | Rs.000' S      | Rs.000' S           | Rs.000' S                         | Rs.000' S        | Rs.000' S         | Rs.000' S         | Rs.000' S                | Rs.000' S         |
| <b>Balance as at 01.04.2020</b>                                 | <b>999,950</b> | <b>105,116</b>      | <b>110,000</b>                    | <b>6,866,556</b> | <b>2,330,871</b>  | <b>10,412,493</b> | <b>440</b>               | <b>10,412,933</b> |
| <b>Total Comprehensive Income</b>                               |                |                     |                                   |                  |                   |                   |                          |                   |
| Profit/(Loss) for the Year                                      | -              | -                   | -                                 | -                | 841,842           | 841,842           | (78)                     | 841,764           |
| <b>Other Comprehensive Income</b>                               |                |                     |                                   |                  |                   |                   |                          |                   |
| Net change in fair value of Available for Sale Investments      | -              |                     |                                   | 138,911          | -                 | 138,911           | -                        | 138,911           |
| Actuarial Gain on Defined Benefit obligation                    |                |                     |                                   |                  | (32,767)          | (32,767)          |                          | (32,767)          |
| Tax On Other Comprehensive Income                               |                |                     |                                   |                  | 5,153             | 5,153             |                          | 5,153             |
| Total Other Comprehensive Income for the Year                   |                |                     |                                   | 138,911          | (27,614)          | 111,297           | -                        | 111,297           |
| <b>Total Comprehensive Income for the Year</b>                  | <b>-</b>       | <b>-</b>            | <b>-</b>                          | <b>138,911</b>   | <b>814,228</b>    | <b>953,139</b>    | <b>(78)</b>              | <b>953,061</b>    |
| <b>Transactions with Owners Directly recorded In the Equity</b> |                |                     |                                   |                  |                   |                   |                          |                   |
| Contributions by and Distributions to Owners                    |                |                     |                                   |                  |                   |                   |                          |                   |
| Dividend Paid   |                |                     |                                   |                  | (99,995)          | (99,995)          | -                        | (99,995)          |
| Total Contribution by and distributions to Owners               |                |                     |                                   |                  | (99,995)          | (99,995)          |                          | (99,995)          |
| <b>Balance as at 31.03.2021</b>                                 | <b>999,950</b> | <b>105,116</b>      | <b>110,000</b>                    | <b>7,005,467</b> | <b>3,045,104</b>  | <b>11,265,637</b> | <b>362</b>               | <b>11,266,000</b> |
| <b>Balance as at 01.04 .2021</b>                                | <b>999,950</b> | <b>105,116</b>      | <b>110,000</b>                    | <b>7,005,467</b> | <b>3,045,105</b>  | <b>11,265,638</b> | <b>362</b>               | <b>11,266,000</b> |
| <b>Total Comprehensive Income</b>                               |                |                     |                                   |                  |                   |                   |                          |                   |
| Profit/(Loss) for the Year                                      | -              | -                   | -                                 | -                | 1,094,604         | 1,094,604         | (80)                     | 1,094,524         |
| <b>Other Comprehensive Income</b>                               |                |                     |                                   |                  |                   |                   |                          |                   |
| Net change in fair value of Available for Sale Investments      | -              | -                   | -                                 | -                | -                 | -                 | -                        | -                 |
| Actuarial Gain on Defined Benefit obligation                    |                |                     |                                   | (723,799)        | 28,557            | (723,799)         |                          | (723,799)         |
| Tax On Other Comprehensive Income                               |                |                     |                                   |                  | (5,298)           | (5,298)           |                          | (5,298)           |
| Total Other Comprehensive Income for the Year                   |                |                     |                                   | (723,799)        | 23,259            | (700,540)         | -                        | (700,540)         |
| <b>Total Comprehensive Income for the Year</b>                  |                |                     |                                   | <b>(723,799)</b> | <b>1,117,863</b>  | <b>394,064</b>    | <b>(80)</b>              | <b>393,984</b>    |
| <b>Transactions with Owners Directly recorded In the Equity</b> |                |                     |                                   |                  |                   |                   |                          |                   |
| Contributions by and Distributions to Owners                    |                |                     |                                   |                  |                   |                   |                          |                   |
| Dividend Paid   |                |                     |                                   |                  | (199,990)         | (199,990)         | -                        | (199,990)         |
| Total Contribution by and distributions to Owners               |                |                     |                                   |                  | (199,990)         | (199,990)         |                          | (199,990)         |
| <b>Balance as at 31.03.2022</b>                                 | <b>999,950</b> | <b>105,116</b>      | <b>110,000</b>                    | <b>6,281,668</b> | <b>3,962,978</b>  | <b>11,459,712</b> | <b>282</b>               | <b>11,459,994</b> |

COMPANY

|   | Stated Capital | Revaluation Reserve | Dairy Development Project Reserve | FVOCI Reserve    | Retained Earnings | Total             |
|---|----------------|---------------------|-----------------------------------|------------------|-------------------|-------------------|
|   | Rs.000's       | Rs.000's            | Rs.000's                          | Rs.000's         | Rs.000's          | Rs.000's          |
| <b>Balance as at 01.04.2020</b>                                 | <b>999,950</b> | <b>105,116</b>      | <b>110,000</b>                    | <b>6,866,556</b> | <b>1,634,632</b>  | <b>9,716,254</b>  |
| <b>Total Comprehensive Income</b>                               |                |                     |                                   |                  |                   |                   |
| Profit/(Loss) for the Year                                      |                |                     |                                   | -                | 293,050           | 293,050           |
| <b>Other Comprehensive Income</b>                               |                |                     |                                   |                  |                   |                   |
| Net change in fair value of Available for Sale Investments      | -              | -                   | -                                 | 138,911          | -                 | 138,911           |
| Actuarial Loss on Defined Benefit obligation                    |                |                     |                                   |                  | (16,403)          | (16,403)          |
| Tax On Other Comprehensive Income                               |                |                     |                                   |                  | 2,953             | 2,953             |
| Total Other Comprehensive Income for the Year                   |                |                     |                                   | 138,911          | 13,450.00         | 125,461           |
| <b>Total Comprehensive Income for the Year</b>                  |                |                     |                                   | <b>138,911</b>   | <b>279,600</b>    | <b>418,511</b>    |
| <b>Transactions with Owners Directly recorded In the Equity</b> |                |                     |                                   |                  |                   |                   |
| Contributions by and Distributions to Owners                    |                |                     |                                   |                  |                   |                   |
| Dividend Paid   | -              | -                   | -                                 | -                | (99,995)          | (99,995)          |
| Total Contribution by and distributions to Owners               |                |                     |                                   |                  | (99,995)          | (99,995)          |
| <b>Balance as at 31.03.2021</b>                                 | <b>999,950</b> | <b>105,116</b>      | <b>110,000</b>                    | <b>7,005,467</b> | <b>1,814,237</b>  | <b>10,034,770</b> |
| <b>Balance as at 01.04 .2021</b>                                | <b>999,950</b> | <b>105,116</b>      | <b>110,000</b>                    | <b>7,005,467</b> | <b>1,814,237</b>  | <b>10,034,770</b> |
| <b>Total Comprehensive Income</b>                               |                |                     |                                   |                  |                   |                   |
| Profit/(Loss) for the Year                                      |                | -                   | -                                 | -                | 489,400           | 489,400           |
| <b>Other Comprehensive Income</b>                               |                |                     |                                   |                  |                   |                   |
| Net change in fair value of Available for Sale Investments      | -              | -                   | -                                 | (723,799)        | -                 | (723,799)         |
| Actuarial Loss on Defined Benefit obligation                    |                |                     |                                   |                  | 21,494            | 21,494            |
| Tax On Other Comprehensive Income                               |                |                     |                                   |                  | (3,869)           | (3,869)           |
| Total Other Comprehensive Income for the Year                   |                |                     |                                   | (723,799)        | 17,625            | (706,174)         |
| <b>Total Comprehensive Income for the Year</b>                  | <b>-</b>       | <b>-</b>            |                                   | <b>(723,799)</b> | <b>507,025</b>    | <b>(216,774)</b>  |
| <b>Transactions with Owners Directly recorded In the Equity</b> |                |                     |                                   |                  |                   |                   |
| Contributions by and Distributions to Owners                    |                |                     |                                   |                  |                   |                   |
| Dividend Paid   | -              | -                   | -                                 | -                | (199,990)         | (199,990)         |
| Total Contribution by and distributions to Owners               |                |                     |                                   |                  | (199,990)         | (199,990)         |
| <b>Balance as at 31.03.2022</b>                                 | <b>999,950</b> | <b>105,116</b>      | <b>110,000</b>                    | <b>6,281,668</b> | <b>2,121,272</b>  | <b>9,618,006</b>  |

| STATEMENT OF CASH FLOWS  |                        |                        |                        |                        |
|--|------------------------|------------------------|------------------------|------------------------|
|  | GROUP                  |                        | COMPANY                |                        |
| FOR THE YEAR ENDED   | 2022.03.31<br>Rs.000's | 2021.03.31<br>Rs.000's | 2022.03.31<br>Rs.000's | 2021.03.31<br>Rs.000's |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                                 |                        |                        |                        |                        |
| <b>Profit / (Loss) before Income Tax Expenses</b>                          | <b>1,130,366</b>       | <b>833,946</b>         | <b>480,222</b>         | <b>307,486</b>         |
| Adjustments for  |                        |                        |                        |                        |
| Depreciation on Property, Plant & Equipment                                | 210,693                | 198,212                | 19,280                 | 18,406                 |
| Amortisation Of Right Of Use Assets  | 11,208                 | 12,242                 | 28                     | 28                     |
| Changes in Fair Value of Equity Securities at FVTPL/Financial              |                        |                        | -                      | -                      |
| Assets Held for Trading  | 47,166                 | 17,933                 | 47,166                 | 17,933                 |
| Loss on translation in foreign currency                                    | 382,788                | -                      | 375,090                | -                      |
| ESC Written-Off  | 20,313                 | 26,752                 | 11,156                 | 10,059                 |
| (Gain) / Loss on disposal of Biological Assets                             | 10,613                 | (13,374)               | -                      | -                      |
| (Gain) / Loss on disposal of Property Plant Equipment                      | (2,900)                | (148)                  | (2,900)                | -                      |
| Provision for Retirement Benefit Obligation                                | 19,718                 | 26,132                 | 10,379                 | 13,691                 |
| Provision / (Reversal) of Impairment of Trade & Other Receivables          | (270)                  | (8,163)                | 310                    | 3,393                  |
| Provision of Impairment for Amounts due from Related Companies             |                        | 222                    | 42,500                 | -                      |
| Provision for Tax Receivable   | 6,357                  | 3,648                  | 6,357                  | -                      |
| Provision/(Reversal) for impairment of obsolete inventories                | 4,990                  | 6,313                  | 3,000                  | 915                    |
| Lease Rental Income  | (5,500)                | (5,000)                | -                      | -                      |
| Gain on Remesurent of Investment   | (6,238)                | 1,599                  | -                      | -                      |
| Change in Fair value of Biological Assets                                  | (322,019)              | (345,073)              | -                      | -                      |
| Interest Income  | (18,525)               | (2,693)                | (29,696)               | (11,380)               |
| Interest Expenses On Lease Liability                                       | 44,288                 | 45,369                 | 51                     | 53                     |
| Dividend Income  | (910,558)              | (427,108)              | (1,110,558)            | (527,108)              |
| Interest Expense   | 34,899                 | 57,052                 | 5,168                  | 18,122                 |
| <b>Operating Profit/ (Loss) before Working Capital Changes</b>             | <b>657,389</b>         | <b>427,861</b>         | <b>(142,447)</b>       | <b>(155,188)</b>       |
| <b>Changes In Working Capital:</b>   |                        |                        |                        |                        |
| (Increase)/ Decrease In Inventories and Biological Assets                  | (256,984)              | (187,591)              | 38,943                 | (81,909)               |
| (Increase)/ Decrease In Trade and Other Receivables                        | (125,424)              | 119,901                | 53,758                 | 116,812                |
| (Increase)/ Decrease in Amounts due from Related Companies                 | 147                    | 48,278                 | (731,020)              | (183,221)              |
| (Increase)/ Decrease in Amounts due to Related Companies                   | 7,587                  | 154,035                | 29,288                 | 135,925                |
| (Increase)/ Decrease in Trade Other payables                               | 773,982                | (7,335)                | 711,954                | 22,012                 |
| <b>Cash Flows Generated from / (used in) Operating Activities</b>          | <b>1,056,697</b>       | <b>555,149</b>         | <b>(39,524)</b>        | <b>(145,569)</b>       |
| Interest Paid  | (34,899)               | (57,052)               | (5,168)                | (18,122)               |
| Taxes Paid   | (102,025)              | -                      | -                      | -                      |
| Retiring Benefit Obligation Paid   | (10,963)               | (12,404)               | (5,531)                | (7,316)                |
| <b>Net Cash flows generated from/used in) Operating Activities</b>         | <b>908,810</b>         | <b>485,693</b>         | <b>(50,223)</b>        | <b>(171,007)</b>       |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                                 |                        |                        |                        |                        |
| Interest Received  | 18,525                 | 2,693                  | 29,696                 | 11,380                 |
| Dividend Received  | 906,616                | 423,256                | 1,106,616              | 523,256                |
| Purchase & construction of Property, Plant & Equipment                     | (1,658,668)            | (1,221,870)            | (1,494)                | (24,725)               |
| Investment In equity Securities at FVTPL Financial Assets Held for Trading | -                      | (2,022)                | -                      | (2,022)                |
| Proceeds from Sale of Property plant & Equipments Biological Assets        | 2,900                  | 338                    | 2,900                  | -                      |
| Income From Lease Hold premises  | 5,500                  | 5,000                  | -                      | -                      |
| Proceeds from Sale of Biological Assets                                    | 142,238                | 83,249                 | -                      | -                      |
| Acquisition of Biological Assets   | (40,744)               | (28,700)               | -                      | -                      |
| <b>Net Cash Flows generated from/used in Investing Activities</b>          | <b>(623,633)</b>       | <b>(738,056)</b>       | <b>1,137,718</b>       | <b>507,889</b>         |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                                 |                        |                        |                        |                        |
| Loan Obtained during the Period  | 975,892                | 1,575,408              | -                      | 500,000                |
| Repayment of Borrowings  | (393,750)              | (383,735)              | (300,000)              | (200,000)              |
| Dividend Paid  | (199,990)              | (99,995)               | (199,990)              | (99,995)               |
| Lease Payment made during the Period                                       | (36,851)               | (35,642)               | (67)                   | (67)                   |
| <b>Net Cash Flows generated from/used in Financing Activities</b>          | <b>345,301</b>         | <b>1,056,036</b>       | <b>(500,057)</b>       | <b>199,938</b>         |
| Net Increase / (Decrease) in Cash & Cash Equivalent                        | 630,478                | 803,673                | 587,438                | 536,820                |
| Cash and Cash Equivalents at Beginning of the Year                         | (277,926)              | (1,081,599)            | 192,214                | (344,601)              |
| Cash and Cash Equivalents at end of Period (Note A)                        | <b>352,552</b>         | <b>(277,926)</b>       | <b>779,652</b>         | <b>192,219</b>         |
| <b>NOTE -A</b>   |                        |                        |                        |                        |
| <b>ANALYSIS OF THE CASH AND CASH EQUIVALENTS</b>                           |                        |                        |                        |                        |
| <b>AT THE END OF PERIOD</b>  |                        |                        |                        |                        |
| Cash and Cash equivalents  | 1,213,491              | 237,745                | 1,002,342              | 228,856                |
| Bank Overdraft   | (860,939)              | (515,671)              | (222,690)              | (36,637)               |
|  | <b>352,552</b>         | <b>(277,926)</b>       | <b>779,652</b>         | <b>192,219</b>         |

SEGMENTAL REPORTING

| FOR THE YEAR ENDED              | POWDERED MILK |            | TRADING    |            | LIQUID MILK AND OTHERS |            | AGRICULTURE |            | ELIMINATION |             | GROUP      |            |
|---------------------------------|---------------|------------|------------|------------|------------------------|------------|-------------|------------|-------------|-------------|------------|------------|
|                                 | 2022.03.31    | 2021.03.31 | 2022.03.31 | 2021.03.31 | 2022.03.31             | 2021.03.31 | 2022.03.31  | 2021.03.31 | 2022.03.31  | 2021.03.31  | 2022.03.31 | 2021.03.31 |
|                                 | Rs.000's      | Rs.000's   | Rs.000's   | Rs.000's   | Rs.000's               | Rs.000's   | Rs.000's    | Rs.000's   | Rs.000's    | Rs.000's    | Rs.000's   | Rs.000's   |
| Total Revenue                   | 1,979,541     | 2,375,711  | 1,444,413  | 725,739    | 7,970,447              | 5,335,679  | 1,108,178   | 823,427    | (2,522,760) | (1,663,364) | 9,979,819  | 7,597,192  |
| Profit/(Loss) from operations   | 500,460       | 206,512    | 377,540    | 63,086     | 934,169                | 682,618    | (45,363)    | 13,993     | (145,825)   | (89,444)    | 1,620,981  | 876,765    |
| Net finance Income / (expenses) | (226,733)     | 29,022     | (171,045)  | 8,866      | (30,602)               | (29,523)   | (62,235)    | (51,184)   | -           | -           | (490,615)  | (42,819)   |
| Income Tax (Expenses)/Reversal  | 5,231         | (11,058)   | 3,947      | (3,378)    | (45,020)               | 16,544     | -           | 5,710      | -           | -           | (35,842)   | 7,818      |
| Profit / (Loss) for the Year    | 278,958       | 224,476    | 210,442    | 68,574     | 858,547                | 669,639    | (107,598)   | (31,481)   | (145,825)   | (89,444)    | 1,094,524  | 841,764    |



## NOTES TO THE FINANCIAL STATEMENTS

1. The above figures are provisional and subject to audit.
2. These Interim Financial statements have been prepared in compliance with the requirements of the new Sri Lanka Accounting Standard LKAS 34 on 'Interim Financial Reporting'. There were no changes to the Accounting policies and methods of computation since the publication of Annual Report 2021.
3. There have been no material events subsequent to the period, which require additional disclosure in the Financial Statements.
4. Comparative figures have been re-classified according to current period classification wherever necessary.
5. There are no material Contingent Liabilities or Assets which require disclosure in these Interim Financial Statements.
6. All known expenses including Management fees and similar expenses have been provided for, in these Financial statements.
7. Stated Capital of the Company represents 39,998,000 ordinary shares.

### 8 **Directors' Shareholdings**

The Directors' shareholdings in the Company were as follows.

| Name of the Director          | As at<br>31st March<br>No Of Shares |
|-------------------------------|-------------------------------------|
| Mr. D. H.S Jayawardena        | Nil                                 |
| Mr. C.R Jansz                 | Nil                                 |
| Mr. D.S.K Amarasekera         | Nil                                 |
| Dr. A. Shakthevale            | Nil                                 |
| Mr. D. Hasitha .S Jayawardena | Nil                                 |
| Ms. D.S.T Jayawardena         | 2934                                |

### 9 **Share Information**

#### 9.1 **Market Price per Share**

The market price recorded during the quarter ended 31st March

|                   |          | <u>2022.03.31</u> | <u>2021.03.31</u> |
|-------------------|----------|-------------------|-------------------|
| Highest Price     | Rs. Cts. | 269.75            | 165.50            |
| Lowest Price      | Rs. Cts. | 130.00            | 137.25            |
| Last Traded Price | Rs. Cts. | 132.75            | 150.25            |

| NAME OF THE SHAREHOLDER                                 | NO OF SHARES      | % ON TOTAL ISSUED CAPITAL |
|---|-------------------|---------------------------|
| 1. MILFORD EXPORTS (CEYLON) (PVT) LIMITED               | 13,426,540        | 33.57                     |
| 2. MELSTACORP PLC                                       | 12,836,074        | 32.09                     |
| 3. SEYLAN BANK PLC/ARRC CAPITAL (PVT) LTD               | 1,079,513         | 2.70                      |
| 4. EMPLOYEES TRUST FUND BOARD                           | 575,787           | 1.44                      |
| 5. VASUDEVAN SARASWATHI                                 | 513,007           | 1.28                      |
| 6. E.W BALASURIYA & CO. (PVT) LTD                       | 457,547           | 1.14                      |
| 7. RUKAIYA HUSSEINALLY ABDULHUSSEIN                     | 410,000           | 1.03                      |
| 8. YUSUF HUSSEINALLY ABDULHUSSEIN                       | 397,637           | 0.99                      |
| 9. AMANA BANK PLC/HI-LINE TRADING PVT LTD               | 371,533           | 0.93                      |
| 10. PERSHING LLC S/A AVERBACH GRAUSON & CO.             | 299,531           | 0.75                      |
| 11. HATTON NATIONAL BANK PLC-SENFIN GROWTH FUND         | 285,589           | 0.71                      |
| 12. COMMERCIAL BANK OF CEYLON PLC A/C No.04             | 250,000           | 0.63                      |
| 13. HALLSVILLE TRADING GROUP INC.                       | 249,221           | 0.62                      |
| 14. HUSSEINALLY MOHSALLY ABDULHUSSEIN                   | 217,660           | 0.54                      |
| 15. PEOPLE'S LEASING & FINANCE PLC/MR.H.M. ABDULHUSSEIN | 200,000           | 0.50                      |
| 16. DINESH NAGENDRA SELLAMUTTU                          | 183,502           | 0.46                      |
| 17. MANICKAM VALLIPURAM THEAGARAJAH                     | 140,933           | 0.35                      |
| 18. MARK ANTHONY THEODOOR RAAYMAKERS                    | 135,493           | 0.34                      |
| 19. GULAMHUSSEIN MOSHINALLY ABDULHUSSEIN                | 132,622           | 0.33                      |
| 20. MEENAMBIGAI PRIYADARSHINI RADHAKRISHNAN             | 95,337            | 0.24                      |
| 21. ANDAL RADHAKRISHNAN                                 | 94,468            | 0.24                      |
| 22. SAKUVI INVESTMENT TRUST (PRIVATE) LIMITED           | 92,000            | 0.23                      |
| 23. ARUNASALAM SITHAMPALM                               | 91,160            | 0.23                      |
| 24. ESSAJEE CRIMJEE INSURANCE BROKERS (PVT) LTD         | 90,000            | 0.23                      |
| 25. COMMERCIAL BANK OF CEYLON PLC/H.M.DAWOODBH          | 80,000            | 0.20                      |
| SUB TOTAL   | 32,705,154        | 81.77                     |
| OTHER SHAREHOLDERS                                      | 7,292,846         | 18.23                     |
| GRAND TOTAL   | <b>39,998,000</b> | <b>100.00</b>             |

**Public Shareholdings**

|  |            |
|--|------------|
| Number of Shares held by Public                  | 13,731,313 |
| Number of Public Shareholders                    | 4784       |
| Percentage of Shares held by Public              | 34.33%     |
| Float Adjusted Market Capitalisation (Rs. '000 ) | 1,822,832  |

**2022.03.31**

Company complies with the Minimum Public Holding Requirement under option 5 as set out in the listing rules 7.13.1