



**TEEJAY LANKA PLC**  
**Condensed Interim Financial Statements**  
**Period ended 31 December 2021**



## **TEEJAY LANKA PLC**

### **Chairman's Review**

I am pleased to share that Teejay Group has recorded a revenue of LKR 36 Bn for the nine-month period ending 31<sup>st</sup> December 2021, which is a 64% YOY growth and net profit of LKR 1.7Bn, 23% increase over the last year. The revenue increase was a result of improved demand from the region and enhanced capacity as the impact of Covid was not as disruptive as the previous year. The greater volumes were delivered with the larger capacity within the group inclusive of our outsourced partners' support during the 9 months.

Gross profit of the group was recorded at LKR 3.2 Bn an increase of 23% compared to last year with the increased volumes generated during the year. However, the margin has been impacted within the nine months of the year as a result of the increase in commodity prices affecting yarn, energy, freight, dyes, chemicals and auxiliaries. The increase in commodities has been the biggest challenge during the year but efficiency within the Group derived from our operational excellence journey has supported to improve productivity across the group despite the increase in prices of all the key raw materials.

During the quarter under review, Group recorded revenue of LKR 13 Bn a 53% increase and a Net profit of LKR 738 Mn, 5% reduction compared to LY. This was a consequence of increased commodity prices, to which price increases have been transferred to customers. However, as a result of the timing in commodity price increases against selling price increases, the margin has been impacted during the quarter and full year.

Teejay Group continued with a strong balance sheet and supported the required increase in inventory due to supply chain disruptions. The quarter was closed with a cash balance of LKR 4.5 Bn.

The USD 26 Mn expansion project of Teejay India is well in progress within the planned timelines and I am glad to share that it will commence operations, from February and will be fully loaded to give the 20-ton output by September 2022. This expansion was implemented prior to commodity increases benefiting the group from an investment perspective as well as a timing perspective, positioning Teejay to benefit from the shift in global supply chain strategies of our strategic customers. In addition, Teejay Group is moving towards an integrated ERP solution with the implementation of SAP S4 HANA, to take advantage of the expansion across the Group. Given the above factors, the Group remains confident of maintaining growth and delivering value to shareholders on a continuous basis.

**Bill Lam**

Chairman

## TEEJAY LANKA PLC

### INCOME STATEMENT

(all amounts in Sri Lanka Rupees Thousands)

	Group							
	Quarter Ended 31 December			Period Ended 31 December				Year Ended 31 March
	2021 Unaudited	2020 Unaudited	Variance	2021 Unaudited	2020 Unaudited	Variance		2021 Audited
Revenue from contracts with customers	13,112,608	8,559,281	53%	36,191,608	22,082,470	64%	31,780,287	
Cost of sales	(11,808,966)	(7,273,502)	-62%	(32,975,530)	(19,466,331)	-69%	(27,990,328)	
<b>Gross profit</b>	<b>1,303,642</b>	<b>1,285,779</b>	<b>1%</b>	<b>3,216,078</b>	<b>2,616,139</b>	<b>23%</b>	<b>3,789,959</b>	
Other income	58,616	47,649	23%	167,253	114,265	46%	185,662	
Distribution expenses	(78,716)	(37,591)	-109%	(186,951)	(107,908)	-73%	(177,672)	
Administrative expenses	(430,303)	(368,512)	-17%	(1,288,614)	(937,843)	-37%	(1,392,044)	
Net impairment gain/(loss) on financial assets	(4,055)	(7,619)	-47%	(37,307)	21,729	-272%	35,497	
<b>Results from operating activities</b>	<b>849,184</b>	<b>919,706</b>	<b>-8%</b>	<b>1,870,459</b>	<b>1,706,382</b>	<b>10%</b>	<b>2,441,402</b>	
Finance income	121,709	58,325	109%	289,054	136,821	111%	276,786	
Finance costs	(124,746)	(26,229)	-376%	(164,868)	(95,045)	-73%	(118,851)	
Net finance income/(costs)	(3,037)	32,096	-109%	124,186	41,776	197%	157,935	
<b>Profit before tax</b>	<b>846,147</b>	<b>951,802</b>	<b>-11%</b>	<b>1,994,645</b>	<b>1,748,158</b>	<b>14%</b>	<b>2,599,337</b>	
Income tax	(108,640)	(173,337)	37%	(303,032)	(369,859)	18%	(459,735)	
<b>Profit for the period</b>	<b>737,507</b>	<b>778,465</b>	<b>-5%</b>	<b>1,691,613</b>	<b>1,378,299</b>	<b>23%</b>	<b>2,139,602</b>	
<b>Attributable to:</b>								
Equity holders of the parent	737,507	778,465	-5%	1,691,613	1,378,299	23%	2,139,602	
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
	<b>737,507</b>	<b>778,465</b>	<b>-5%</b>	<b>1,691,613</b>	<b>1,378,299</b>	<b>23%</b>	<b>2,139,602</b>	
<b>Basic earnings per share (LKR)</b>	<b>1.03</b>	<b>1.10</b>		<b>2.36</b>	<b>1.94</b>		<b>3.04</b>	

**TEEJAY LANKA PLC**

**STATEMENT OF COMPREHENSIVE INCOME**

(all amounts in Sri Lanka Rupees Thousands)

	<b>Group</b>						<b>Year Ended 31 March 2021 Audited</b>
	<b>Quarter Ended 31 December</b>			<b>Period Ended 31 December</b>			
	<b>2021 Unaudited</b>	<b>2020 Unaudited</b>	<b>Variance</b>	<b>2021 Unaudited</b>	<b>2020 Unaudited</b>	<b>Variance</b>	
<b>Profit for the period</b>	<b>737,507</b>	<b>778,465</b>	<b>-5%</b>	<b>1,691,613</b>	<b>1,378,299</b>	<b>23%</b>	<b>2,139,602</b>
<b>Other comprehensive income</b>							
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	(72,815)
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	8,483
Net movement on cash flow hedges	Nil	Nil	0%	Nil	Nil	0%	Nil
Currency translation differences	740	98,943	-99%	160,545	(273,360)	-159%	961,858
<b>Total other comprehensive income for the period</b>	<b>740</b>	<b>98,943</b>	<b>-99%</b>	<b>160,545</b>	<b>(273,360)</b>	<b>-159%</b>	<b>897,526</b>
<b>Total comprehensive income for the period</b>	<b>738,247</b>	<b>877,408</b>	<b>-16%</b>	<b>1,852,158</b>	<b>1,104,939</b>	<b>68%</b>	<b>3,037,128</b>
<b>Attributable to:</b>							
Equity holders of the parent	738,247	877,408	-16%	1,852,158	1,104,939	68%	3,037,128
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>738,247</b>	<b>877,408</b>	<b>-16%</b>	<b>1,852,158</b>	<b>1,104,939</b>	<b>68%</b>	<b>3,037,128</b>

## TEEJAY LANKA PLC

### INCOME STATEMENT

(all amounts in Sri Lanka Rupees Thousands)

	Company						
	Quarter Ended 31 December			Period Ended 31 December			Year Ended 31 March
	2021 Unaudited	2020 Unaudited	Variance	2021 Unaudited	2020 Unaudited	Variance	2021 Audited
Revenue from contracts with customers	7,886,076	5,173,954	52%	21,738,523	14,662,739	48%	20,965,296
Cost of sales	(7,108,481)	(4,460,695)	-59%	(19,839,572)	(13,005,342)	-53%	(18,803,018)
<b>Gross profit</b>	<b>777,595</b>	<b>713,259</b>	<b>9%</b>	<b>1,898,951</b>	<b>1,657,397</b>	<b>15%</b>	<b>2,162,278</b>
Other income	236,939	141,356	68%	664,363	358,128	86%	533,747
Distribution expenses	(68,298)	(31,300)	-118%	(160,417)	(89,191)	-80%	(116,550)
Administrative expenses	(219,835)	(212,289)	-4%	(689,768)	(526,318)	-31%	(713,990)
Net impairment gain/(loss) on financial assets	(9,142)	(2,468)	270%	(22,891)	14,569	-257%	26,829
<b>Results from operating activities</b>	<b>717,259</b>	<b>608,558</b>	<b>18%</b>	<b>1,690,238</b>	<b>1,414,585</b>	<b>19%</b>	<b>1,892,314</b>
Finance income	78,980	51,215	54%	247,220	137,245	80%	266,133
Finance costs	(42,030)	(3,915)	-974%	(52,465)	(11,405)	-360%	(18,553)
Net finance income/(costs)	36,950	47,300	-22%	194,755	125,840	55%	247,580
<b>Profit before tax</b>	<b>754,209</b>	<b>655,858</b>	<b>15%</b>	<b>1,884,993</b>	<b>1,540,425</b>	<b>22%</b>	<b>2,139,894</b>
Income tax	(68,912)	(82,231)	16%	(180,019)	(205,046)	12%	(229,413)
<b>Profit for the period</b>	<b>685,297</b>	<b>573,627</b>	<b>19%</b>	<b>1,704,974</b>	<b>1,335,379</b>	<b>28%</b>	<b>1,910,481</b>
<b>Attributable to:</b>							
Equity holders of the parent	685,297	573,627	19%	1,704,974	1,335,379	28%	1,910,481
Non-controlling interest	Nil	Nil		Nil	Nil		Nil
	<b>685,297</b>	<b>573,627</b>	<b>19%</b>	<b>1,704,974</b>	<b>1,335,379</b>	<b>28%</b>	<b>1,910,481</b>
<b>Basic earnings per share (LKR)</b>	<b>0.96</b>	<b>0.81</b>		<b>2.38</b>	<b>1.88</b>		<b>2.72</b>

**TEEJAY LANKA PLC**

**STATEMENT OF COMPREHENSIVE INCOME**  
(all amounts in Sri Lanka Rupees Thousands)

	<b>Company</b>						
	Quarter Ended 31 December			Period Ended 31 December			Year Ended 31 March
	2021 Unaudited	2020 Unaudited	Variance	2021 Unaudited	2020 Unaudited	Variance	2021 Audited
<b>Profit for the period</b>	<b>685,297</b>	<b>573,627</b>	<b>19%</b>	<b>1,704,974</b>	<b>1,335,379</b>	<b>28%</b>	<b>1,910,481</b>
<b>Other comprehensive income</b>							
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	(73,646)
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	10,310
Net movement on cash flow hedges	Nil	Nil	0%	Nil	Nil	0%	Nil
Currency translation differences	506	86,934	-99%	148,310	(231,799)	-164%	817,032
<b>Total other comprehensive income for the period</b>	<b>506</b>	<b>86,934</b>	<b>-99%</b>	<b>148,310</b>	<b>(231,799)</b>	<b>-164%</b>	<b>753,696</b>
<b>Total comprehensive income for the period</b>	<b>685,803</b>	<b>660,561</b>	<b>4%</b>	<b>1,853,284</b>	<b>1,103,580</b>	<b>68%</b>	<b>2,664,177</b>
<b>Attributable to:</b>							
Equity holders of the parent	685,803	660,561	4%	1,853,284	1,103,580	68%	2,664,177
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>685,803</b>	<b>660,561</b>	<b>4%</b>	<b>1,853,284</b>	<b>1,103,580</b>	<b>68%</b>	<b>2,664,177</b>

**TEEJAY LANKA PLC**

**STATEMENT OF FINANCIAL POSITION**  
(all amounts in Sri Lanka Rupees Thousands)

	Group			Company		
	As at 31 December		As at 31 March	As at 31 December		As at 31 March
	2021	2020	2021	2021	2020	2021
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
<b>ASSETS</b>						
<b>Non - current assets</b>						
Property, plant & equipment	8,216,549	8,273,495	8,710,818	4,631,338	4,494,190	4,724,995
Capital work-in-progress	3,162,440	250,242	425,281	623,940	190,108	213,249
Intangible assets	106,919	122,423	125,452	80,722	90,298	93,431
Goodwill	66,002	61,220	65,709	Nil	Nil	Nil
Investment in Subsidiaries	Nil	Nil	Nil	3,442,906	3,193,490	3,427,643
Right-of-use assets	872,879	854,772	899,016	458,471	446,916	472,602
Deferred tax assets	299,000	236,410	273,228	Nil	Nil	Nil
	<b>12,723,789</b>	<b>9,798,562</b>	<b>10,499,504</b>	<b>9,237,377</b>	<b>8,415,002</b>	<b>8,931,920</b>
<b>Current assets</b>						
Inventories	10,566,921	6,107,763	7,280,706	7,295,693	3,803,267	4,601,443
Trade and other receivables	8,708,935	6,130,524	7,180,865	6,672,750	3,757,160	5,021,770
Current Tax receivable	6,113	9,148	6,170	Nil	Nil	Nil
Other financial assets	1,116,573	2,493,806	1,679,622	878,882	2,284,958	1,453,927
Cash and cash equivalents	3,375,972	5,691,542	4,452,472	2,169,315	3,771,169	3,014,888
	<b>23,774,514</b>	<b>20,432,783</b>	<b>20,599,835</b>	<b>17,016,640</b>	<b>13,616,554</b>	<b>14,092,028</b>
<b>Total assets</b>	<b>36,498,303</b>	<b>30,231,345</b>	<b>31,099,339</b>	<b>26,254,017</b>	<b>22,031,556</b>	<b>23,023,948</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Capital and reserves</b>						
Stated capital	4,442,233	4,248,787	4,248,787	4,442,233	4,248,787	4,248,787
Share option scheme	153,491	96,760	153,491	153,491	96,760	153,491
Exchange equalisation reserve	6,385,820	4,990,057	6,225,275	5,785,329	4,588,187	5,637,018
Retained earnings	8,004,035	7,610,082	7,136,671	5,851,287	5,629,180	4,970,564
	<b>18,985,579</b>	<b>16,945,686</b>	<b>17,764,224</b>	<b>16,232,340</b>	<b>14,562,914</b>	<b>15,009,860</b>
<b>Non - current liabilities</b>						
Borrowings	2,382,000	294,592	197,620	Nil	Nil	Nil
Lease liabilities	684,754	628,261	654,657	368,603	347,075	351,271
Deferred tax liabilities	686,131	710,593	626,990	235,003	302,220	258,292
Retirement benefit obligations	553,270	423,681	520,422	347,649	241,728	331,343
	<b>4,306,155</b>	<b>2,057,127</b>	<b>1,999,689</b>	<b>951,255</b>	<b>891,023</b>	<b>940,906</b>
<b>Current liabilities</b>						
Trade and other payables	9,770,660	7,924,938	8,087,052	6,360,556	4,592,896	4,713,233
Current tax liability	153,070	109,140	126,421	117,891	109,140	126,421
Lease liabilities	13,245	11,858	13,663	8,199	7,605	8,600
Borrowings	3,269,594	3,182,596	3,108,290	2,583,776	1,867,978	2,224,928
	<b>13,206,569</b>	<b>11,228,532</b>	<b>11,335,426</b>	<b>9,070,422</b>	<b>6,577,619</b>	<b>7,073,182</b>
<b>Total liabilities</b>	<b>17,512,724</b>	<b>13,285,659</b>	<b>13,335,115</b>	<b>10,021,677</b>	<b>7,468,642</b>	<b>8,014,088</b>
<b>Total equity and liabilities</b>	<b>36,498,303</b>	<b>30,231,345</b>	<b>31,099,339</b>	<b>26,254,017</b>	<b>22,031,556</b>	<b>23,023,948</b>
<b>Net asset per share</b>	<b>26.54</b>	<b>23.89</b>	<b>24.83</b>	<b>23.12</b>	<b>20.53</b>	<b>21.38</b>

I certify that financial statements comply with the requirements of the Companies Act No. 07 of 2007.

  
Salman Nishtar  
Chief Financial Officer

  
Pubudu De Silva  
Chief Executive Officer

The Board of Directors is responsible for the preparation and presentation of these financial statements.

  
Ashroff Omar  
Director

  
Hasitha Premaratne  
Director

1-Feb-2022

**TEEJAY LANKA PLC**
**STATEMENT OF CHANGES IN EQUITY - GROUP**

(all amounts in Sri Lanka Rupees Thousands)

	Stated capital	Share option scheme	Exchange equalisation reserve	Retained earnings	Total
<b>Balance as at 1 April 2020</b>	<b>4,056,683</b>	<b>96,760</b>	<b>5,263,417</b>	<b>6,231,783</b>	<b>15,648,643</b>
Profit for the period	Nil	Nil	Nil	2,139,602	2,139,602
Other comprehensive income	Nil	Nil	961,858	(64,332)	897,526
<b>Total comprehensive income</b>	<b>Nil</b>	<b>Nil</b>	<b>961,858</b>	<b>2,075,270</b>	<b>3,037,128</b>
Issue of shares under Employee Share Option Scheme	192,104	56,731	Nil	Nil	248,835
<b>Transactions with owners</b>					
Final dividend paid - 2019/20	Nil	Nil	Nil	Nil	Nil
Interim dividend paid - 2020/21	Nil	Nil	Nil	(1,170,382)	(1,170,382)
<b>Balance as at 31 March 2021</b>	<b>4,248,787</b>	<b>153,491</b>	<b>6,225,275</b>	<b>7,136,671</b>	<b>17,764,224</b>
<b>Balance as at 1 April 2021</b>	<b>4,248,787</b>	<b>153,491</b>	<b>6,225,275</b>	<b>7,136,671</b>	<b>17,764,224</b>
Profit for the period	Nil	Nil	Nil	1,691,613	1,691,613
Other comprehensive income	Nil	Nil	160,545	Nil	160,545
<b>Total comprehensive income</b>	<b>Nil</b>	<b>Nil</b>	<b>160,545</b>	<b>1,691,613</b>	<b>1,852,158</b>
Dividend paid - 2020/21	Nil	Nil	Nil	(824,251)	(824,251)
Issue of shares under Employee Share Option Scheme	193,447	Nil	Nil	Nil	193,447
<b>Balance as at 31 December 2021</b>	<b>4,442,234</b>	<b>153,491</b>	<b>6,385,820</b>	<b>8,004,033</b>	<b>18,985,579</b>
<b>Balance as at 1 April 2020</b>	<b>4,056,683</b>	<b>96,760</b>	<b>5,263,417</b>	<b>6,231,783</b>	<b>15,648,643</b>
Profit for the period	Nil	Nil	Nil	1,378,299	1,378,299
Other comprehensive income	Nil	Nil	(273,360)	Nil	(273,360)
<b>Total comprehensive income</b>	<b>Nil</b>	<b>Nil</b>	<b>(273,360)</b>	<b>Nil</b>	<b>1,104,939</b>
Issue of shares under Employee Share Option Scheme	192,104	Nil	Nil	Nil	192,104
<b>Balance as at 31 December 2020</b>	<b>4,248,787</b>	<b>96,760</b>	<b>4,990,057</b>	<b>7,610,082</b>	<b>16,945,686</b>



**TEEJAY LANKA PLC**
**STATEMENT OF CHANGES IN EQUITY - COMPANY**  
 (all amounts in Sri Lanka Rupees Thousands)

	Stated capital	Share option scheme	Exchange equalisation reserve	Retained earnings	Total
<b>Balance as at 1 April 2020</b>	<b>4,056,683</b>	<b>96,760</b>	<b>4,819,986</b>	<b>4,293,801</b>	<b>13,267,230</b>
Profit for the period	Nil	Nil	Nil	1,910,481	1,910,481
Other comprehensive income	Nil	Nil	817,032	(63,336)	753,696
<b>Total comprehensive income</b>	<b>Nil</b>	<b>Nil</b>	<b>817,032</b>	<b>1,847,145</b>	<b>753,696</b>
Issue of shares under Employee Share Option Scheme	192,104	56,731	Nil	Nil	248,835
<b>Transactions with owners</b>					
Final dividend paid - 2019/20	Nil	Nil	Nil	Nil	-
Interim dividend paid - 2020/21	Nil	Nil	Nil	(1,170,382)	(1,170,382)
<b>Balance as at 31 March 2021</b>	<b>4,248,787</b>	<b>153,491</b>	<b>5,637,018</b>	<b>4,970,564</b>	<b>15,009,860</b>
<b>Balance as at 1 April 2021</b>	<b>4,248,787</b>	<b>153,491</b>	<b>5,637,018</b>	<b>4,970,564</b>	<b>15,009,860</b>
Profit for the period	Nil	Nil	Nil	1,704,974	1,704,974
Other comprehensive income	Nil	Nil	148,310	Nil	148,310
<b>Total comprehensive income</b>	<b>Nil</b>	<b>Nil</b>	<b>148,310</b>	<b>1,704,974</b>	<b>1,853,284</b>
Dividend paid - 2020/21	Nil	Nil	Nil	(824,251)	(824,251)
Issue of shares under Employee Share Option Scheme	193,447	Nil	Nil	Nil	193,447
<b>Balance as at 31 December 2021</b>	<b>4,442,234</b>	<b>153,491</b>	<b>5,785,328</b>	<b>5,851,287</b>	<b>16,232,340</b>
<b>Balance as at 1 April 2020</b>	<b>4,056,683</b>	<b>96,760</b>	<b>4,819,986</b>	<b>4,293,801</b>	<b>13,267,230</b>
Profit for the period	Nil	Nil	Nil	1,335,379	1,335,379
Other comprehensive income	Nil	Nil	(231,799)	Nil	(231,799)
<b>Total comprehensive income</b>	<b>Nil</b>	<b>Nil</b>	<b>(231,799)</b>	<b>1,335,379</b>	<b>1,103,580</b>
Issue of shares under Employee Share Option Scheme	192,104	Nil	Nil	Nil	192,104
<b>Balance as at 31 December 2020</b>	<b>4,248,787</b>	<b>96,760</b>	<b>4,588,187</b>	<b>5,629,180</b>	<b>14,562,914</b>

## TEEJAY LANKA PLC

### STATEMENT OF CASH FLOWS

(all amounts in Sri Lanka Rupees Thousands)

	Group		Company	
	Period ended 31 December		Period ended 31 December	
	2021	2020	2021	2020
	Unaudited	Unaudited	Unaudited	Unaudited
<b>Cash flows from operating activities</b>				
Cash generated from operations	71,590	2,717,792	(291,140)	1,763,241
Finance income received	222,209	129,948	247,223	137,243
Finance cost paid	(58,548)	(55,339)	Nil	Nil
Retirement benefit obligations paid	(41,109)	(10,010)	(21,865)	(3,645)
Tax paid	(267,049)	(279,718)	(207,158)	(217,678)
<b>Net cash generated/(used) from operating activities</b>	<b>(72,907)</b>	<b>2,502,673</b>	<b>(272,940)</b>	<b>1,679,161</b>
<b>Cash flows from investing activities</b>				
Additions to capital work - in - progress	(3,241,048)	(346,459)	(832,966)	(234,313)
Investment in financial assets	568,954	(1,546,780)	579,915	(1,540,537)
<b>Net cash used in investing activities</b>	<b>(2,672,094)</b>	<b>(1,893,239)</b>	<b>(253,051)</b>	<b>(1,774,850)</b>
<b>Cash flows from financing activities</b>				
Issue of shares under Employee Share Option Scheme	193,446	192,104	193,446	192,104
Dividend paid	(824,251)	Nil	Nil	Nil
Proceeds from / (settlement of) borrowings	2,570,409	(239,181)	Nil	(13)
Principal elements of lease payments	(25,652)	Nil	Nil	Nil
<b>Net cash used in financing activities</b>	<b>1,913,953</b>	<b>(47,077)</b>	<b>193,446</b>	<b>192,091</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(831,048)</b>	<b>562,357</b>	<b>(332,545)</b>	<b>96,402</b>
Cash and cash equivalents at the beginning of the period	4,203,744	5,102,393	2,766,160	3,647,975
<b>Cash and cash equivalents at the end of the period</b>	<b>3,372,696</b>	<b>5,664,750</b>	<b>2,433,615</b>	<b>3,744,377</b>

## TEEJAY LANKA PLC

### NOTES TO THE FINANCIAL STATEMENTS

(In the notes all amounts are shown in Sri Lankan Rupees Thousands unless otherwise stated)

#### 1. Corporate Information

Teejay Lanka PLC is a public limited company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The address of its registered office is Block D8 - D14, Seethawaka Export Processing Zone, Avissawella.

#### 2. Condensed Interim Financial Statements

The financial statements for the period ended 31 December 2021, includes "the Company" referring to Teejay Lanka PLC.

The Company has also presented the statement of comprehensive income and the statement of financial position in United States Dollars (USD) since the functional currency of the enterprise is USD.

#### 3. Approval of Financial Statements

The condensed interim financial statements of the Company for the 9 months ended 31 December 2021 were authorised for issue by the Board of Directors on 1 February 2022.

#### 4. Basis of Preparation

The condensed interim financial statements of the Company have been prepared in accordance with Sri Lanka Accounting Standard - LKAS 34 Interim Financial Reporting . The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2021.

The condensed interim financial statements have been prepared on a historical cost basis.

#### 5. Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year.

#### 6. Other Financial Assets

Short term deposits with original maturity of more than 3 months but less than one year which previously reported under cash and cash equivalents are now shown under other financial assets.

#### 7. Contingencies, Capital and Other Commitments

There has been no significant change in the nature of the contingencies and other commitments, which were disclosed in the annual report for the year ended 31 March 2021.

#### 8. Key Ratios of the Group and the Company

	Group		Company	
	Quarter ended 31 December 2021	2020	Quarter ended 31 December 2021	2020
<b>Profitability Ratios</b>				
Net Profit Margin	5.62%	9.09%	8.69%	11.09%
Asset to Turnover	2.70	1.07	1.20	0.94
Debt : Equity	0.30	0.21	0.19	0.13
Return on Assets (ROA)	5.44%	6.29%	6.94%	8.06%
Return on Equity (ROE)	10.01%	11.04%	10.95%	12.10%

#### Investor Ratios

Earnings per Share (EPS) - LKR	1.03	1.10	0.96	0.81
Net Asset Value per Share - LKR	26.54	23.89	23.12	20.53
Price / Earnings Ratio (PE Ratio)	17.27	14.97	18.57	16.01
Price to Book Value Ratio (PBV Ratio)	1.67	1.59	1.92	1.85

(PE and PBV Ratios are based on a market price of LKR 44.40 per share closed 31 December 2021)

#### 9. Number of shares representing the entity's Stated Capital - 716,739,975 Shares

#### 10. Directors' Interest in Shares of the Company (As at 31 December 2021)

	No. of Shares	%
Hasitha Premaratne	40,000	0.01

#### 11. Chief Executive Officer's holding in Shares of the Company (As at 31 December 2021)

	No. of Shares	%
Pubudu De Silva	1,115,155	0.16%

## TEEJAY LANKA PLC

### NOTES TO THE FINANCIAL STATEMENTS

(In the notes all amounts are shown in Sri Lankan Rupees Thousands unless otherwise stated)

#### 12. Market Price per Share

	Highest (LKR)	Lowest (LKR)
Quarter ended 31 December 2021	47.50	38.50
Last traded price (on 31 December 2021)	44.40	

#### 13. Public Shareholding 284,693,827 shares - 39.72%

The percentage of shares held by the public as at 31 December 2021 was 39.72% (284,693,827 number of shares).

The number of public shareholders as at 31 December 2021 was 8,188 and a float adjusted market capitalisation of LKR 12,640,196,842

In terms of the rule 7.13.1(a) of the Listing Rules if the Colombo Stock Exchange, the Company Qualifies under option Five of the minimum public holding requirement.

#### 14. List of the 20 Largest Shareholders

	No. of Shares	%
BRANDIX LANKA LTD-NUMBER 1 ACCOUNT	232,198,344	32.40
PACIFIC TEXTURED JERSEY HOLDINGS LIMITED	195,926,217	27.34
BBH - FIDELITY FUNDS	45,161,530	6.30
CITIBANK NEWYORK S/A NORGES BANK ACCOUNT 2	22,383,286	3.12
JPMCB NA-FIDELITY ASIAN VALUES PLC	19,546,831	2.73
EMPLOYEES PROVIDENT FUND	6,979,333	0.97
DEUTSCHE BANK AG-NATIONAL EQUITY FUND	4,891,071	0.68
UNION ASSURANCE PLC-UNIVERSAL LIFE FUND	4,119,275	0.57
HATTON NATIONAL BANK PLC-SENFIN GROWTH FUND	4,119,244	0.57
STANDARD CHARTERED BANK DIFC BRANCH S/A EFG HERMES OMAN LLC	3,814,630	0.53
J.B. COCOSHELL (PVT) LTD	3,588,355	0.50
JPMCB NA-SCOTGEMS PLC	3,331,281	0.46
RUBBER INVESTMENT TRUST LTD A/C NO 01	3,061,889	0.43
AMANA BANK PLC/HI-LINE TRADING PVT LTD	2,821,369	0.39
PERICEYL ( PRIVATE ) LIMITED A/C NO. 03	2,694,100	0.38
EMPLOYEES TRUST FUND BOARD	2,527,561	0.35
MR. S.N.P.PALIHENA	2,527,381	0.35
MR. L.K.M.FERNANDO	2,521,546	0.35
SAM INNOVATORS (PVT) LTD	2,500,000	0.35
SEYLAN BANK PLC/ARRC CAPITAL (PVT) LTD	2,315,879	0.32

#### 15. Material events that occurred subsequent to the interim period

No events have occurred since the date of the statement of financial position which would require adjustments to, or disclosure in, the financial statements.

**TEEJAY LANKA PLC**
**INCOME STATEMENT**

(all amounts in United States Dollars)

	Group						
	Quarter Ended 31 December			Period Ended 31 December			Year Ended 31 March
	2021 Unaudited	2020 Unaudited	Variance	2021 Unaudited	2020 Unaudited	Variance	2021 Audited
Revenue from contracts with customers	66,082,777	46,720,462	41%	182,832,069	119,649,272	53%	171,193,100
Cost of sales	(59,510,258)	(39,719,918)	-50%	(166,585,146)	(105,474,267)	-58%	(150,777,460)
<b>Gross profit</b>	<b>6,572,519</b>	<b>7,000,544</b>	<b>-6%</b>	<b>16,246,923</b>	<b>14,175,005</b>	<b>15%</b>	<b>20,415,640</b>
Other income	295,365	259,870	14%	844,924	619,120	36%	1,000,113
Distribution expenses	(396,907)	(205,466)	-93%	(944,433)	(584,676)	-62%	(957,079)
Administrative expenses	(2,167,874)	(2,011,178)	-8%	(6,509,794)	(5,081,509)	-28%	(7,498,621)
Net impairment gain/(loss) on financial assets	(20,257)	(40,537)	-50%	(188,469)	117,734	-260%	191,213
<b>Results from operating activities</b>	<b>4,282,846</b>	<b>5,003,233</b>	<b>-14%</b>	<b>9,449,151</b>	<b>9,245,674</b>	<b>2%</b>	<b>13,151,266</b>
Finance income	355,629	317,849	12%	1,302,723	741,334	76%	1,490,985
Finance costs	(371,612)	(143,695)	-159%	(675,127)	(514,979)	-31%	(640,222)
Net finance income/(costs)	(15,983)	174,154	-109%	627,596	226,355	177%	850,763
<b>Profit before tax</b>	<b>4,266,863</b>	<b>5,177,387</b>	<b>-18%</b>	<b>10,076,747</b>	<b>9,472,029</b>	<b>6%</b>	<b>14,002,029</b>
<b>Income tax</b>	<b>(547,485)</b>	<b>(944,187)</b>	<b>42%</b>	<b>(1,530,848)</b>	<b>(2,004,003)</b>	<b>24%</b>	<b>(2,476,495)</b>
<b>Profit for the period</b>	<b>3,719,378</b>	<b>4,233,200</b>	<b>-12%</b>	<b>8,545,899</b>	<b>7,468,026</b>	<b>14%</b>	<b>11,525,534</b>
<b>Attributable to:</b>							
Equity holders of the parent	3,719,378	4,233,200	-12%	8,545,899	7,468,026	14%	11,525,534
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>3,719,378</b>	<b>4,233,200</b>	<b>-12%</b>	<b>8,545,899</b>	<b>7,468,026</b>	<b>14%</b>	<b>11,525,534</b>

TEEJAY LANKA PLC

STATEMENT OF COMPREHENSIVE INCOME  
(all amounts in United States Dollars)

Group

	Quarter Ended			Period Ended			Year Ended
	31 December			31 December			31 March
	2021	2020	Variance	2021	2020	Variance	2021
	Unaudited	Unaudited		Unaudited	Unaudited		Audited
<b>Profit for the period</b>	<b>3,719,378</b>	<b>4,233,200</b>	<b>-12%</b>	<b>8,545,899</b>	<b>7,468,026</b>	<b>14%</b>	<b>11,525,534</b>
<b>Other comprehensive income</b>							
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	(392,240)
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	45,696
Net movement on cash flow hedges	Nil	Nil	0%	Nil	Nil	0%	Nil
<b>Total other comprehensive income for the period</b>	<b>Nil</b>	<b>Nil</b>	<b>0%</b>	<b>Nil</b>	<b>Nil</b>	<b>0%</b>	<b>(346,544)</b>
<b>Total comprehensive income for the period</b>	<b>3,719,378</b>	<b>4,233,200</b>	<b>-12%</b>	<b>8,545,899</b>	<b>7,468,026</b>	<b>14%</b>	<b>11,178,990</b>
<b>Attributable to:</b>							
Equity holders of the parent	3,719,378	4,233,200	-12%	8,545,899	7,468,026	14%	11,178,990
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>3,719,378</b>	<b>4,233,200</b>	<b>-12%</b>	<b>8,545,899</b>	<b>7,468,026</b>	<b>14%</b>	<b>11,178,990</b>

## TEEJAY LANKA PLC

### INCOME STATEMENT

(all amounts in United States Dollars)

	Company						
	Quarter Ended 31 December			Period Ended 31 December			Year Ended 31 March
	2021 Unaudited	2020 Unaudited	Variance	2021 Unaudited	2020 Unaudited	Variance	2021 Audited
Revenue from contracts with customers	39,743,147	28,275,210	41%	109,818,254	79,447,001	38%	112,935,230
Cost of sales	(35,822,647)	(24,386,567)	-47%	(100,225,170)	(70,466,743)	-42%	(101,287,533)
<b>Gross profit</b>	<b>3,920,500</b>	<b>3,888,643</b>	<b>1%</b>	<b>9,593,084</b>	<b>8,980,258</b>	<b>7%</b>	<b>11,647,697</b>
Other income	1,194,016	771,414	55%	3,356,214	1,940,440	73%	2,875,168
Distribution expenses	(344,390)	(171,066)	-101%	(810,392)	(483,265)	-68%	(627,830)
Administrative expenses	(1,107,314)	(1,158,211)	4%	(3,484,552)	(2,851,732)	-22%	(3,846,102)
Net impairment gain/(loss) on financial assets	(46,087)	(12,943)	-256%	(115,641)	78,938	246%	144,519
<b>Results from operating activities</b>	<b>3,616,725</b>	<b>3,317,837</b>	<b>9%</b>	<b>8,538,713</b>	<b>7,664,639</b>	<b>11%</b>	<b>10,193,452</b>
Finance income	280,549	279,685	0%	1,248,900	743,633	68%	1,433,598
Finance costs	(94,976)	(21,408)	-344%	(265,040)	(61,798)	-329%	(99,940)
Net finance income/(costs)	185,573	258,277	-28%	983,860	681,835	44%	1,333,658
<b>Profit before tax</b>	<b>3,802,298</b>	<b>3,576,114</b>	<b>6%</b>	<b>9,522,573</b>	<b>8,346,474</b>	<b>14%</b>	<b>11,527,110</b>
Income tax	(347,365)	(448,671)	-23%	(909,418)	(1,110,999)	-18%	(1,235,803)
<b>Profit for the period</b>	<b>3,454,933</b>	<b>3,127,443</b>	<b>10%</b>	<b>8,613,155</b>	<b>7,235,475</b>	<b>19%</b>	<b>10,291,307</b>

**TEEJAY LANKA PLC**

**STATEMENT OF COMPREHENSIVE INCOME**  
(all amounts in United States Dollars)

**Company**

	Quarter Ended			Period Ended			Year Ended
	31 December			31 December			31 March
	2021	2020	Variance	2021	2020	Variance	2021
	Unaudited	Unaudited		Unaudited	Unaudited		Audited
<b>Profit for the period</b>	<b>3,454,933</b>	<b>3,127,443</b>	<b>10%</b>	<b>8,613,155</b>	<b>7,235,475</b>	<b>19%</b>	<b>10,291,307</b>
<b>Other comprehensive income</b>							
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	(396,716)
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	55,540
Net movement on cash flow hedges	Nil	Nil	0%	Nil	Nil	0%	Nil
<b>Total other comprehensive income for the period</b>	<b>Nil</b>	<b>Nil</b>	<b>0%</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>(341,176)</b>
<b>Total comprehensive income for the period</b>	<b>3,454,933</b>	<b>3,127,443</b>	<b>10%</b>	<b>8,613,155</b>	<b>7,235,475</b>	<b>19%</b>	<b>9,950,131</b>



## TEEJAY LANKA PLC

### STATEMENT OF FINANCIAL POSITION

(all amounts in United States Dollars)

	Group			Company		
	As at 31 December		As at 31 March	As at 31 December		As at 31 March
	2021	2020	2021	2021	2020	2021
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
<b>ASSETS</b>						
<b>Non - current assets</b>						
Property, plant & equipment	41,393,194	44,935,341	44,078,629	23,331,679	24,409,029	23,909,494
Capital work-in-progress	15,931,690	1,359,124	2,152,014	3,143,274	1,032,523	1,079,087
Intangible assets	538,636	664,909	634,811	406,662	490,430	472,781
Goodwill	332,502	332,502	332,502	Nil	Nil	Nil
Investment in Subsidiaries	Nil	Nil	Nil	17,344,614	17,344,614	17,344,614
Right-of-use assets	4,397,376	4,642,470	4,549,217	2,309,679	2,427,310	2,391,470
Deferred tax Assets	1,506,299	1,284,002	1,382,593	Nil	Nil	Nil
	64,099,697	53,218,348	53,129,766	46,535,908	45,703,906	45,197,446
<b>Current assets</b>						
Inventories	53,233,860	33,172,732	36,841,948	36,754,119	20,656,457	23,284,295
Trade and other receivables	43,873,728	33,296,350	36,336,732	33,615,871	20,406,038	25,411,243
Current tax receivables	30,797	49,687	31,220	Nil	Nil	Nil
Other financial assets	5,625,051	13,544,462	8,499,252	4,427,616	12,410,159	7,357,187
Cash and cash equivalents	17,007,418	30,912,133	22,530,475	10,928,538	20,482,125	15,255,987
	119,770,854	110,975,364	104,239,627	85,726,144	73,954,779	71,308,712
<b>Total assets</b>	<b>183,870,551</b>	<b>164,193,712</b>	<b>157,369,393</b>	<b>132,262,052</b>	<b>119,658,685</b>	<b>116,506,158</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Capital and reserves</b>						
Stated capital	39,606,881	38,619,455	38,619,455	39,606,881	38,619,455	38,619,455
Share option scheme	985,322	675,319	985,322	985,322	675,319	985,322
Retained earnings	55,053,042	52,741,332	50,286,030	41,182,805	39,799,919	36,348,361
	95,645,245	92,036,106	89,890,807	81,775,008	79,094,693	75,953,138
<b>Non - current liabilities</b>						
Borrowings	12,000,000	1,600,000	1,000,000	Nil	Nil	Nil
Lease liabilities	3,449,640	3,412,238	3,312,707	1,856,941	1,885,049	1,777,508
Deferred tax liabilities	3,456,578	3,859,399	3,172,704	1,183,895	1,641,429	1,307,015
Retirement benefit obligations	2,787,254	2,301,111	2,633,447	1,751,382	1,312,882	1,676,665
	21,693,472	11,172,748	10,118,858	4,792,218	4,839,360	4,761,188
<b>Current liabilities</b>						
Trade and other payables	49,222,468	43,042,249	40,922,249	32,043,109	24,945,128	23,849,977
Current Tax Liabilities	771,133	592,763	639,719	593,907	592,763	639,719
Lease liabilities	66,725	64,405	69,139	41,304	41,304	43,518
Borrowings	16,471,508	17,285,441	15,728,621	13,016,506	10,145,437	11,258,618
	66,531,834	60,984,858	57,359,728	45,694,826	35,724,632	35,791,832
<b>Total liabilities</b>	<b>88,225,306</b>	<b>72,157,606</b>	<b>67,478,586</b>	<b>50,487,044</b>	<b>40,563,992</b>	<b>40,553,020</b>
<b>Total equity and liabilities</b>	<b>183,870,551</b>	<b>164,193,712</b>	<b>157,369,393</b>	<b>132,262,052</b>	<b>119,658,685</b>	<b>116,506,158</b>

I certify that financial statements comply with the requirements of the Companies Act No. 07 of 2007.



Salman Nishtar  
Chief Financial Officer



Pubudu De Silva  
Chief Executive Officer

The Board of Directors is responsible for the preparation and presentation of these financial statements.



Ashroff Omar  
Director



Hasitha Premaratne  
Director

1-Feb-2022

## CORPORATE INFORMATION

### Name

Teejay Lanka PLC

### Legal Form

A public quoted Company with limited liability, incorporated on 12 July 2000.

### Company Registration No.

PV 7617 PB/PQ

### Stock Exchange Listing

The issued Ordinary Shares of the Company was listed on the Main Board of the Colombo Stock Exchange of Sri Lanka on 9 August 2011.

### Registered Office

Block D8 – D14, Seethawaka  
Export Processing Zone,  
Avisawella.

### Directors

Mr. Wing Tak Bill Lam – Chairman  
Mr. Mohamed Ashroff Omar  
Mr. Hasitha Premaratne  
Mr. Amitha Lal Gooneratne  
Prof. Malik Kumar Ranasinghe  
Mr. Masaru Okutomi  
Mr. Kit Vai Tou

### Secretaries

Corporate Services (Private) Limited  
216, de Saram Place,  
Colombo 10.  
Sri Lanka.

### Auditors

PricewaterhouseCoopers,  
Chartered Accountants

### Attorneys

F J & G de Saram  
Attorneys-at-Law  
216, de Saram Place,  
Colombo 10.  
Sri Lanka

### Bankers

Bank of Ceylon  
Commercial Bank of Ceylon PLC  
The Hongkong and Shanghai Banking Corporation Limited  
Standard Chartered Bank  
People's Bank  
Deutsche Bank AG  
DFCC Bank PLC  
National Development Bank PLC  
Nations Trust Bank PLC  
Hatton National Bank

### Investor Relations

Pubudu De Silva  
Salman Nishtar



**Teejay Lanka PLC**

Block D8-D14,  
Seethawaka Export Processing Zone,  
Avisawella, Sri Lanka.  
[www.teejay.com](http://www.teejay.com)

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# MEMO

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**To** : Board of Directors – Teejay Lanka PLC  
**From** : Salman Nishtar- Chief Financial Officer  
**Date** : 1<sup>st</sup> February 2022  
**Subject** : Teejay Lanka PLC Quarterly Financials FY 2021/22 – Q3

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Please find the enclosed Interim Financial Statements for the period ended 31<sup>st</sup> December 2021 for your signature.

Salman Nishtar

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Salman Nishtar

Chief Financial Officer

**Signature:** 

**Email:** salmanni@teejay.com