

RESILIENCE IN INVESTING



INTERIM CONDENSED FINANCIAL STATEMENTS
THREE MONTHS ENDED 30 JUNE 2021

CHAIRMAN'S REVIEW

Dear Stakeholder,

The quarter under review was significantly impacted due to the rapid outbreak of a third wave of COVID-19 cases in the country from late April 2021 onwards resulting in the imposition of island-wide travel restrictions from mid-May to mid-June 2021 and many other health and safety restrictions to stem the number of new cases. It should be noted that the comparative performance with the corresponding quarter in the previous year is somewhat distorted since there were varying impacts on account of the travel restrictions due to the third wave to our businesses in the current year although the country had an island-wide lockdown for a similar length of time. These varying impacts are discussed under each industry group, as relevant. The impacts to our businesses from the recent imposition of travel restrictions were less pronounced compared to the previous year, given better insights on consumer behaviour and business momentum which aided the businesses to better navigate through this outbreak.

The Group revenue at Rs.38.80 billion for the period under review is an increase of 80 per cent over the Rs.21.51 billion recorded in the previous financial year. Group revenue excluding the Leisure industry group is Rs.36.87 billion during the quarter under review, which is a 73 per cent increase against the comparative period [2020/21 Q1: Rs.21.35 billion].

The Group earnings before interest, tax, depreciation and amortisation (EBITDA) at Rs.4.76 billion in the first quarter of the financial year 2021/22 is an increase of 494 per cent over the EBITDA of Rs.802 million recorded in the previous financial year. Group EBITDA excluding the Leisure industry group stood at Rs.5.41 billion during the quarter under review, which is a 139 per cent increase against the comparative period [2020/21 Q1: Rs.2.26 billion].

The Group profit before tax (PBT) is Rs.1.31 billion in the first quarter of the financial year 2021/22 compared to a negative Rs.2.43 billion recorded in the previous financial year. Group PBT excluding the Leisure industry group stood at Rs.3.25 billion during the quarter under review [2020/21 Q1: Rs.351 million]. The profit attributable to equity holders is Rs.1.53 billion compared to a negative Rs.1.66 billion in the corresponding period of the previous financial year.

Summarised below are the key operational and financial highlights of our performance during the quarter under review:

- Group EBITDA recorded a significant improvement to Rs.4.76 billion during the quarter under review, which is a 494 per cent increase against the comparative period [2020/21 Q1: Rs.802 million].
- The comparative performance with the first quarter in the previous year is distorted since there were varying impacts on account of the travel restrictions due to the third wave to the Group's businesses in the current year although the country had an island-wide lockdown for a similar length of time.
- The Group's businesses, except for Consumer Foods, recorded an improvement in profitability compared to the first quarter of the previous year.
- Since the easing of the restrictions from early July 2021, barring inter-provincial travel for non-essential services, business activity has seen a strong recovery to 'near normal' levels.
- The handover process of the residential apartment units at 'Cinnamon Life' commenced, resulting in the recognition of revenue and profits from sales for the first time in the project.
- The Group's Port business, SAGT, recorded an increase in profitability against the corresponding period of the previous financial year driven by an encouraging double-digit growth in volumes since the third wave had a limited impact on port activity and demand unlike with the onset of the pandemic in the first quarter of last year.
- Further to the execution of a Letter of Intent (LOI) to develop and operate the West Container Terminal in the Port of Colombo, work is progressing well towards meeting the conditions stipulated in the LOI, including finalisation of the project design and costs and other structuring arrangements.
- The performance of the Supermarket business continued its strong quarter-on-quarter recovery momentum with same store sales recording double-digit growth prior to the outbreak of the third wave, with the month of April 2021 recording higher than anticipated sales.
- The Office Automation business recorded a strong increase in profitability driven by a triple-digit growth in volumes in the mobile phone segment, with sales crossing over two billion rupees in the month of June 2021.
- The Beverages, Frozen Confectionery and Convenience Foods businesses continued their strong recovery momentum as all three segments recorded double digit growth in volumes. While this growth in volumes and revenue translated to higher gross profits, the overall profitability of the industry group was impacted due to higher selling and distribution expenses and, to a lesser extent, increased factory related costs due to COVID-19 health and safety protocols.
- The Maldivian Resorts segment continued its recovery momentum from the previous quarter where the occupancies at our hotels were higher than anticipated during this quarter, while the forward bookings continue to be very encouraging.
- Nations Trust Bank PLC recorded an increase in profitability driven by robust loan growth and lower impairment charges despite the impact on margins. Union Assurance PLC recorded an increase in profitability driven by encouraging growth in all channels.
- The Group's carbon footprint per million rupees of revenue decreased by 21 per cent to 0.59 MT while the water withdrawal per million rupees of revenue decreased by 34 per cent to 12.10 cubic metres.

EBITDA*	Quarter ending 30 June			
	(Rs:'000)	Q1 2021/22	Q1 2020/21	%
Transportation	1,023,326	394,743	159	
Consumer Foods	317,682	487,149	(35)	
Retail	1,562,792	501,851	211	
Leisure	(648,773)	(1,461,187)	56	
Property	542,404	(28,881)	1,978	
Financial Services	769,679	536,726	43	

* EBITDA includes interest income and the share of results of equity accounted investees which is based on the share of profit after tax but excludes the impact of exchange losses and gains on its foreign currency denominated debt and cash, to demonstrate the underlying cash operational performance of businesses.

CHAIRMAN'S REVIEW

The Company PBT for the first quarter of 2021/22 at Rs.1.89 billion is an increase of 107 per cent over the Rs.909 million recorded in the corresponding period of 2020/21.

As elaborated in the JKH Annual Report 2020/21, the Group, excluding the Leisure businesses, witnessed a faster than anticipated recovery momentum with the performance of most businesses reaching pre COVID-19 levels where business activity and consumer trends were 'near normal' by the end of the previous quarter. Whilst the COVID-19 pandemic was relatively contained in Sri Lanka resulting in a strong resumption of business activity by the end of the previous quarter, the rapid outbreak of a third wave of COVID-19 cases within the country from late April 2021 onwards resulted in disruptions to many businesses as consumer activity was severely restricted. However, since the end of the quarter under review, most of the restrictions have been eased, barring inter-provincial travel, and business activity has largely reverted to 'near normal' levels.

While restrictions have been eased, the number of positive cases is yet to demonstrate a significant declining trend as at present although the increased vaccination rates are encouraging. Since June 2021, the Government has aggressively ramped up the vaccination drive across the country with approximately 12 million doses received to date, and a further approximately 5 million vaccinations which are expected to be received in the coming weeks. The Government has targeted to fully vaccinate approximately 13 million people by the end of September 2021, which covers the population of adults over the age of 30 years in the country. As reported as of the date of this Message, 85 per cent of those over the age of 30 years in the Western Province, the key economic hub, have received at least one dose.

Whilst there maybe periodic disruptions and challenges to business activity in the short-term to contain the pandemic until a critical mass of the population is vaccinated, particularly in high-risk areas, reaching this goal will positively drive recovery, as evident

in other countries which have achieved high levels of vaccination rates.

The Group continues to strengthen its safety protocols applicable to its employees and customers and has taken all possible measures to protect its supply chains in the current environment. In line with the Government's vaccination drive, arrangements were made to accelerate the vaccination rate of the front-line employees in our businesses as well as for our employees at factories and construction sites. The vaccination rate of the eligible employees in the Group is encouraging and we will continue to ensure as many are fully vaccinated as soon as possible. I wish to, once again, recognise the contribution and tremendous efforts made by my colleagues who continue to serve in the front lines, and thank them for their commitment, dedication and positive attitude throughout these challenging times.

Transportation

The Transportation industry group EBITDA of Rs.1.02 billion in the first quarter of 2021/22 is an increase of 159 per cent over the EBITDA for the first quarter of the previous financial year [2020/21 Q1: Rs.395 million]. The increase in profitability is mainly attributable to the strong performance of the Group's Ports and Shipping business, South Asia Gateway Terminals (SAGT). SAGT recorded a throughput increase of 23 per cent against the corresponding period of the previous financial year driven by an increase in both domestic and transshipment volumes which recorded encouraging double-digit growth. It should be noted that operations in the month of April and May in the previous year in the Port of Colombo was significantly impacted by the onset of the pandemic in Sri Lanka, as well as reduced vessel movement from the Indian ports. The Group's Bunkering business, Lanka Marine Services, recorded an increase in volumes although profitability was impacted by the steep fluctuations in bunker prices during the quarter under review.

Further to the Letter of Intent (LOI) executed between the Government of Sri Lanka and Adani Ports and Special Economic Zone Limited (APSEZ) and JKH, in the capacity as the local partner, to develop and operate the West

Container Terminal at the Port of Colombo, work is progressing well towards meeting the conditions stipulated in the LOI, including finalisation of the project design and costs and other structuring arrangements.

Consumer Foods

The Consumer Foods industry group EBITDA of Rs.318 million in the first quarter of 2021/22 is a decrease of 35 per cent over the EBITDA for the first quarter of the previous financial year [2020/21 Q1: Rs.487 million]. The Beverages, Frozen Confectionery and Convenience Foods businesses continued their strong recovery momentum as all three segments recorded double digit growth in volumes during the quarter, particularly with Frozen Confectionery volumes recording higher than anticipated volumes in the month of April 2021.

While this growth in volumes and revenue translated to higher gross profits, the overall profitability of the industry group was impacted due to higher selling and distribution expenses and, to a lesser extent, increased factory related costs due to the COVID-19 safety protocols. The increased selling and distribution costs was primarily in relation to the timing of higher advertising and promotional expenses incurred in the peak season month of April 2021, which witnessed strong sales, whereas minimal expenses were incurred in the previous year on account of the lockdown. These investments in marketing and brand development are expected to even out during the ensuing quarters. While the factories had to contend with COVID-19 cases, the costs incurred in implementing a plethora of health and safety protocols ensured uninterrupted supplies during this period. With approximately 80 per cent of the factory employees fully vaccinated, these protocols will be relaxed, in keeping with guidelines of the authorities, over the ensuing weeks once the vaccination drives at the factories are complete.

The business also invested in reducing its carbon footprint with the installation of solar panels on the factory roof in the impulse ice cream factory. Once operational, this will help further reduce the carbon footprint of the business and operational costs.

Retail

The Retail industry group EBITDA of Rs.1.56 billion in the first quarter of 2021/22 is an increase of 211 per cent over the EBITDA for the first quarter of the previous financial year [2020/21 Q1: Rs.502 million]. The Supermarkets business EBITDA of Rs.1.09 billion in the first quarter of 2021/22 is an increase of 254 per cent over the EBITDA for the first quarter of the previous financial year [2020/21 Q1: Rs.308 million].

The performance of the Supermarket business continued its strong recovery momentum with same store sales recording double-digit growth for the quarter under review. Although same store sales were impacted to an extent due to outlet closures during the period of travel restrictions which were in place during the quarter, this was off-set to a large extent by a higher than anticipated increase in same store sales for the month of April 2021 prior to the outbreak of the third wave and a significant growth in online sales. The strong growth in online sales was supported by the revamped online platform which provides a more diverse offering, amongst other features, to enable a faster and better shopping experience to our customers. Considering that shopping patterns of customers have changed, where there has been a consolidation of baskets, the statistics on footfall and basket values continue to be distorted in the short-term.

The outlet footprint of the business remains at 123 as of 30th June 2021 while the rollout of new outlets will continue. The construction of the state-of-the-art distribution centre in Kerawalapitiya is on-going and is scheduled for completion in the third quarter of this financial year, as planned.

Despite the travel restrictions which were in place during the quarter, the Office Automation business recorded a strong increase in profitability driven by a triple-digit growth in volumes in the mobile phone segment, with sales crossing over two billion rupees in the month of June 2021.

Leisure

The Leisure industry group EBITDA of a negative Rs.649 million in the first quarter of 2021/22 is a significant improvement over the EBITDA for the first quarter of the previous financial year [2020/21 Q1: negative Rs.1.46 billion].

The Maldivian Resorts segment continued its encouraging recovery momentum seen in the previous quarter, where the occupancies at our hotels were higher than anticipated during this quarter on the back of recoveries in arrivals. It is encouraging to witness the continuous momentum of forward bookings in the Maldives, demonstrating a significant 'pent up' demand for leisure travel.

Despite the re-opening of the airport in January 2021 for tourism, the quarter under review continued to be challenging for the Group's Sri Lankan Leisure businesses with the re-imposition of island-wide travel restrictions and limitations on events and restaurant operations as a result of the outbreak of the third wave of COVID-19 cases in the country. With the easing of restrictions towards the end of the quarter, the Colombo Hotels segment has witnessed a pick-up in the number of events and banquets while restaurant operations have also shown a gradual improvement. The Sri Lankan Resorts segment, however, continued to be impacted as the inter-provincial travel restrictions remain in place as at the date of this Message. These resorts remain closed until the easing of the inter-provincial travel restrictions, whilst 'Cinnamon Red Colombo', 'Hikka Tranz by Cinnamon' and 'Cinnamon Citadel Kandy' operate as Intermediate Care Centres for the treatment of asymptomatic patients. The industry group continued its focus on cost management measures to minimise the financial impact.

We will continue to review the trends of both international and domestic travel and expand our current operations accordingly. We remain confident that operations will recover over the next few months given the aggressive ramp up of the COVID-19 vaccination programme in the country. Our properties are well prepared and geared to take advantage of the pent-up demand for leisure travel from the various markets, similar to the recovery trends in arrivals witnessed in the Maldives.

Property

The Property industry group EBITDA of Rs.542 million in the first quarter of 2021/22 is a significant increase over the EBITDA for the first quarter of the previous financial year [2020/21 Q1: negative Rs.29 million].

The quarter under review marks the commencement of the handover process of the residential apartment units at 'Cinnamon Life', a significant milestone considering the long gestation period of the project. Accordingly, the quarter includes the first revenue and profit recognition tranche from sales. Revenue and profit recognition in Cinnamon Life will continue throughout the financial year as the handover of the residential apartments and commercial office spaces already sold will be completed, in addition to new sales recorded.

Whilst the restrictions imposed during the quarter under review impacted the momentum of construction at 'Cinnamon Life', particularly the mobilisation of labour, the available resources have been mainly focused on the completion of the residences and the office towers, for handover as planned. The finishing work of the hotel, including cladding, installation of the façade, glazing, and interiors of rooms is currently underway. The Group has commenced discussions with key tenants for the retail mall, with various alternatives being considered for the retail space to ensure unique attractions and offerings. The Group is also in the final stages of negotiations with prospective tenants for the office space at 'Cinnamon Life'.

Construction at the 'Tri-Zen' site continues to progress well with the commencement of mechanical, electrical and plumbing works and the towers reaching 27 floors of construction, although momentum was impacted by labour mobilisation challenges as a result of the restrictions. The sales momentum and interest towards 'Tri-Zen' continued to strengthen with pre-sales increasing by a further 18 units during the quarter, reaching a total of 360 units as of 30th June 2021, despite the disruptions through May and June 2021 on account of the restrictions which curtailed the movement of prospective customers as well. The revenue recognition cycle of 'Tri-Zen' will continue to ramp up as the project progresses.

CHAIRMAN'S REVIEW

The repurposing and repositioning of the 'Crescat' mall is currently progressing with the revamped property expected to be launched by the third quarter of this year.

Financial Services

The Financial Services industry group EBITDA of Rs.770 million in the first quarter of 2021/22 is an increase of 43 per cent over the EBITDA for the first quarter of the previous financial year [2020/21 Q1: Rs.537 million]. Nations Trust Bank PLC recorded an increase in profitability driven by robust loan growth and lower impairment charges despite pressure on margins stemming from lower interest rates and the rate ceiling imposed on credit cards. Union Assurance PLC recorded an increase in profitability driven by encouraging growth in all channels.

Other, including Information Technology and Plantation Services

The Other, including Information Technology and Plantation Services industry group EBITDA of Rs.1.20 billion in the first quarter of 2021/22 is an increase of 222 per cent over the EBITDA for the first quarter of the previous financial year [2020/21 Q1: Rs.371 million]. The increase in EBITDA is mainly attributable to the increase in interest income on account of higher cash and cash equivalents at the Holding Company due to the drawdown of the IFC loan, although the impact to PBT was negligible due to a corresponding increase in interest expense stemming from the borrowing. The PBT of the Holding Company was also positively impacted by a foreign currency exchange gain on its net USD denominated cash holdings, on account of a depreciation of the USD/LKR exchange rate against the previous year, whereas the PBT in the comparative quarter included a foreign currency exchange loss. The Plantation Services sector recorded a decline in profitability as a result of lower tea prices compared to the previous year. The Information Technology sector recorded a growth in profitability driven by the onboarding of new clients.

Sustainability Initiatives

During the quarter under review, the Group's carbon footprint per million rupees of revenue decreased by 21 per cent to 0.59 MT while the water withdrawal per million rupees of revenue decreased by 34 per cent to 12.10 cubic meters. In absolute terms, the Group's carbon footprint and water withdrawal increased by 29 per cent and 9 per cent to 20,832 MT and 425,667 cubic meters respectively, due to comparatively higher levels of operational activity during the quarter compared to the previous year, particularly in the Leisure and Supermarket businesses.

Corporate Social Responsibility

Following are some of the highlights of John Keells Foundation's (JKF) work during the quarter under review.

- Under the English Language Scholarship Programme, 63 students who completed the final examination under Tier 2 programme competed in a virtual speech competition, demonstrating a notable enhancement in speaking skills and confidence.
- In the lead up to World Environment Day 2021, JKF initiated a four-year collaboration with Ruk Rakaganno (the tree society of Sri Lanka) to support the restoration of 20 hectares of identified forest land in the Kalawana range of Ratnapura District.
- Under the John Keells *Praja Shakthi* (business location centric community empowerment) initiative:
 - JKH entered into a cooperation agreement with the International Finance Corporation to develop and implement a street market as a strategic livelihood empowerment initiative with a focus on women in Colombo 02.
 - Upskilled women of the Ranliya Women's Society of Batewela, Ranala, were provided access to markets for Vesak lantern sales during COVID-19 related travel restrictions.
- A pilot sale was organised for upskilled female batik artisans from Hikkaduwa for a range of products under the brand name 'Hikka Batiks'.
- Under Project WAVE (Working Against Violence through Education), 128 new recruits and 260 employees were sensitised on gender based violence and child abuse during the quarter.
- Under the Substance Abuse Prevention Project and in commemoration of the International Day Against Drug Abuse and Illicit Trafficking falling in June, JKF launched a week-long social media campaign in collaboration with the National Dangerous Drugs Control Board to raise public awareness in keeping with the theme 'Share Facts on Drugs, Save Lives', reaching over 1,600 persons.
- Subsequent to the first online edition of Kala Pola, a one-day pop-up sale was piloted in Colombo featuring 25 senior artists who had participated in Kala Pola for 15 or more years.
- As part of JKF's ongoing efforts to support the response to COVID-19 and enhance capacity of Government hospitals, Nebulizers and kits were donated to the Ministry of Health. Essential consumables were donated to the Colombo North Teaching Hospital while dry rations were distributed among low-income earners in Kalutara District. JKF also committed to support the COVID-19 treatment centre at the Mullaitivu Puthukudiyiruppu Divisional Hospital in partnership with the Child Fund.



Krishan Balendra
Chairman

28 July 2021

CONSOLIDATED INCOME STATEMENT

For the three months ended 30 June	Note	2021	2020	Change %
Continuing operations				
Revenue from contracts with customers		35,836,567	19,245,149	86
Revenue from insurance contracts		2,961,936	2,263,157	31
Total Revenue		38,798,503	21,508,306	80
Cost of sales		(33,758,023)	(19,591,915)	72
Gross profit		5,040,480	1,916,391	163
Other operating income		641,475	398,860	61
Selling and distribution expenses		(1,268,260)	(789,304)	61
Administrative expenses		(3,467,969)	(3,212,321)	8
Other operating expenses		(669,630)	(229,754)	191
Results from operating activities		276,096	(1,916,128)	114
Finance cost	7	(1,528,953)	(1,974,161)	(23)
Finance income	7	3,281,936	1,724,598	90
Change in insurance contract liabilities	6	(1,971,345)	(752,678)	162
Share of results of equity accounted investees (net of tax)		1,252,416	488,500	156
Profit/(loss) before tax		1,310,150	(2,429,869)	154
Tax expense	8	(89,125)	272,876	133
Profit/(loss) for the period		1,221,025	(2,156,993)	157
Attributable to:				
Equity holders of the parent		1,533,761	(1,657,471)	193
Non-controlling interest		(312,736)	(499,522)	(37)
		1,221,025	(2,156,993)	157
		LKR	LKR	
Earnings per share				
Basic		1.16	(1.26)	
Diluted		1.16	(1.26)	
Dividend per share		0.50	-	

Note : All values are in LKR '000s, unless otherwise stated.
 Figures in brackets indicate deductions.
 The above figures not audited.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 30 June	Note	2021	2020
Profit/(loss) for the period		1,221,025	(2,156,993)
Other comprehensive income			
Other comprehensive income to be reclassified to income statement in subsequent periods			
Currency translation of foreign operations		1,279,232	(1,331,444)
Net gain/(loss) on cash flow hedges		(226,196)	(40,543)
Net gain/(loss) on debt instruments at fair value through other comprehensive income		(166,796)	732,824
Share of other comprehensive income of equity-accounted investees (net of tax)		47,514	(113,049)
Net other comprehensive income to be reclassified to income statement in subsequent periods		933,754	(752,212)
Other comprehensive income not to be reclassified to income statement in subsequent periods			
Net gain/(loss) on equity instruments at fair value through other comprehensive income		(1,760)	(1,340)
Net other comprehensive income not to be reclassified to income statement in subsequent periods		(1,760)	(1,340)
Tax on other comprehensive income	8	6,426	(1,098)
Other comprehensive income for the period, net of tax		938,420	(754,650)
Total comprehensive income for the period, net of tax		2,159,445	(2,911,643)
Attributable to:			
Equity holders of the parent		2,429,165	(2,413,248)
Non-controlling interest		(269,720)	(498,395)
		2,159,445	(2,911,643)

Note: All values are in LKR '000s, unless otherwise stated.
 Figures in brackets indicate deductions.
 The above figures not audited.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at	30.06.2021	31.03.2021
ASSETS		
Non-current assets		
Property, plant and equipment	113,283,550	113,076,642
Right-of-use assets	41,224,458	40,616,850
Investment property	14,912,392	14,867,586
Intangible assets	4,749,823	4,852,978
Investments in equity accounted investees	29,946,319	28,629,936
Non-current financial assets	47,176,622	62,589,803
Deferred tax assets	1,264,676	1,089,027
Other non-current assets	110,938,298	104,580,215
	363,496,138	370,303,037
Current assets		
Inventories	52,265,001	54,296,123
Trade and other receivables	11,606,832	17,456,698
Amounts due from related parties	198,725	123,553
Other current assets	7,630,638	5,919,453
Short term investments	88,390,492	69,262,761
Cash in hand and at bank	17,992,339	19,432,579
	178,084,027	166,491,167
Total assets	541,580,165	536,794,204
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Stated capital	63,116,594	63,101,661
Revenue reserves	91,526,663	90,651,930
Other components of equity	73,345,388	72,403,140
	227,988,645	226,156,731
Non-controlling interest	16,460,515	16,830,098
Total equity	244,449,160	242,986,829
Non-current liabilities		
Insurance contract liabilities	47,222,542	45,160,611
Interest-bearing loans and borrowings	121,826,645	118,965,640
Lease liabilities	25,043,251	24,234,968
Deferred tax liabilities	7,672,877	7,720,111
Employee benefit liabilities	2,928,857	2,814,006
Non-current financial liabilities	3,177,339	3,660,952
Other non-current liabilities	17,904,970	19,545,655
	225,776,481	222,101,943
Current liabilities		
Trade and other payables	28,958,878	35,287,700
Amounts due to related parties	4,974	1,385
Income tax liabilities	1,108,966	1,988,170
Short term borrowings	11,267,320	6,903,737
Interest-bearing loans and borrowings	9,268,903	9,507,473
Lease liabilities	1,479,347	1,472,297
Other current financial liabilities	2,991,093	2,991,093
Other current liabilities	1,733,307	1,733,398
Bank overdrafts	14,541,736	11,820,179
	71,354,524	71,705,432
Total equity and liabilities	541,580,165	536,794,204
	LKR	LKR
Net assets per share	172.75	171.36

Note: All values are in LKR '000s, unless otherwise stated.
The above figures not audited.

I certify that the financial statements comply with the requirements of the Companies Act No.7 of 2007.



K M Thanthirige
Group Financial Controller

The Board of Directors is responsible for these financial statements.



K N J Balendra
Chairman

28 July 2021
Colombo



J G A Cooray
Deputy Chairman/Group Finance Director

CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended 30 June	Note	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before working capital changes	A	757,004	(614,337)
(Increase) / Decrease in inventories		2,031,122	1,593,220
(Increase) / Decrease in trade and other receivables		6,121,655	26,440
(Increase) / Decrease in other current assets		(1,659,360)	(109,603)
(Increase) / Decrease in other non-current assets		(4,827,080)	(688,204)
(Increase)/ Decrease in other non-current financial liabilities		(414,299)	(53,657)
Increase / (Decrease) in trade and other payables and other non-current liabilities		(7,966,540)	(3,358,801)
Increase / (Decrease) in other current liabilities		(91)	(162,638)
Increase / (Decrease) in insurance contract liabilities		2,061,931	795,067
Cash generated from operations		(3,895,658)	(2,572,513)
Finance income received		2,834,275	1,712,263
Finance costs paid		(480,788)	(457,160)
Dividend received		-	1,192,947
Tax paid		(1,177,668)	(626,210)
Gratuity paid		(51,020)	(89,150)
Net cash flow from operating activities		(2,770,859)	(839,823)
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES			
Purchase and construction of property, plant and equipment		(1,280,595)	(918,673)
Purchase of intangible assets		(65,656)	(50,960)
Purchase of lease rights		-	(53,604)
Addition to investment property		(44,806)	-
Increase in interest in equity accounted investees		(16,452)	-
Proceeds from sale of property, plant and equipment and intangible assets		1,881	10,426
Proceeds from sale of financial instruments - fair valued through profit or loss		834,831	595,169
Purchase of financial instruments - fair valued through profit or loss		(617,653)	(630,317)
(Purchase) / disposal of deposits and government securities (net)		14,855,882	13,713,714
(Purchase) / disposal of non current financial assets (net)		(32,292)	54,210
Net cash flow from / (used in) investing activities		13,635,140	12,719,965
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES			
Proceeds from issue of shares		10,712	-
Dividend paid to equity holders of parent		(659,869)	-
Dividend paid to shareholders with non-controlling interest		(99,022)	-
Proceeds from long term borrowings		3,125,950	3,860,150
Repayment of long term borrowings		(2,281,351)	(1,142,643)
Payment of principal portion of lease liability		(632,976)	(391,157)
Proceeds from/(repayment of) other financial liabilities (net)		4,363,583	(826,200)
Net cash flow from / (used in) financing activities		3,827,027	1,500,150
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		14,691,308	13,380,292
CASH AND CASH EQUIVALENTS AT THE BEGINNING		33,068,151	8,759,922
CASH AND CASH EQUIVALENTS AT THE END		47,759,459	22,140,214
ANALYSIS OF CASH AND CASH EQUIVALENTS			
Favourable balances			
Short term investments (less than three months)		44,308,856	29,672,194
Cash in hand and at bank		17,992,339	9,105,148
Unfavourable balances			
Bank overdrafts		(14,541,736)	(16,637,128)
Total cash and cash equivalents		47,759,459	22,140,214

CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended 30 June	2021	2020
A. Profit before working capital changes		
Profit/(loss) before tax	1,310,150	(2,429,869)
Adjustments for:		
Finance income	(3,281,936)	(1,724,598)
Finance cost	1,528,953	1,974,161
Share-based payment expense	51,065	72,060
Share of results of equity accounted investees	(1,252,416)	(488,500)
Depreciation of property, plant and equipment	1,245,092	1,219,620
(Profit)/loss on sale of property, plant and equipment and intangible assets	763	(1,127)
Amortisation of right- of - use assets	693,183	688,250
Amortisation of intangible assets	152,283	142,778
Employee benefit provision and related costs	165,871	203,570
Unrealised (gain) / loss on foreign exchange (net)	143,996	(270,682)
	757,004	(614,337)

Note : All values are in LKR '000s, unless otherwise stated.
 Figures in brackets indicate deductions.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

GROUP	Note	Attributable to equity holders of the parent										Total equity
		Stated capital	Restricted regulatory reserve	Revaluation reserve	Foreign currency translation reserve	Cash flow hedge reserve	Other capital reserve	Fair value reserve of financial assets at FVOCI*	Revenue reserve	Total	Non controlling interests	
As at 1 April 2020		62,881,295	3,564,742	37,578,451	21,655,664	(508,480)	2,700,147	1,094,830	87,885,071	216,851,720	26,872,142	243,723,862
Profit/(loss) for the period		-	-	-	-	-	-	-	(1,657,471)	(1,657,471)	(499,522)	(2,156,993)
Other comprehensive income		-	-	-	(1,400,429)	(39,510)	-	685,260	(1,098)	(755,777)	1,127	(754,650)
Total comprehensive income		-	-	-	(1,400,429)	(39,510)	-	685,260	(1,658,569)	(2,413,248)	(498,395)	(2,911,643)
Share based payments		-	-	-	-	-	72,060	-	-	72,060	-	72,060
Subsidiary dividend to non-controlling interest		-	-	-	-	-	-	-	34,682	34,682	(34,682)	-
As at 30 June 2020		62,881,295	3,564,742	37,578,451	20,255,235	(547,990)	2,772,207	1,780,090	86,261,184	214,545,214	26,339,065	240,884,279
As at 1 April 2021		63,101,661	3,626,604	37,777,543	26,424,124	349,024	2,863,766	1,362,079	90,651,930	226,156,731	16,830,098	242,986,829
Profit/(loss) for the period		-	-	-	-	-	-	-	1,533,761	1,533,761	(312,736)	1,221,025
Other comprehensive income		-	-	5,593	1,322,069	(227,791)	-	(204,467)	-	895,404	43,016	938,420
Total comprehensive income		-	-	5,593	1,322,069	(227,791)	-	(204,467)	1,533,761	2,429,165	(269,720)	2,159,445
Exercise of share options		10,712	-	-	-	-	-	-	-	10,712	-	10,712
Share based payments		4,221	-	-	-	-	46,844	-	-	51,065	-	51,065
Final dividend paid - 2020/21	11	-	-	-	-	-	-	-	(659,869)	(659,869)	-	(659,869)
As at 30 June 2021		63,116,594	3,626,604	37,783,136	27,746,193	121,233	2,910,610	1,157,612	91,526,663	227,988,645	16,460,515	244,449,160

* Fair value through other comprehensive income

Note : All values are in LKR '000s, unless otherwise stated.

Figures in brackets indicate deductions.

The above figures not audited.

COMPANY INCOME STATEMENT

For the three months ended 30 June	Note	2021	2020	Change %
Continuing operations				
Services transferred over time		395,892	313,859	26
Revenue from contracts with customers		395,892	313,859	26
Cost of sales		(252,203)	(201,585)	25
Gross profit		143,689	112,274	28
Dividend income		1,081,132	1,192,947	(9)
Other operating income		2,322	3,361	(31)
Administrative expenses		(268,881)	(281,177)	(4)
Other operating expenses		(2,554)	(744)	243
Results from operating activities		955,708	1,026,661	(7)
Finance cost	7	(702,026)	(474,250)	48
Finance income	7	1,632,158	356,506	358
Profit before tax		1,885,840	908,917	107
Tax expense	8	(92,964)	(6,407)	1,351
Profit for the period		1,792,876	902,510	99
		LKR.	LKR.	
Dividend per share		0.50	-	

Note : All values are in LKR '000s, unless otherwise stated.
 Figures in brackets indicate deductions.
 The above figures not audited.

COMPANY STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 30 June	Note	2021	2020
Profit for the period		1,792,876	902,510
Other comprehensive income			
Other comprehensive income to be reclassified to income statement in subsequent periods			
Net gain/(loss) on cash flow hedge		(295,510)	-
Net other comprehensive income to be reclassified to income statement in subsequent periods		(295,510)	-
Other comprehensive income not to be reclassified to income statement in subsequent periods			
Net gain/(loss) on equity instruments at fair value through other comprehensive income		(1,751)	(1,289)
Net other comprehensive income not to be reclassified to income statement in subsequent periods		(1,751)	(1,289)
Tax on other comprehensive income	8	-	-
Other comprehensive income for the period, net of tax		(297,261)	(1,289)
Total comprehensive income for the period, net of tax		1,495,615	901,221

Note: All values are in LKR '000s, unless otherwise stated.
 Figures in brackets indicate deductions.
 The above figures not audited.

COMPANY STATEMENT OF FINANCIAL POSITION

As at	30.06.2021	31.03.2021
ASSETS		
Non-current assets		
Property, plant and equipment	100,490	110,801
Intangible assets	89,505	97,522
Investments in subsidiaries	102,437,867	101,334,536
Investments in equity accounted investees	10,613,332	10,596,880
Non current financial assets	906,087	17,611,121
Other non-current assets	91,646	92,668
	114,238,927	129,843,528
Current assets		
Trade and other receivables	147,242	114,780
Amounts due from related parties	475,892	1,465,816
Other current assets	1,167,232	170,901
Short term investments	67,682,000	51,591,037
Cash in hand and at bank	2,939,083	305,373
	72,411,449	53,647,907
Total assets	186,650,376	183,491,435
EQUITY AND LIABILITIES		
Equity		
Stated capital	63,116,594	63,101,661
Revenue reserves	69,349,878	68,216,871
Other components of equity	3,370,759	3,621,176
Total equity	135,837,231	134,939,708
Non-current liabilities		
Interest-bearing loans and borrowings	44,442,122	44,179,490
Employee benefit liabilities	246,995	231,369
	44,689,117	44,410,859
Current liabilities		
Trade and other payables	365,329	372,711
Amounts due to related parties	5,370	13,181
Income tax liabilities	92,034	717,029
Short term borrowings	2,900,000	-
Interest-bearing loans and borrowings	2,705,550	3,007,368
Other current liabilities	21,200	20,796
Bank overdrafts	34,545	9,783
	6,124,028	4,140,868
Total equity and liabilities	186,650,376	183,491,435
	LKR.	LKR.
Net assets per share	102.93	102.25

Note: All values are in LKR '000s, unless otherwise stated.
The above figures not audited.

I certify that the financial statements comply with the requirements of the Companies Act No.7 of 2007.

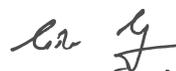


K M Thanthirige
Group Financial Controller

The Board of Directors is responsible for these financial statements.



K N J Balendra
Chairman



J G A Cooray
Deputy Chairman/Group Finance Director

28 July 2021
Colombo

COMPANY STATEMENT OF CASH FLOWS

For the three months ended 30 June	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	1,885,840	908,917
Adjustments for:		
Finance income	(1,632,158)	(356,506)
Dividend income	(1,081,132)	(1,192,947)
Finance cost	702,026	477,016
Depreciation of property, plant and equipment	10,311	10,442
Amortisation of intangible assets	8,017	6,915
Share based payment expenses	15,947	18,443
Employee benefit provision and related costs	16,278	16,032
Profit before working capital changes	(74,871)	(111,688)
(Increase) / Decrease in trade and other receivables	960,198	289,840
(Increase) / Decrease in other current assets	(996,331)	4,443
Increase / (Decrease) in trade and other payables	(15,932)	119,072
Increase / (Decrease) in other current liabilities	404	3,870
Cash generated from operations	(126,532)	305,537
Finance income received	207,969	471,220
Finance costs paid	(1,054,237)	(474,250)
Dividend received	1,081,132	1,192,947
Tax paid	(717,029)	(316,310)
Gratuity paid	(652)	(3,296)
Net cash flow from operating activities	(609,349)	1,175,848
CASH FLOWS FROM/ (USED IN) INVESTING ACTIVITIES		
Increase in interest in subsidiaries	(1,068,213)	(321,000)
Increase in interest in equity accounted investees	(16,452)	-
(Purchase) / disposal of deposits and government securities (net)	19,850,375	14,553,130
(Purchase) / disposal of non current financial assets (net)	(2,140)	-
Net cash flow from/(used in) investing activities	18,763,570	14,232,130
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES		
Proceeds from issue of shares	10,712	-
Dividend paid	(659,869)	-
Proceeds from short term borrowings	2,900,000	-
Proceeds from long term borrowings	100,000	-
Repayment of long term borrowings	(310,642)	(78,708)
Net cash flow from / (used in) financing activities	2,040,201	(78,708)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	20,194,422	15,329,270
CASH AND CASH EQUIVALENTS AT THE BEGINNING	14,915,162	6,906,686
CASH AND CASH EQUIVALENTS AT THE END	35,109,584	22,235,956
ANALYSIS OF CASH & CASH EQUIVALENTS		
Favourable balances		
Short term investments (less than three months)	32,205,046	23,403,570
Cash in hand and at bank	2,939,083	533,052
Unfavourable balances		
Bank overdrafts	(34,545)	(1,700,666)
Total cash and cash equivalents	35,109,584	22,235,956

Note: All values are in LKR '000s, unless otherwise stated.
 Figures in brackets indicate deductions.
 The above figures not audited.

COMPANY STATEMENT OF CHANGES IN EQUITY

	Note	Stated capital	Other capital reserve	Cash flow hedge reserve	Fair value reserve of financial assets at FVOCI*	Revenue reserves	Total Equity
As at 1 April 2020		62,881,295	2,700,147	-	24,797	59,631,436	125,237,675
Profit for the period		-	-	-	-	902,510	902,510
Other comprehensive income		-	-	-	(1,289)	-	(1,289)
Total comprehensive income		-	-	-	(1,289)	902,510	901,221
Share based payments		-	72,060	-	-	-	72,060
As at 30 June 2020		62,881,295	2,772,207	-	23,508	60,533,946	126,210,956
As at 1 April 2021		63,101,661	2,863,766	729,316	28,094	68,216,871	134,939,708
Profit for the period		-	-	-	-	1,792,876	1,792,876
Other comprehensive income		-	-	(295,510)	(1,751)	-	(297,261)
Total comprehensive income		-	-	(295,510)	(1,751)	1,792,876	1,495,615
Exercise of share options		10,712	-	-	-	-	10,712
Share based payments		4,221	46,844	-	-	-	51,065
Final dividend paid - 2020/21	11	-	-	-	-	(659,869)	(659,869)
As at 30 June 2021		63,116,594	2,910,610	433,806	26,343	69,349,878	135,837,231

* Fair value through other comprehensive income

Note : All values are in LKR '000s, unless otherwise stated.

Figures in brackets indicate deductions.

The above figures not audited.

NOTES TO THE FINANCIAL STATEMENTS

Operating segment information

Business segments

The following tables present revenue, profit information and other disclosures regarding Group's business segments.

For the three months ended 30 June	Transportation		Consumer Foods		Retail	
	2021	2020	2021	2020	2021	2020
Goods transferred at a point in time	5,031,924	2,673,955	3,814,738	3,179,588	20,151,093	12,273,903
Services transferred over time	601,432	465,214	-	-	24,089	23,469
Total segment revenue	5,633,356	3,139,169	3,814,738	3,179,588	20,175,182	12,297,372
Eliminations of inter segment revenue						
External Revenue						
Segment result	211,539	124,367	64,116	220,392	746,052	71,826
Finance cost	(25,887)	(19,778)	(32,735)	(51,637)	(427,724)	(468,571)
Finance income	43,762	33,413	8,092	9,828	61,203	9,112
Share of results of equity accounted investees	718,720	180,282	-	-	-	-
Eliminations / adjustments	128	-	(5,641)	(3,000)	5,104	4,508
Profit / (loss) before tax	948,262	318,284	33,832	175,583	384,635	(383,125)
Tax expense	(14,864)	(25,087)	15,062	(34,809)	(88,008)	109,720
Profit / (loss) for the period	933,398	293,197	48,894	140,774	296,627	(273,405)
Purchase and construction of PPE*	428,996	2,517	107,661	46,423	550,206	417,009
Addition to IA*	-	500	2,200	3,139	18,558	35,635
Depreciation of PPE*	56,001	48,589	232,388	258,652	324,772	284,537
Amortisation of IA*	390	373	6,729	605	57,616	24,820
Amortisation of ROU* assets	14,705	1,037	1,574	1,530	253,622	213,638
Employee benefit provision and related costs	7,384	11,843	45,239	43,888	22,820	18,304

Note : All values are in LKR '000s, unless otherwise stated.

Figures in brackets indicate deductions.

* PPE (Property, plant and equipment), IA (Intangible assets), ROU (Right-of-use)

Leisure		Property		Financial Services		Others		Group Total	
2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
-	-	3,509,824	-	-	-	501,999	592,068	33,009,578	18,719,514
1,951,089	154,300	129,599	110,213	3,022,099	2,295,592	1,079,062	839,523	6,807,370	3,888,311
1,951,089	154,300	3,639,423	110,213	3,022,099	2,295,592	1,581,061	1,431,591	39,816,948	22,607,825
								(1,018,445)	(1,099,519)
								38,798,503	21,508,306
(1,642,506)	(2,517,377)	261,658	(57,271)	116,922	749,282	(77,616)	(59,503)	(319,835)	(1,468,284)
(316,919)	(298,690)	(16,893)	(6,515)	-	(641,814)	(708,795)	(487,156)	(1,528,953)	(1,974,161)
31,036	55,133	39,569	19,634	76,267	23,161	1,656,840	381,432	1,916,769	531,713
(13,421)	(19,054)	9,382	(10,868)	537,735	338,140	-	-	1,252,416	488,500
(881)	(881)	(8,957)	(8,264)	-	-	-	-	(10,247)	(7,637)
(1,942,691)	(2,780,869)	284,759	(63,284)	730,924	468,769	870,429	(165,227)	1,310,150	(2,429,869)
199,937	315,618	(13,571)	(3,326)	(57,876)	(69,223)	(129,805)	(20,017)	(89,125)	272,876
(1,742,754)	(2,465,251)	271,188	(66,610)	673,048	399,546	740,624	(185,244)	1,221,025	(2,156,993)
106,005	424,951	20,229	-	56,196	18,473	11,302	9,300	1,280,595	918,673
-	-	-	-	32,808	8,744	12,090	2,942	65,656	50,960
559,317	557,169	12,039	12,287	23,029	20,899	37,546	37,487	1,245,092	1,219,620
17,869	16,952	1,650	1,673	56,167	89,670	11,862	8,685	152,283	142,778
396,192	443,589	5,129	5,136	21,667	23,027	294	293	693,183	688,250
42,041	39,871	483	860	16,462	59,264	31,441	29,540	165,871	203,570

NOTES TO THE FINANCIAL STATEMENTS

Operating segment information

Business segments

The following table presents segment assets and liabilities of the Group's business segments.

As at	Transportation		Consumer Foods		Retail	
	30.06.2021	31.03.2021	30.06.2021	31.03.2021	30.06.2021	31.03.2021
Property, plant and equipment	966,351	955,742	9,604,847	9,729,769	14,934,473	14,343,328
Right-of-use-assets	146,823	161,528	231,368	232,942	9,984,199	9,361,332
Investment property	-	-	300,295	300,295	-	-
Intangible assets	9,824	7,949	460,108	464,637	1,548,312	1,606,164
Non-current financial assets	152,100	153,107	167,698	177,598	153,983	157,731
Other non-current assets	13,867	14,867	40,385	58,377	1,062,728	1,015,907
Segment non-current assets	1,288,965	1,293,193	10,804,701	10,963,618	27,683,695	26,484,462
Investments in equity accounted investees	13,043,731	12,208,454	-	-	-	-
Deferred tax assets						
Goodwill						
Eliminations / adjustments						
Total non-current assets						
Inventories	640,199	333,102	3,157,161	2,252,476	6,297,906	7,276,679
Trade and other receivables	2,833,598	1,925,320	2,431,558	3,167,757	3,059,239	2,990,445
Short term investments	101,397	100,369	516	514	6,272,098	3,753,429
Cash in hand and at bank	4,092,926	3,697,218	295,346	200,993	2,746,157	2,716,348
Segment current assets	7,668,120	6,056,009	5,884,581	5,621,740	18,375,400	16,736,901
Other current assets						
Eliminations / adjustments						
Total current assets						
Total assets						
Insurance contract liabilities	-	-	-	-	-	-
Interest bearing loans and borrowings	24,888	31,889	491,471	627,335	4,300,000	4,600,000
Lease liability	150,585	163,747	106,155	102,340	9,487,167	8,756,050
Employee benefit liabilities	117,802	112,944	693,643	659,432	358,923	339,146
Non-current financial liability	-	-	-	-	-	-
Other non-current liabilities	-	-	99,319	101,054	-	-
Segment non-current liabilities	293,275	308,580	1,390,588	1,490,161	14,146,090	13,695,196
Deferred tax liabilities						
Eliminations / adjustments						
Total non-current liabilities						
Trade and other payables	2,438,899	1,191,007	2,801,930	2,577,616	16,918,893	16,513,758
Short term borrowings	3,539,249	3,192,886	-	-	5,416,900	4,248,003
Interest bearing loans and borrowings	12,444	13,111	543,455	543,455	1,200,000	1,200,000
Lease liabilities	-	-	1,164	1,110	367,035	337,921
Other current financial liabilities	-	-	-	-	-	-
Bank overdrafts	718,538	506,826	2,156,589	1,375,024	5,120,364	4,188,582
Segment current liabilities	6,709,130	4,903,830	5,503,138	4,497,205	29,023,192	26,488,264
Income tax liabilities						
Other current liabilities						
Eliminations / adjustments						
Total current liabilities						
Total liabilities						
Total segment assets	8,957,085	7,349,202	16,689,282	16,585,358	46,059,095	43,221,363
Total segment liabilities	7,002,405	5,212,410	6,893,726	5,987,366	43,169,282	40,183,460

Note : All values are in LKR '000s, unless otherwise stated.

Leisure		Property		Financial Services		Others		Group Total	
30.06.2021	31.03.2021	30.06.2021	31.03.2021	30.06.2021	31.03.2021	30.06.2021	31.03.2021	30.06.2021	31.03.2021
57,351,644	57,793,645	4,971,864	4,802,630	2,497,053	2,463,891	1,334,869	1,362,978	91,661,101	91,451,983
29,176,034	29,163,573	219,929	220,666	283,863	298,767	35,683	35,978	40,077,899	39,474,786
4,587,277	4,429,456	29,778,099	29,891,114	-	-	2,125,423	2,125,423	36,791,094	36,746,288
242,979	260,848	792	834	1,783,695	1,807,054	193,210	194,592	4,238,920	4,342,078
7,114,444	7,021,227	43,460	43,951	44,888,747	43,570,046	1,284,203	17,998,486	53,804,635	69,122,146
22,780	24,891	110,149,844	103,803,090	81,880	91,000	112,425	114,461	111,483,909	105,122,593
98,495,158	98,693,640	145,163,988	138,762,285	49,535,238	48,230,758	5,085,813	21,831,918	338,057,558	346,259,874
1,416,590	1,430,014	1,992,092	1,982,710	13,493,906	13,008,759	-	-	29,946,319	28,629,936
								1,264,676	1,089,027
								738,596	738,596
								(6,511,011)	(6,414,396)
								363,496,138	370,303,037
390,342	362,738	41,523,877	43,872,141	18,186	14,843	314,756	255,930	52,342,427	54,367,909
858,909	879,635	303,350	221,386	1,518,776	7,623,070	2,252,740	3,147,434	13,258,170	19,955,047
2,870,475	2,764,348	2,390,994	286,992	12,329,954	13,457,845	68,238,665	52,254,596	92,204,099	72,618,093
1,060,746	1,469,552	3,319,377	7,925,556	957,130	887,497	5,189,650	2,458,360	17,661,332	19,355,524
5,180,472	5,476,273	47,537,598	52,306,075	14,824,046	21,983,255	75,995,811	58,116,320	175,466,028	166,296,573
								7,630,638	5,919,453
								(5,012,639)	(5,724,859)
								178,084,027	166,491,167
								541,580,165	536,794,204
-	-	-	-	47,222,542	45,160,611	-	-	47,222,542	45,160,611
19,910,277	20,137,034	59,245,274	55,878,945	-	-	44,458,122	44,198,156	128,430,032	125,473,359
15,073,059	14,983,915	462	462	180,166	182,797	-	-	24,997,594	24,189,311
919,082	894,015	23,622	23,427	249,370	247,261	566,415	537,781	2,928,857	2,814,006
56	-	3,177,283	3,660,951	-	-	-	-	3,177,339	3,660,951
104,788	111,839	17,701,072	19,332,966	-	-	462	467	17,905,641	19,546,326
36,007,262	36,126,803	80,147,713	78,896,751	47,652,078	45,590,669	45,024,999	44,736,404	224,662,005	220,844,564
								7,672,877	7,720,111
								(6,558,401)	(6,462,732)
								225,776,481	222,101,943
2,356,587	2,523,654	360,314	1,739,109	3,788,260	11,690,755	1,690,738	1,596,742	30,355,621	37,832,641
3,224,183	2,770,345	-	-	-	-	2,922,074	22,074	15,102,406	10,233,308
2,031,742	1,556,407	2,763,711	3,173,799	-	-	2,717,550	3,020,702	9,268,902	9,507,474
1,119,328	1,131,749	-	-	103,948	114,858	-	-	1,591,475	1,585,638
-	-	2,991,093	2,991,093	-	-	-	-	2,991,093	2,991,093
5,581,652	4,905,726	430,596	421,127	97,989	143,295	508,003	351,598	14,613,731	11,892,178
14,313,492	12,887,881	6,545,714	8,325,128	3,990,197	11,948,908	7,838,365	4,991,116	73,923,228	74,042,332
								1,108,966	1,988,170
								1,733,307	1,733,398
								(5,410,977)	(6,058,468)
								71,354,524	71,705,432
								297,131,005	293,807,375
103,675,630	104,169,913	192,701,586	191,068,360	64,359,284	70,214,013	81,081,624	79,948,238	513,523,586	512,556,447
50,320,754	49,014,684	86,693,427	87,221,879	51,642,275	57,539,577	52,863,364	49,727,520	298,585,233	294,886,896

NOTES TO THE FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

John Keells Holdings PLC is a public limited company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. Ordinary shares of the company are listed on the Colombo Stock Exchange and Global Depository Receipts (GDRs) are listed on the Luxembourg Stock Exchange.

2 INTERIM CONDENSED FINANCIAL STATEMENTS

The financial statements for the period ended 30 June 2021, includes "the Company" referring to John Keells Holdings PLC, as the holding company and "the Group" referring to the companies whose accounts have been consolidated therein.

3 APPROVAL OF FINANCIAL STATEMENTS

The interim condensed financial statements of the Group and the Company for the 03 months ended 30 June 2021 were authorised for issue by the Board of Directors on 28 July 2021.

4 BASIS OF PREPARATION AND GROUP'S ACCOUNTING POLICIES

4.1 Basis of Preparation

The interim condensed consolidated financial statements for the three months ended 30 June 2021 have been prepared in accordance with LKAS 34 Interim Financial Reporting.

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 2021.

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.

4.2 Fair value measurement and related fair value disclosures

The fair values of all the financial assets and financial liabilities recognised during the quarter were not materially different from the transaction prices at the date of initial recognition. There were no transfers between Level 1 and Level 2 and no transfers into or out of Level 3 categories as per the fair value hierarchy, during the quarter. The fair value changes on financial instruments in Level 3 category was properly recorded in the statement of other comprehensive income and there were LKR 2.1Mn purchases and no disposals during the period.

Fair valuation was done as of 30 June 2021 for all unquoted equity shares classified as Level 3 within the fair value hierarchy according to fair valuation methodology. Fair value would not significantly vary if one or more of the inputs were changed.

5 OPERATING SEGMENTS

For management purposes, the Group organised into business units based on their products and services and has seven reportable operating segments as follows:

- Transportation
- Consumer Foods
- Retail
- Leisure
- Property
- Financial Services
- Others

6 CHANGE IN INSURANCE CONTRACT LIABILITIES

The results of Union Assurance PLC are consolidated line by line into the Group's consolidated income statement. The change in insurance contract liabilities represents the transfer to the Life Fund, the difference between all income and expenditure attributable to life policy holders during the period.

7 NET FINANCE INCOME/EXPENSE

For the three months ended 30 June In LKR '000s	GROUP		COMPANY	
	2021	2020	2021	2020
Finance income				
Interest income	2,676,019	1,735,822	1,203,689	356,506
Dividend income on				
Financial assets at fair value through profit or loss	70,871	19,547	-	-
Financial assets at fair value through other comprehensive income	5,142	-	-	-
Investment related direct expenses	(19,382)	(30,771)	-	-
Realised gains on financial assets at fair value through profit or loss	110,576	-	-	-
Unrealised gains on financial assets at fair value through profit or loss	10,241	-	-	-
Exchange gains	428,469	-	428,469	-
Total finance income	3,281,936	1,724,598	1,632,158	356,506
Finance cost				
Interest expense on borrowings	(1,152,453)	(574,709)	(702,026)	(30,603)
Finance charge on lease liabilities	(376,500)	(313,987)	-	-
Realised loss on financial assets at fair value through profit or loss	-	(299,240)	-	-
Unrealised loss on financial assets at fair value through profit or loss	-	(342,578)	-	-
Exchange loss	-	(443,647)	-	(443,647)
Total finance cost	(1,528,953)	(1,974,161)	(702,026)	(474,250)
Net finance income/(expenses)	1,752,983	(249,563)	930,132	(117,744)

8 TAX EXPENSE

For the three months ended 30 June In LKR '000s	GROUP		COMPANY	
	2021	2020	2021	2020
Income statement				
Current income tax	327,733	232,794	92,964	6,407
Deferred tax charge/(reversal)	(238,608)	(505,670)	-	-
	89,125	(272,876)	92,964	6,407
Other comprehensive Income				
Deferred tax charge/(reversal)	(6,426)	1,098	-	-
	(6,426)	1,098	-	-

NOTES TO THE FINANCIAL STATEMENTS

9 RELATED PARTY TRANSACTIONS

For the three months ended 30 June In LKR '000s	GROUP		COMPANY	
	2021	2020	2021	2020
Transactions with related parties				
Subsidiaries				
Purchase of goods	-	-	230	80
Rendering of services	-	-	290,923	261,628
Receiving of services	-	-	101,250	79,074
Rent paid	-	-	7,389	9,358
Dividend received	-	-	1,081,132	-
Equity accounted investees				
Sale of goods	2,108	1,126	-	-
Rendering of services	122,354	89,508	103,955	52,096
Receiving of services	40,663	44,125	43	-
Interest received	2,316	24,709	-	11
Interest paid	3,321	3,802	1	-
Dividend received	-	-	-	1,192,947
Key management personnel (KMP)				
Sale of goods	-	-	-	-
Close family members of KMP				
Sale of goods	-	-	-	-
Companies controlled/jointly controlled/significantly influenced by KMP and their close family members of KMP				
Sale of goods	-	-	-	-
Post employment benefit plan				
Contributions to the provident fund	69,718	57,692	15,171	9,980

10 SHARE INFORMATION

10.1 Stated capital

Stated capital is represented by the number of shares in issue as given below:

As at	30-06-2021	31-03-2021
Ordinary shares *	1,319,738,951	1,319,663,951

* Includes global depository receipts of 1,320,942 (31 March 2021 - 1,320,942).

10.2 Public share holdings

Percentage of shares held by the public and the number of public shareholders is as given below:

As at	30-06-2021	31-03-2021
Public shareholding (%)	98.98	98.98
Number of public shareholders	14,999	14,200
Compliant under option 1 - Float adjusted market capitalization (LKR Bn)	176.67	193.97

10.3 Net assets per share

Net assets per share have been calculated, for all periods, based on the number of shares in issue as of 30 June 2021.

10.4 Market price per share

The Company's highest, lowest and last traded market price is as given below:

For the quarter ended 30 June	2021	2020
	LKR	LKR
Highest	151.50	132.00
Lowest	133.00	79.90
Last traded	135.25	122.50

10.5 Directors' share holdings

The number of shares held by the Board of Directors (including their spouses) are as given below:

As at	30-06-2021	31-03-2021
K N J Balendra - Chairman/CEO	10,914,400	10,914,400
J G A Cooray - Deputy Chairman /Group Finance Director	207,105	207,105
D A Cabraal	45,137	45,137
A N Fonseka	Nil	Nil
M A Omar	Nil	Nil
M P Perera	Nil	Nil
S S H Wijayasuriya	Nil	Nil

10.6 Twenty largest shareholders

Twenty largest shareholders of the Company are as given below:

As at	30-06-2021		31-03-2021	
	Number of shares	%	Number of shares	%
1 Mr S E Captain	145,400,757	11.0%	150,769,641	11.4%
2 Citigroup Global Markets Limited Agency Trading Prop Securities A/C	141,854,717	10.7%	141,854,717	10.7%
3 Melstacorp PLC	128,917,111	9.8%	128,917,111	9.8%
4 Paints & General Industries Limited	119,802,218	9.1%	114,977,303	8.7%
5 Schroder International Selection Fund	42,475,806	3.2%	42,475,806	3.2%
6 HWIC Asia Fund	39,250,982	3.0%	39,250,982	3.0%
7 Mr R S Captain	35,544,282	2.7%	35,544,282	2.7%
8 Norges Bank Account 2	31,661,361	2.4%	31,706,807	2.4%
9 Aberdeen Standard Asia Focus PLC	23,873,572	1.8%	23,873,572	1.8%
10 Mr Kandiah Balendra	19,511,476	1.5%	19,511,476	1.5%
11 Employees Trust Fund Board	18,964,767	1.4%	18,709,833	1.4%
12 Fidelity Funds-Pacific	17,880,904	1.4%	17,880,904	1.4%
13 Mrs C S De Fonseka	16,952,586	1.3%	16,952,586	1.3%
14 Edgbaston Asian Equity Trust	15,244,566	1.2%	14,809,382	1.1%
15 Mrs S A J De Fonseka	15,204,230	1.2%	15,204,230	1.2%
16 Chemanex PLC	11,417,835	0.9%	11,417,835	0.9%
17 L F Ruffer Investment Funds; L F Ruffer Pacific and Emerging Markets Fund	11,297,899	0.9%	11,297,899	0.9%
18 Mr K N J Balendra	10,907,628	0.8%	10,907,628	0.8%
19 Schroder Asian Growth Fund	10,328,047	0.8%	10,328,047	0.8%
20 Employee's Provident Fund	10,159,322	0.8%	10,159,322	0.8%

NOTES TO THE FINANCIAL STATEMENTS

11 DIVIDENDS PAID

For the three months ended 30 June
In LKR '000s

	2021	2020
Final dividend 2020/21 LKR 0.50	659,869	-

12 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.

13 EVENTS AFTER THE REPORTING PERIOD

There have been no events subsequent to the reporting date, which require disclosure in the interim condensed financial statements.

CORPORATE INFORMATION

Name of Company

John Keells Holdings PLC

Legal Form

Public Limited Liability Company
Incorporated in Sri Lanka in 1979
Ordinary Shares listed on the Colombo Stock Exchange
GDRs listed on the Luxembourg Stock Exchange

Company Registration No.

PQ 14

Directors

KN J Balendra - Chairman/CEO
J G A Cooray - Deputy Chairman/Group Finance Director
D A Cabraal
A N Fonseka
M A Omar
M P Perera
S S H Wijayasuriya

Senior Independent Director

A N Fonseka

Audit Committee

A N Fonseka - Chairman
D A Cabraal
M P Perera

Human Resources and Compensation Committee

D A Cabraal - Chairman
M A Omar
S S H Wijayasuriya

Nominations Committee

M A Omar - Chairman
KN J Balendra
M P Perera
S S H Wijayasuriya

Related Party Transaction Review Committee

M P Perera - Chairperson
D A Cabraal
A N Fonseka

Project Risk Assessment Committee

S S H Wijayasuriya - Chairman
KN J Balendra
J G A Cooray
M P Perera

Registered Office of the Company

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Auditors

Ernst & Young
Chartered Accountants
P.O. Box 101
Colombo, Sri Lanka

Bankers for the Company

Bank of Ceylon
Citibank N.A.
Commercial Bank of Ceylon
Deutsche Bank A.G.
DFCC Bank
Hatton National Bank
Hongkong and Shanghai Banking Corporation
Nations Trust Bank
People's Bank
Sampath Bank
Seylan Bank
Standard Chartered Bank

Depository for GDRs

Citibank N.A. New York



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