

EAST WEST PROPERTIES PLC

ANNUAL REPORT 2021-2022



East West Properties PLC (referred to as "EAST"), is listed on the Colombo Stock Exchange with a market capitalization as at 31.03.2022

LKR 1.009 Bn. Its core business is in real estate development, with its main focus on the rental of its warehousing complex in Peliyagoda, Sri Lanka. Together with its real estate investments, EAST also has an interest in Media.

Our Vision

To be the number one Developer of Residential, Commercial and Hospitality Spaces without Comprising on our core values for the benefit of our stakeholders.

Our Mission

To exceed the expectations of our customers, tenants and Shareholders through service excellence and strategic management.

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Form of Proxy – Attached

Portfolio

Bring to the world a portfolio of quality real estate.

Profit

Maximum long-term return to shareholders.

Productivity

Be a highly effective, lean and fast moving organization.

Pioneers

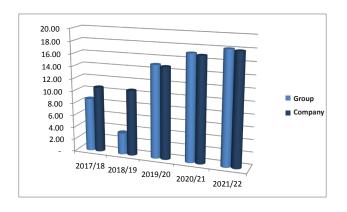
Use our pioneering spirit and past success to be the leader in every market we serve and build value for our shareholders.

Financial Highlights

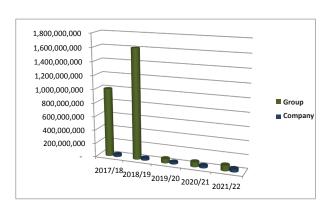
	GROUP		COMPANY		
Year ended 31st March	2021/2022	2020/2021	2021/2022	2020/2021	
Performance (Rs.)					
Revenue	82,240,536	71,773,265	46,549,694	34,032,754	
Gross Profit	78,644,309	65,051,292	46,549,694	34,032,754	
Other Income	5,370,952	1,812,419	12,185,391	11,056,889	
Results from Operating Activities	(477,329)	(35,845,018)	535,037	(41,653,920)	
Finance Income	185,108,227	384,629,613	182,013,464	382,089,198	
Profit / (Loss) before tax	152,420,107	316,712,182	150,340,912	308,364,287	
Income tax expense	(16,189,371)	(15,591,582)	(11,944,947)	(18,196,661)	
Profit / (Loss) for the year	136,230,736	301,120,600	138,395,965	290,167,626	
Profit / (Loss) attributable to					
Equity holders of the Company	132,459,603	290,921,548	138,395,965	290,167,626	
Non – controlling Interest	3,771,133	10,199,053	-	-	
Total Comprehensive Income / (Expenses) Attributable to:					
Equity holders of the Company	133,984,384	290,814,329	139,803,909	290,085,333	
Non – controlling Interest	3,883,388	10,175,104	-	-	
Financial Position (Rs.) Non-Current Assets Total Assets	1,435,797,173 2,625,630,295	297,902,621 2,518,983,085	1,445,798,999 2,550,142,917	294,104,387 2,441,200,226	
Cash & Cash Equivalents	16,228,945	321,914,986	12,588,162	320,771,167	
Stated Capital	1,212,000,000	1,212,000,000	1,212,000,000	1,212,000,000	
Capital Reserve	77,184,832	77,184,832	77,184,832	77,184,832	
Revenue Reserve	1,208,364,215	1,074,379,831	1,181,165,058	1,041,361,149	
Shareholder Funds	2,497,549,047	2,363,564,663	2,470,349,891	2,330,545,982	
Market / Shareholder information					
No of Shares in issue	138,240,000	138,240,000	138,240,000	138,240,000	
Market price of share as at 31st March (Rs.)	7.30	9.90	7.30	9.90	
Market capitalization (Rs.)	1,009,152,000	1,368,576,000	1,009,152,000	1,368,576,000	
No of Shareholders	2,789	2,902	2,789	2,902	
Information Per Ordinary Share (Rs.)					
Market Price at year end	7.30	9.90	7.30	9.90	
Highest Market Price	11.90	14.00	11.90	14.00	
Lowest Market Price	6.00	5.00	6.00	5.00	
Key Performance Indicators (Rs.)					
Net Assets	18.07	17.10	17.87	16.86	
(Loss) / Earning	0.96	2.10	1.00	2.10	
Dividend	-	-	-	-	

Financial Highlights [Contd.]

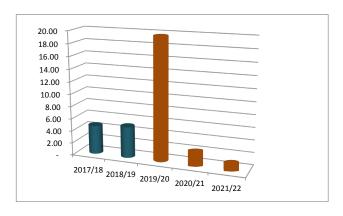
Net Asset Value per Share



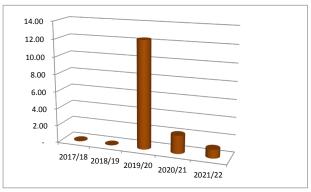
Revenue



Earning Per Share - Group



Earning Per Share - Company



Earning

Loss

Chairman's Review



It's my great pleasure to welcome you for the 41st Annual General Meeting of East West Properties PLC. I take this opportunity to present our Annual Report and Audited Financial Statements for the year ended 31st March 2022.

As you all know, Sri Lanka is currently facing its biggest economic crisis ever together with the Covid 19 pandemic. This had a direct impact on all the Businesses. However, we were able to successfully continue our operations without any disruptions.

I am pleased to announce that the Group Turnover increased by 14.58% compared to last year. The Company recorded Rs. 46.5 Mn Turnover compared to the Turnover of Rs. 34 Mn in the previous year. The subsidiary Company

People's Media Network (Pvt) Ltd recorded Rs. 35 Mn Turnover from the Infrastructure Rental. Furthermore Group recorded Rs. 152.9 Mn Net Finance Income during the financial year. This includes a gain in exchange amounting to Rs. 114.6 Mn from the foreign currency deposits. The Group recorded Rs.137.9 Mn profit after tax for 2021/2022.

During the Financial Year the Company was able to enhance its revenue by acquiring a Land with existing Warehouse Building in Kandy Road, Peliyagoda to the Warehousing system. And also we are happy to announce that the Company purchased "Acuity Building" which is located at No.53, Dharmapala Mawatha, Kollupitiya together with the Tenant, for Rs. 709 Mn.

The Company and the Group continued to succeed with the income generation even within the prevailing hard economic conditions in the Country, due to its long term business strategies. We are confident of continuing our contribution to the Nation in the future too.

I extend my sincere appreciation to our Group Chairman Mr.Nahil Wijesuriya for his expertise and guidance.

And it is my pleasure to record my appreciation to the Board of Directors, Management and to the Employees for their support.

And finally I wish to thank our Stakeholders and our valuable Shareholders for the trust you have kept in us and looking forward to your continued support in the coming year.

Vajira Wijesuriya Chairman

26th August 2022

Board of Directors

M.W.A.D.J.Nahil Wijesuriya

Mr.Nahil Wijesuriya is a Professional Engineer Specializing in Mechanical and Production Engineering. He gained his professional qualifications from the Leicester College of Technology (UK). Following his graduation he began working with P&O Shipping Lines (UK), eventually moving on to become the Chief Engineer at Ceylon Shipping Corporation. In 1975 he became the Deputy Chief Engineer of the Colombo Dock Yard. In 1977 he founded East West Group of Companies. Through this Parent Company, he founded much successful business in Sri Lanka including TV broadcasting channels, ETV1 and ETV2, now known as Swarnavahini; East West Information Systems now known as EWIS. He has also completed several substantial property developments having successfully speculated the London and Singapore property markets.

He pioneered in the setting up the First Off Shore Bunkering facility of Colombo Port by using a 37,000 Ton Storage Vessel anchored off the Colombo harbor limits. He also spearheaded the setting up and operations of Offshore Marine Services (Pvt) Ltd doing Salvage and Towage of ships in distress, using the companies own Tugs. In property development, he single handedly project manage the construction of the IBM Building in 1985 the first building to be built in the Nawam Mawatha Business Centre through East West Properties Ltd for Land and Building (Pvt) Ltd.

M.W.A.D.J.Vajira Wijesuriya

Mr.Vajira Wijesuriya has a Bachelors degree in Computer Science from the University of Warwick (UK) and also holding British Private Pilot License. He has worked at Amba Research as an Associate Vice President specializing in Financial Research. He has gained a vast experience in the field of Real Estate, Aviation, Finance and Travel.

Dr.D.Sunil AbeyRatna

Dr.Sunil AbeyRatna is a Fellow member of the Institute of Chartered Accountant of Sri Lanka, Fellow member of the Institute of Management Accountants of (UK), Member of Certified Management Accountants of Australia and Member of Certified Management Accountants of Sri Lanka. He is also a holder of a PHD from the University of Honolulu U.S.A. He has held Directorates of many Companies in Sri Lanka. Presently Partner of AbeyRatna& Company, Chartered Accountants and an associate of AGN International Ltd, UK which is the 6th largest Independent Accounting Association in the World, appointed to the main UK AGN International Board of Directors.

H.B.G.Vijayanthi Jayasinghe

Mrs.Vijayanthi Jayasinghe is a Certified Business Accountant of the Institute of Chartered Accountants of Sri Lanka. She has around 29 years working experience. She is also a Director of Peoples Media Network (Pvt) Ltd.

Diyanath Rohan Jayasinghe

Mr.Diyanath Rohan Jayasinghe is currently holding a position as Director Satiana Collection (Pvt) Ltd and he has held the positions of General Manager - Maganeguma, the former Chairman of CeyNor Foundation, Chairman Grand Oriental Hotel, Director - Sri Lanka Energies Ltd and Director Access Agencies.

Manju Nishshanka

BSc (Eng) -Sri Lanka, MSc (Finance) -UK, Executive MBA -USA, UK & France, CFA

Mr.Manju Nishshanka is an entrepreneurial and driven senior executive, a board member, an ex-investment banker and an engineer with hands on experience in economics, finance and investment banking, corporate finance, strategy and policy, digital economies and crypto currencies, deal structuring and negotiations, project management, team management, product development and investor relations in finance, technology and engineering industries, across regions - US, Europe & Mainland China. Exceptional talent in providing practical solutions that engage executive management and diverse teams at all levels. Top tier global executive MBA holder (#2 Global EMBA Ranking) from top three international business schools (London School of Economics, NYU Stern School of Business and HEC- Paris)

Management Discussion and Analysis

Management Discussion and Analysis

East West Properties PLC is engaged in renting Warehouses, Ground, Office Space & yard for commercial purposes. Subsidiary Company Peoples Media Networks (Pvt) Ltd operates Television and Radio broadcasting stations.

The Company and the Group has successfully managed its affairs due to its long term business strategies, even with the prevailing economic crisis in the Country as well as with the COVID 19 pandemic.

During the year, the Company acquired Investment Properties to the aggregate value of Rs. 1.15 Bn. This include a sum of Rs. 709 Mn paid to acquire the "Acuity" office Building (20,755 sq.ft) together with Land in Kollupitiya and Rs. 449 Mn paid to acquire the Peliyagoda Land with existing Warehouse Building (17,056 sq ft).

The direction and the guidance of the top management throughout this period vastly helped to achieve great results combined with the commitment and loyalty of the staff to achieve the set targets.

Revenue

During the financial year 2021/2022 the Company recorded a Sum of Rs. 46.5 Mn revenue compared with previous financial year representing 37% growth. Subsidiary Company People's Media Networks (Pvt) Ltd also managed to continue their performance as previous years.

Net Finance Income

Net Finance Income of the Group recorded Rs. 152.9 Mn. This includes Rs. 59.96 Mn interest income from its fixed deposits and Repo Investments. And also, Group has recorded Rs. 114.6 Mn exchange gain from conversion of foreign currency deposits. Further, the Company recorded Rs. 4.9 Mn of Dividend Income from its investments in Quoted Securities.

Profitability

The Group was able to record a wealthy return of Rs. 137.8 Mn during the financial year under review.

Financial Position

As the Company's core business is engaged in renting warehouses for commercial purposes, 46% from the total assets represents Investment Properties as at the end of the current financial year.

Current Assets include Other Financial Assets worth of Rs. 1.04 Bn, which is consists of Quoted Investments amounting to Rs. 630.9 Mn and Investments in Fixed Deposits and Repurchase Agreements amounting to Rs. 489.2 Mn.

Future Outlook

We are confident to continue operations of the Company and the Group successfully and hope to bring our core business of Warehousing in to a top rank in Sri Lanka while looking at some other Investment opportunities.

Statement of Directors Responsibilities

The responsibility of the Directors in relation to the Financial Statements is set out in the following statement. This differs from the responsibilities of the Auditors, which are set out in their report appearing on pages on 27 to 30.

As per the provisions of the Companies Act No.7 of 2007 and other statutes which are applicable in the preparation of financial statements, the Directors are responsible to prepare Financial Statements for each financial year and place before a General Meeting.

The Financial Statements comprise of:

- Income Statement and Statement of Comprehensive Income of the Company and of the Group, which present a true and fair view of the profit and loss of the Company and of the Group for the respective financial year.
- A Statement of the Financial Position, which presents a true and fair view of the state of affairs of the Company and of the Group as at the end of the financial year.

The Directors confirm that the Financial Statements

- Have been prepared using appropriate accounting policies which have been selected and applied in a consistent manner; and
- Have been presented in accordance with the Sri Lanka Accounting Standards (SLFRS/ LKAS); and
- Provide the information required by and or else comply with the Companies Act No. 7 of 2007 and the Listing Rules of the Colombo Stock Exchange.

Furthermore the Directors confirm that the financial statements of the Company and the Group give a true and fair view of:

- the state of affairs of the Company as at 31st March 2022 and
- the profit or loss of the company and its subsidiaries for the financial year then ended.

The Directors have taken appropriate steps to ensure that the Company keeps sufficient accounting records, which disclose the financial position of the Company with reasonable accuracy and enable them to ensure that the financial statements have been prepared and presented as aforesaid. They are also reasonable for taking measures to safeguard the assets of the Company and to prevent and detect frauds and other irregularities. In this regard, the Directors have instituted an effective and comprehensive system of internal controls comprising of internal check, internal audit and financial and other controls required to carry on the Company's business in an orderly manner and to safeguard its assets and ensure as far as practicable the accuracy and reliability of the records.

The Financial Statements of the Company has been certified by the Company's Accountant the officer responsible for their preparation as required by the section 150 (1) (b) of the Companies Act. As well the Financial Statements of the Company has been signed by two Directors of the Company on 26th August 2022 as required by the section 150 (1) (c) of the Company Act.

The Directors' are of the view that the Company and its subsidiary have adequate resources to continue operations in the foreseeable future and have applied the going concern basis in the preparation of these financial statements.

The Company's External Auditors Messers V.S. & Associates has been appointed in the Section 158 of the Companies' Act and in accordance with resolution passed at the Annual General Meeting. To the best of the knowledge and belief of the Directors, V.S. & Associates carried out reviews and

Statement of Directors Responsibilities [Contd.]

sample check on the effectiveness of the system of internal controls as they consider appropriate and necessary in providing their opinion on the financial statements. V.S. & Associates has examined the financial statements made available together with all other financial records, minutes of shareholders' and Directors' meeting and related information and have expressed their opinion which appears on pages 27 to 30 of the annual report.

The Directors confirm to the best of their knowledge that all taxes, levies and financial obligations payable by the Company and the Group, all contribution levies and taxes payable on behalf of and in respect of the employees of the Company and the Group have been either paid or adequately provided for in the financial statements.

The Directors are of the view that they have discharges their responsibilities as set out in this statement.

By Order of the Board of

EAST WEST PROPERTIES PLC

Name vvijesuriy

Director

Colombo - 26th August 2022

Vajira Wijesuriya

Director

Annual Report of the Board of Directors

In Compliance with the provisions of the Companies Act No.07 of 2007, the Directors present their Report on the state of affairs of the Company together with the Audited Financial Statements for the year ended 31st March 2022. The Report also provides information as required by the Listing Rules of the Colombo Stock Exchange, best Accounting Practices and other disclosures deemed relevant to the stakeholders of the Company.

General

East West Properties PLC is a Public Quoted Company with Limited Liability incorporated in Sri Lanka on 18th March, 1981 and re-registered under the Company's Act No.07 of 2007 on 15th June 2009. The Company was listed on the main board of the Colombo Stock Exchange in 1983.

Principal Activities and Nature of Operation

The Principal Activities of the Company are renting warehouses, Ground, Office Spaces and Yard for commercial purposes.

The subsidiary, Peoples Media Network (Pvt) Ltd is engaged in setting up and operating television and radio broadcasting stations.

Business Review

The Chairman's message contains a brief review of the operations of the Company during the year ended 31st March 2022. The Audited Financial Statements are given on pages 27 to 91 of the Annual Report. These Reports together reflect the state of affairs of the Company and its subsidiaries during the period under review.

Financial Statements and Auditors Report

The Financial Statements, duly signed by the Directors, is provided from the pages 31 to 90 and the Auditors Report on the Financial Statements is provided on page 27 to 30 of this Report,

Revenue

Revenue generated by the Company amounted to Rs.46.5 Mn (Rs.34 Mn in 2021) and Group Revenue amounted to Rs.82.2 Mn (Rs.71.8 Mn in 2021). Contributions to Group Revenue from the different business segment are provided in Note 2 to the Financial Statements.

Significant Accounting Policies

The Financial Statements which comprise of the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of changes in Equity and the Statement of the Cash Flows, together with accounting policies and notes ("the Financial Statements") have been prepared in accordance with Sri Lanka Accounting Standards (SLFRS / LKAS) as issued by the Institute of Chartered Accountants of Sri Lanka (ICASL) and the requirements of the Companies Act No.7 of 2007.

The Accounting Policies adopted in preparation of the Financial Statements are given from pages 38 to 52 of this Report.

Stated Capital

In accordance with the Section 58 of the Companies of Act No.7 of 2007, share capital and share premium reclassified as stated capital. The Stated Capital of the Company as at 31st March 2022 amounting to Rs.1,212,000,000/- consist of 138,240,000 Ordinary Shares. There was no change in the Stated Capital of the Company during the year.

Shareholdings

There were 2,789 registered shareholders as at 31st March 2022. (2021 – 2,902)

Shareholder Information

The distribution of shareholders and information relating to major shareholder of the Company as at 31st March 2022, are given on pages 92 to 93 in the Annual Report.

Major Shareholders

The twenty largest shareholders of the Company as at 31st March 2022, together with an analysis are given on page 92 to 93.

Disclosure as per Colombo Stock Exchange Rule 8.7

	As at 31st March	
	2022	2021
	Rs.	Rs.
Market price per share	7.30	9.90
Highest share price		
during the Year	11.90	14.00
Lowest share price		
during the Year	6.00	5.00

Directors' Interest Register

The Company maintains the Director's Interest Register conforming to the provisions of the Companies Act, The Directors of the Company have disclosed their interest in other Companies to the Board and those interest are recorded in the Interest Register conforming to the provisions of the Companies Act.

Directors Interest in Contracts

Directors interest in contracts or proposed contracts are disclosed under Note No.28 of the financial statements.

Directors Remuneration and Other Benefits

Directors' remuneration in respect of the Group and the Company for the financial year ended 31st March 2022 is given in Note 06 to the financial statements.

Corporate Donations

Donations made by the Company amounted to Rs.303,267/-(2021 – Rs.16,617,023/-) and the Group amounted to Rs.303,267/- (2021-Rs.16,627,023/-) No donations were made for political purposes. And No donations were made for Government approved Charities.

Directors

The Directors of the Company as at 31st March 2022.

Mr. M. W. A. D. J. Nahil Wijesuriya

-Executive Director

Mr. M. W. A. D. J. Vajira Wijesuriya

-Non Executive Director

Mrs. H. B. G. Vijayanthi. Jayasinghe

- Executive Director

Mr.Nishantha P. Sooriyaarachchi

-Executive Director - Resigned with effect on 31.05.2022

Dr. D. S. AbeyRatna

-Independent Non-Executive Director

Mr. D. R. Jayasinghe

-Independent Non-Executive Director

Mr. Manju Nishshanka

-Executive Director

Mr. Nishantha P. Sooriyaarachchi Chairman/ Executive director resigned with effect from 31st May 2022.

The Board wishes to place on record the Company's sincere appreciation to Mr. Nishantha P. Sooriyaarachchi for his valuable contribution extended to the Company during his tenure on the Board.

Mr. M.W.A.D.J.Vajira Wijesuriya was appointed Executive Chairman of the Board with effect from 4th August 2022.

Mr. Manju Nishshanka was appointed as Executive Director of the Company with effect from 09th December 2021.

A resolution for the re-appointment of Mr. M. W. A. D. J. Nahil Wijesuriya as a director who is 77 years of age will be proposed at the Annual General Meeting in terms of Section 211 of the Companies Act No.7 of 2007. Mr. M. W. A. D. J. Nahil Wijesuriya re-appointment is recommended by the Directors.

In terms of Article No. 94 of the Articles of Association of the Company Mr. Manju Nishshanka retires at the Annual General Meeting and being eligible offers himself for re-election.

In terms of Article No.86 of the Articles of Association of the Company, Mr. D.Rohan. Jayasinghe retires by rotation at the Annual General Meeting and being eligible offers himself for re-election.

Board Sub-Committees

The following Board Sub-Committees are functional.

Audit Committee

Dr.D. Sunil AbeyRatna

-Chairman-Independent Non-Executive Director

Mr. D. R. Jayasinghe

-Independent Non-Executive Director

The report of the audit committee appears on page no. 15.

Remuneration Committee

Dr.D. Sunil AbeyRatna

-Chairman-Independent Non-Executive Director

Mr. D. R. Jayasinghe

-Independent Non-Executive Director

The report of the remuneration committee appears on page no. 16.

Related Party Transactions Review Committee

Dr.D. Sunil AbeyRatna

-Chairman-Independent Non-Executive Director

Mr. D. R. Jayasinghe

-Independent Non-Executive Director

The Board confirms that all applicable rules in the Code of Best Practice on Related Party Transactions and Section 9 of CSE Listing Rules have been complied with by the Group as at the date of this Report.

The report of the related party transaction review committee appears on page no. 17

Related Party Transactions

During the financial year no recurrent and Non-recurrent related party transactions which exceeded the respective thresholds mentioned in the Section 9 of the Colombo Stock Exchange Listing Rules. The Directors declare that the Company has complied with the requirements of the Listing Rules on Related Party Transactions.

The Related Party Transaction presented in the financial statements are disclosed in note No. 26 on the page no. 81 to 84.

Integrated Risk Management Committee

Dr.D. Sunil AbeyRatna

-Chairman-Independent Non-Executive Director

Mr. D. R. Jayasinghe

-Independent Non-Executive Director

The report of the risk management committee appears on pages 25 to 26.

Directors Shareholding

Directors of the Company who have relevant interest in the shares of the Company have disclosed their shareholding and any acquisition to their respective Boards in compliance with Section 200 of the Companies Act.

The Directors shareholding of the at the beginning and at the end of the year were as follows;

Name of Directors As at 31st March 2022 2021

Mr. M.W.A.D.J.N.

Wijesuriya 51,136,410 51,136,410

Mr. M.W.A.D.J.V.

Wijesuriya 26,066,637 26,066,637

Mrs. H.B.G.Vijayanthi.

Jayasinghe Nil Nil Nil Nishantha P. Sooriyaarachchi 1,746 1,746

- Resigned with effect from 31.05.2022

Dr. D.S. AbeyRatna Nil Nil Mr. D.R. Jayasinghe 10,000 10,000

Mr. M. Nishshanka Nil

The fees paid to the Auditors during the year are disclosed in Note 06 to the financial statements.

As far as the Board of Directors is aware, the Auditors do not have any relationship (other than that of an Auditor) with the Company. The Auditors also do not have any interest in the Company.

Dividends

The Directors do not recommend a dividend for the financial year ended 31st March 2022.

Investments

Details of investments held by the Company are disclosed in Note 17.1 to the financial statements.

The number of meetings of the Board and individual attendance by members are shown below

Nil

Name of Director	Directorship status	No of Meet- ings held in FY 2021/2022	Meetings attended in F/Y 2021/22
M.W.A.D.J.Nahil Wijesuriya	Executive Director	4	4/4
M.W.A.D.J.Vajira Wijesuriya	Executive Director	4	4/4
Sunil D.AbeyRatna	Independent Non-Executive Director	4	4/4
Nishantha P Sooriyaaracchi – resigned with effect from 31.05.2022	Executive Director	4	4/4
H.B.G.Vijayanthi Jayasinghe	Executive Director	4	4/4
D.R.Jayasinghe	Independent Non-Executive Director	4	4/4
Manju Nishshanka	Executive Director	4	1/4

Auditors

The financial statements for the year ended 31st March 2022 have been audited by Messrs V. S. & Associates Chartered Accountants, who have expressed their willingness to continue in office. In accordance with Section 158 of the Companies Act No.07 of 2007, the auditors will be deemed to have been re-appointed at the forthcoming Annual General Meeting and accordingly a resolution authorising the Board of Directors to determine their remuneration will be proposed at the Annual General Meeting.

Intangible Assets

Intangible Assets represent the Goodwill. The difference between the purchase consideration and the fair value of Assets acquired as a result of the acquisition of shares in Peoples' Media Networks (Pvt) Ltd which was acquired on 17.09.2011.

Property, Plant and Equipment

An analysis of the property, plant and equipment of the Company, additions and disposals made during the year and depreciation charged during the year are set out in Note no. 09 and 10 to the financial statements.

Investment Property

The land and buildings held to earn rental income or for capital appreciation or both, but for sale in the ordinary course of business, use in the production or supply of good or services or administrative purpose are classified as "Investment Properties" to be accounted on the cost model.

Details of Investment Properties are given in Note No.11 of the Financial Statements.

During the year, the Company acquired Investment Properties to the aggregate value of Rs.1,158,772,500/-.

This include sum of Rs.709,239,000 paid to acquire the "Acuity" office Building together with Land in Kollupitiya and Rs.449,533,500 paid to acquire the Peliyagoda Land and the Building.

Capital Commitments

There is no Capital Commitments expenditure as at 31st March 2022.

Going Concern

The Board of Directors is satisfied that the Company has adequate resources to continue its operations in the foreseeable future. For this reason, the Company continues to adopt the going concern basis in preparing the Financial Statements.

Taxation

The Company's liability to taxation has been computed according to the provision of the Inland Revenue Act No.24 of 2017 and amendment Act No.10 of 2021.

The tax position of the Company is given in Note No. 07 to the Financial Statements.

Statutory Payments

To the best of the knowledge and belief of the Board of Directors all statutory payments in relation to the government and the employees have been made on time.

Environmental Protection

The Company's business activities can have direct and indirect effects on the environment. It is the Company's policy to minimise any adverse effect its activities have on the environment and to promote co-operations and compliance with the relevant authorities and regulations. We confirm tat the Company has not undertaken any activities which have caused or are likely to cause detriment to the environment.

Corporate Social Responsibility

Corporate social responsibility is an extension of the values we stand for as a company. Our goal is to connect the people and businesses we serve and to make communities and our Country better. Our CSR work focuses on four key areas: responsible business practices, environmental sustainability, leadership and service, diversity and inclusion.

Corporate Governance/Internal Control

The Board of Directors confirms that, as at date of the Annual Report, the company complies with and is committed to good corporate governance. The Company has 1(3) non-executive Directors on its Board. The Board as a whole decided on the appointment of non-executive independent Directors. The Directors so appointed retire in rotation at each annual general meeting and seek re-appointment by the shareholders.

The Board reviews the strategic direction of the Company, its exposure of key business risks, the annual budgets and the progress toward achieving these budgets and their capital expenditure programmes.

The Board of Directors has delegated its primary objective to achieve the strategic policy within the overall business policy, indicated above, to the Managing Director.

The Directs are responsible for the Company's systems of internal finance controls. The Board has reviewed the effectiveness of the systems of finance controls for the period of 01/04/2021 to 31/03/2022 to the date of signing the accounts. The Directors responsibility for the financial statements is described on pages 07 to 08.

The Corporate Governance Report is given on pages 18 to 19 of the Annual Report.

Events Occurring After the Reporting Date

Subsequent to the reporting date of the Financial Statements, no circumstances have arisen, in the opinion of the Board of Directors, which would require adjustments to the accounts. There are also no significant post balance sheet events which in the opinion of the Directors require disclosure.

Annual General Meeting

The Annual General Meeting of the Company will be held on 10th October 2022 at 10.00 am via audio visual technology.

Acknowledgement of the content of the report. As required by section 168 (1) (K) of the Companies Act No.07 of 2007, the Board of Directors do hereby acknowledge the content of this Annual Report.

For and on behalf of the Board of Directors of **EAST WEST PROPERTIES PLC**

Nahil Wijesuriya

Director

Vajira Wijesuriya

Director

S S P Corporate Services (Private) Limited,

Secretaries

Truesto

Colombo

26th August 2022

Audit Committee Report

The audit Committee comprises of two independent Non-Executive Directors of the Company.

Members of the Committee

Mr D Sunil AbeyRatne

- (Chairman - Audit Committee) -Independent Non-Executive Director

Mr D R Jayasinghe

-Independent Non-Executive Director

The Finance Director and Chief Finance Officer attend meeting by invitation.

The purpose of Audit Committee to assists the Board of Directors to discharge their responsibility for the preparation of Financial Statements that a true and fair view of the affairs of the Company in accordance with the Company's accounting records and in conformity with Sri Lanka Financial Reporting Standards and Companies Act No.7 of 2007. The Audit Committee duties include reviews of financial statements, internal control procedures and risk management, accounting policies and compliance with Sri Lanka Accounting Standards.

The Committee reviewed the financial reporting system adopted by the Company with particular reference to the preparation, presentation and sufficiency of the disclosures in the Company's annual and interim financial statements in accordance with the Sri Lanka Accounting Standards, the Company's Act No.7 of 2007 and other applicable statutes.

The Audit Committee which reviewed the operations and monitored the effectiveness of internal control and procedures is of the view that adequate controls and procedures are in place to provide reasonable assurance to the Board that the assets of the Company are safeguarded and the financial position is monitored according to information made available. It also examines any matters relating to the financial reporting system, the audit process and the Company's process for monitoring compliance with laws and regulations and also recommended to the Board, the appointment and fees of external auditors.

The Committee also reviewed and approved the Annual and Interim financial statements prior to the final approved by the board.

The Audit Committee has also reviewed the services provided by the External Auditors to the Company to ensure their independence and recommended to the Board of Directors that M/S V.S. & Associates be re-appointed as the auditors of the company for the financial year ending 31st March 2022, subject to the approval of the shareholders at the Annual General Meeting.

X

D.S.AbeyRatna

Chairman-Audit Committee 26th August 2022

The Audit Committe held 04 meeting during the year under review and attendances are as follows:

Name of Directors		Atte	Meeting			
Name of Director	Position	20/01/2022	12/11/2021	16/08/2021	25/05/2021	Attendance
D S AbeyRatna	Chairman	✓	✓	✓	✓	4/4
M W A D J Vajira Wijesuriya - Resigned from the audit committee with effect from 30.06.2022	Member	√	√	√	√	4/4
D R Jayasinghe	Member	✓	✓	✓	✓	4/4

Remuneration Committee Report

The Remuneration Committee of the Company consisted of the following Non-Executive Independent Directors.

Members of the Committee

Dr D Sunil AbeyRatna

- (Chairman Remuneration Committee)
- Independent Non-Executive Director

Mr D R Jayasinghe

- Independent Non-Executive Director

The Remuneration Committee is responsible for recommending remuneration payable to Executive Directors, Non Executive Directors and Key managerial personnel based on performance parameters. Also, the Committee recommends to the Board of Directors on remuneration packages, annual increment and bonuses paid to the Directors and other senior level staff.

Once the remuneration policy of the Group as recommended by the Committee is approved by the Board, the Remuneration Committee will then approve and recommended to the Board, and the finalized proposal for the granting of increments to the Directors and senior level staff.

The Company remuneration policy aims to attract qualified and experienced team of managers and professional and reward their performance.

Remuneration policy of the Company and the Group with regard to the increments and bonus is based on the performance parameters and evaluation systems established by the Group.

The Remuneration Committee ensures that all the decisions are after considering the Company's performance and shareholder return.

The Committee also addresses issues concerning high inflation, payment of Cost of Living Allowance etc. impacting employee remuneration.

D.S.AbeyRatna

Chairman - Remuneration Committee

26th August 2022

The Remuneration Committe held 01 meeting during the year under review and attendances are as follows:

Name of Director	Position	Attendence at remuneration Committee Meetings	Meeting Attendance
		20/01/2022	
D S AbeyRatna	Chairman	✓	1/1
M W A D J Vajira Wijesuriya - Resigned from the remuneration committee with effect from 30.06.2022	Member	√	1/1
D R Jayasinghe	Member	✓	1/1

Related Party Transactions Review Committee Report

The Board of Directors of East West Properties PLC adopted the Code of Best Practices on related party transactions issued by the Securities and Exchange Commission of Sri Lanka (SEC) and established the Related Party Transactions Review Committee. The Committee comprises two Independent Non-Executive Directors.

Members of the Committee

Dr D Sunil AbeyRatna

(Chairman-Related Party Transactions Review Committee) -Independent Non-Executive Director

Mr D R Jayasinghe

-Independent Non-Executive Director

The Purpose of RPTRC is to assist the Board of Directors in evaluating all related party transaction carried out by the Company and its subsidiaries of the Group. The Group Chief Financial Officer attended meetings by invitation. The Company Secretary functions as Secretary to the Related Party Transactions Review Committee.

Main objectives of the Related Party Transactions Review Committee

- To exercise oversight on behalf of the Board, that all Related Party Transactions (RPTs, other than those exempted by the CSE listing rules on the Related Party Transactions) of East West Properties PLC and all its subsidiaries are carried out and disclosed in a manner consistent with the CSE listing rules.
- To advise and update the Board of Directors on the related party transactions of each of the Company on a quarterly basis.

- To ensure compliance with the CSE listing rules on the Related Party Transactions.
- To review policies and procedures of Related Party Transactions of the Group.
- To ensure shareholder interests are protected and that fairness and transparency are maintained.

The Committee reviewed the policy framework for adoption on Related Party Transactions for East West Properties PLC and all its subsidiaries. In such process the committee considered Related Party Transactions which require approval of the Board of Directors, various thresholds set out by the Colombo Stock Exchange listing rules and disclosure requirements, etc.

The Committee held four meetings during the period under review. The activities and views of the Committee have been communicated to the Board of Directors where appropriate. Details of the related party transactions entered into by the Group/Company are disclosed on page 81 to 84.

The Committee has examined all related party transactions during the period and has established that they are in the best interest of the Company and the Group complies with all standards of best practice and reporting.



D S AbeyRatna

Chairman – Related Party Transaction Review Committee

26th August 2022

The Related Party Transaction Review Committe held 04 meeting during the year under review and attendances are as follows:

Name of Diverse		Attendence at Audit Committee Meetings				Meeting
Name of Director	Position	20/01/2022	12/11/2021	16/08/2021	25/05/2021	Attendance
D S AbeyRatna	Chairman	✓	✓	✓	✓	4/4
M W A D J Vajira Wijesuriya - Resigned from the Related Party Transaction Review committee with effect from 30.06.2022	Member	√	√	√	√	4/4
D R Jayasinghe	Member	✓	✓	✓	✓	4/4

Corporate Governance Report

The Board of Directors of East West Properties PLC is committed and takes responsibility to maintain highest standards of Corporate Governance practices in conducting the Company's business.

The Board ensures the compliance with the Corporate Governance principles, complying with the Listing Rules of the Colombo Stock Exchange, Securities and Exchange Commission of Sri Lanka and the Companies Act No.7 of 2007 and has adopted "Code of Best Practice on Corporate Governance" published by the Institute of the Chartered Accountants of Sri Lanka.

Board of Directors

The present Board of Directors comprise of six Directors including the Chairman as follows;

04 Executive Directors

Mr Muthukuda Wijesuriya Arachchige Don Jayantha Nahil Wijesuriya

Mr Muthukuda Wijesuriya Arachchige Don Jayantha Vajira Wijesuriya

Mrs Hewa Batagoda Gamage Vijayanthi Jayasinghe Mr Manju Nishshanka

02 Independent Non-Executive Director

Dr Damian Sunil AbeyRatna

Mr Diyanath Rohan Jayasinghe

The details of Company's directors and their capacity are given in the Board of Directors Report on page 05.

All the Directors have access to the Company Secretaries SSP Corporate Services (Pvt) Ltd who are responsible to the Board in ensuring that the proper Board procedures are followed and that applicable rules and regulations are complied with.

As per the Article of the company the Directors who retire by rotation are eligible for re-election by the shareholders at the Annual General Meeting.

Responsibilities

The Board of Directors are directly responsible for make of business plans by taking into consideration the Company's strengths and risks. And also the directors are responsible for the Company's system of internal control. A sound system of internal control is maintained in order to safeguard the Company's assets and shareholders investments. As a result proper records are maintained and reliable financial information is generated.

Secretary to the Board

SSP Corporate Services (Pvt) Ltd functions as Secretary to the Board, it ensures that appropriate Board procedures are adopted and proper records of all proceedings of Board Meetings are maintained.

The Secretaries are present at Board Meetings and officer advice on matters relating to corporate governance, compliance with the Memorandum and Articles and other statutory regulations.

Financial Acumen

The Board includes one senior Chartered Accountant who possesses the necessary knowledge and competence to offer the Board guidance on matters relating to fiancé.

Supply of Information

Directors are provided with quarterly reports and annual accounts on performance and such other reports and documents as necessary.

Appointments to the Board

The Board as a whole decides on the appointment of Directors.

Re-election of Directors

The provision of the Company's Article requires a Director appointed by the Board to hold office until the next Annual General Meeting, and seek re-appointment by the shareholders at that meeting.

Corporate Governance Report [Contd.]

Remuneration Committee

The Remuneration Committee comprise of two independent non-executive directors. The Remuneration Committee is responsible for evaluating the performance of the staff of the group and in reviewing and recommending to the board appropriate remuneration packages.

Audit Committee

The Company's Audit Committee consists of two Independent Non-Executive Directors. The External Auditor of the Company has direct access to the Committee, which ensures that their independence is not impaired in any way.

Related Party Transaction Review Committee

The Related Party Transaction Committee of East West Properties PLC comprise of two independent non-executive directors. The objective of this Committee is to assist the Board of Directors in evaluating all related party transaction carried out by the Company and its subsidiaries of the Group.

Compliance regarding payments

The Board of Directors confirms that all known statutory payments have been paid up to date and retirement gratuities have been provided for in the financial statements. At the same time, all management fees and payments made to related parties have been reflected in the financial statements.

Constructive use of Annual General Meeting

The Active participation of shareholders at the Annual General Meeting in encouraged. The Board believes the AGM is a means of continuing effective dialogue with shareholders.

The Board offers clarifications and responds to concerns shareholders have over the content of the Annual Report as well as other matters which are important to them. The AGM is also used to adopt the financial statements for the year.

Communication with Shareholders

Shareholders are provided with Quarterly Financial Statements and the Annual Report, which the Company considers as its principal communication with them and other stakeholders. These reports are also provided to the Colombo Stock Exchange.

Shareholders may bring up concern they have, either with the Chairman or the secretarial department as appropriate. The Company maintains an appropriate dialogue with them.

Accounting and Audit

The Board places great emphasis on complete disclosure of financial and non-financial information within the boundaries of commercial reality, and on the adoption of sound reporting practices. Financial information is disclosed in accordance with the Sri Lanka Accounting Standards. Revision to existing accounting standards and adoptions of new standards are carefully monitored.

The Statement of Directors' responsibilities for the financial statements is given on page 07 to 08 of this report.

Going Concern

The Board has adopted the going concern basis in preparing financial statements given that the Company possesses sufficient resources to continue operations into the foreseeable future.

Rule No	Corporate Governance Rule	Compliance Status / Details
7.10.1	Non Executive Directors.	Complied with Two out of the Six Directors are Non-Executive Directors.
7.10.2	Independent Directors	
	Two or 1/3 of the Non-Executive Directors whichever is higher shall be independent. Each Non-Executive Director should submit a signed and dated declaration annually of his /her independence in the prescribed format.	Complied with Two out of the Six Directors are Independent Directors. All Non-Executive Directors have submitted the declaration in the prescribed format.
7.10.3.	Disclosure Relating to Directors	'
	The board shall annually make a determination as to the independence or otherwise of the Non-Executive Directors and names of Independent Directors should be disclosed in the Annual Report.	Names of the Directors determined to be
7.10.4.	Criteria for Defining 'Independence'	
	Criteria for determining Independence of Directors.	Complied with All Directors listed as Independent satisfy the criteria given in this rule.
7.10.5.	Remuneration Committee	
	A listed company shall have a Remuneration Committee.	Complied with Comprise of two (02) Non-Executive Directors, all are independent. Chairman of the Committee satisfy the requirement given in Rule 7.10.5. a) Report of the Remuneration Committee is given on page 16
7.10.6.	Audit Committee	
	The Company shall have an Audit Committee.	Complied with Names of the members of the Audit Committee are stated in the Audit Committee Report on Page 15
	The Audit Committee shall comprise of ; (a) A minimum of two Non-Executive Directors (in instance where an entity has only two directors).	Complied with Audit Committee of two Non-Executive Independent Directors.
	(b) Non-Executive Directors a majority of who will be independent, whichever shall be higher.	
	A Non-Executive Director shall be appointed as the Chairman of the Committee Meeting	Complied with Chairman of the Audit Committee is a Non-Executive Independent Director.
	The Chairman of the Audit Committee or one member should be a member of a professional accounting body.	Complied with Chairman of the Audit Committee is a Chartered Accountant with vast knowledge on Financial reporting and compliance.

Rule No	Corporate Governance Rule	Compliance Status / Details
7.6	Disclosure in the Annual Report	
	All listed entities must include in its Annual Reports and accounts, inter alia;	
	Names of persons who were directors of the entity during the year.	Complied with Please refer corporate information on page No 96 of this Report.
	Principal activities of the entity and its subsidiaries during the year and any changes therein.	Complied with Please refer page 09 of the Board of Directors Report.
	Names and Numbers of the shares held by the 20 largest voting and nonvoting shareholders and percentages.	Complied with Please refer page 92 to 93 of this Report.
	Public Holding percentage.	Complied with Please refer page 92 of this Report.
	A statement of each directors holding shares in the entity at the beginning and end of the year.	Please refer page 93 of this Report.
	Information relating to material foreseeable risk factors of the entity.	Complied with Please refer page 25 to 26 of this Report.
	Details of material issues pertaining to employees and industrial relations of the entity.	Complied with No material issues pertaining to employees and industrial relations
	Extent, locations valuations and other number of buildings of the entity's land holding and investment property.	Complied with Please refer page 62 to 69 of this Report.
	Number of shares representing the entity stated capital.	Complied with Please refer page 92 of this Report.
	The option the listed entity complied with the Minimum Public Holding requirement.	Complied with Please refer page 92 of this Report.
9.1	Shareholder Approval	
	A Listed Entity shall obtain prior approval from the shareholders by way offer Special Resolution for the following Related Party Transaction.	
9.1.1	Non Recurrent Transactions	
	Any Related Party Transaction	
	1/3 of the Total Assets of the Entity as per the latest Audited Financial Statements of the Entity: or	Not Applicable
	1/3 of the Total Assets of the Entity as per the latest Audited Financial Statements of the Entity: When aggregated with other non-recurrent transactions entered in to with the same Related Party during the same financial year.	Not Applicable

Rule No	Corporate Governance Rule	Compliance Status / Details
9.1.2	Recurrent Transaction	
	Any recurrent Related Party Transaction of a value equal to,	
	or more than:	
	1/3 of the gross revenue (or equivalent term for revenue	Not Applicable
	in the Income Statement) and in the case of Group Entity	
	consolidated group revenue on the Entity as per the latest	
	Audited Financial Statements of the entity: or 1/3 of the gross revenue (or equivalent term for revenue	Not Applicable
	in the Income Statement) and in the case of Group Entity	Пот Аррисавіе
	consolidated group revenue of the Entity as per the latest	
	Audited Financial Statements of the entity, when aggregated	
	with other recurrent transactions entered into with the same	
	Related Party during the same financial year, and	
	The transactions are not in the ordinary course of business	Not Applicable
	and in the opinion of the Related Party Transaction Review	
	Committee, are on terms favorable to the Related Party than	
0.0	those generally available to the public.	
9.2	Related Party Transaction Review Committee	
	A listed Entity shall have a Related Party Transaction Review Committee (RPTRC) in conformity with the following	
9.2.1	Review of Transactions	
7.2.1	Except for Transactions et out in Rule 9.5, all other Related	Complied with
	Party Transaction should be review by the Related Party	Please refer page No 17 of this
	Transactions Review Committee.	Report.
9.2.2	Composition	
	The Committee shall comprise a combination of Non-	RPTRC comprises of Two
	Executive Directors and Independent Non-Executive	I
	Director and may also include Executive Directors at the	Directors.
	option of the Listed Entity.	Complied with
	One Independent Non-Executive Director shall be appointed as Chairman of the Committee	Complied with Please refer page No 17 of this
	as Chairman of the Committee	Report.
9.2.3	Related Party Transaction Review Committee of the Parent	•
	Company	
	In a situation where both the Parent Company and the	Not Applicable
	Subsidiary are Listed Entities, the RPTRC of the Parent	
	Company may be permitted to function as the RPTRC of the	
	Subsidiary.	
	However, it the Parent Company is not a Listed Entity, then	Not Applicable
	the RPTRC of the parent company is not permitted to act	
	as the RPTRC of the Subsidiary, the Subsidiary shall have a	
	separate RPTRC.	

Rule No	Corporate Governance Rule	Compliance Status / Details
9.2.4	Committee Meetings	
	The Committee shall meet at least once a calendar quarter.	The Committee has met on 4 occasions
	The Committee shall ensure that the minutes of all meetings are properly documented and communicated to the Board of Directors.	Complied with
9.2.5	Professional and Expert Advice	
	Directors of the Committee should ensure that they have, or have access to, enough knowledge or expertise to assess all aspects of proposed Related Party Transactions, and where necessary, they should obtain appropriate professional and expert advice from an appropriately qualified person.	Complied with
9.3	Disclosures	
9.3.1	Immediate Disclosure	
	 (i) The Listed Entity shall make an immediate announcement to the exchange; of any non-recurrent Related Party Transaction with a value exceeding 10% of the equity or 5% of the total assets whichever is lower, of the Entity as per the latest Audited Financial Statement, or of the latest transaction if the aggregate value of all nonrecurrent Related Party Transactions entered into with the same Related Party during the same financial year amounts to 10% of the equity or 5% of the total assets whichever is lower of the Entity as per latest Audited Financial Statements. 	recurrent transactions were below the disclosure threshold)
	(ii) Listed Entity shall disclose subsequent non-recurrent transactions which exceeds 5% of the equity of the Entity, entered into with the same Related Party during the financial year.	Not Applicable
9.3.2	Disclosure in the Annual Report	
	(a) Disclosure of Non-recurrent Related Party Transactions If aggregate value of the non-recurrent Related Party Transactions exceeds 10% of the Equity or 5% of the Total Assets, whichever is lower, of the listed Entity as per the latest Audited Financial Statements, the information must be presented in the Annual Report in accordance with the prescribed format under 9.3.2 (a)	Not Applicable

Rule No	Corporate Governance Rule	Compliance Status / Details
	(b) Discloser of Recurrent Related Party Transactions If the Aggregate value of the recurrent Related Party Transactions exceeds 10% of the gross revenue/income (or equivalent term in the Income Statement and in the case of group entity consolidated revenue) as per the latest Audited Financial Statements, the Listed Entity must disclose the aggregate value of Recurrent Related Party Transactions entered into during the financial year in the Annual Report in accordance with the prescribed format under 9.3.2 (b)	Not Applicable
	(c) Report by the Related Party Transactions Review Committee	Complied with Please refer page No 17 of this Report.
	(d) A declaration by the board of Directors	Complied with Please refer page No 09 of this Report
9.4	Acquisition and Disposal of Assets from/to Related Parties	
9.4.1	The Listed Entity nor any of its subsidiaries without obtaining prior approval from the shareholders by way of a Special Resolution, should not acquire or dispose of from/to any Related Party an asset/s amounting to a value which exceeds 1/3 of the total assets of the Entity a (substantial asset) as per latest Audited Financial Statements.	Not Applicable
9.4.4	9.4.4 The members of the Related Party Transactions Review Committee should obtain competent independent advice from independent professional experts with regard to the value of the substantial assets of the Related Party Transaction under consideration.	Not Applicable
9.4.5	9.4.5 The competent independent advice obtained in terms of Rule 9.4.4 above should be circulated with the notice of meeting to obtain the shareholder approval as set out in Rule9.4.1 above	Not Applicable

Risk Management Report

Risk arises in all our business activities. Risk management has become an important function of East West Properties PLC. The Board has overall responsibility for the management of risk and for reviewing the effectiveness of the system or internal control and risk management approach. The objective of risk management, shared across the organization, is to support our strategies to build a sustainable, profitable business in the long-term interest of our shareholders. The Audit Committee constantly evaluates risk, its impact and measures taken to manage risk. The risk management policies ensure the identification, measurement, monitoring and controlling of risk. We have put in place a number of key policies, processes and independent controls to provide assurance to the Board on the integrity of our reporting and effectiveness of our systems of internal control and risk management.

Risk faced by the Group are numerous and varied. The risk factors are highlighted as follows;

Risk Type	Factor	Action Plan	Rank	
Outbreak of COVID - 19	Business Operation	Follow the guidelines issued by the World Health Organization (WHO) and Health Authorities in Sri Lanka		
Occupancy	Demand for rental space from new and existing tenants at Warehouses	External research on warehouses rental market. Monitoring occupancy levels and advance discussion with customers on lease renewals.	High	
Interest Rate	Interest Income	The group negotiates better rates for one year period to reduce interest rate risk.	High	
Liquidity Risk	Liquidate risk is linked with the difficulties the Group may face to meet its financial obligations as they become due without affecting normal operations.	The Company's approach to managing liquidate is to ensure, as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and worried conditions without incurring unacceptable losses or damages to the Company's reputations.	Moderate	
Competition	The Property and media industry area extremely competitive.	Monitoring of existing and new supply of warehouses and media industry. Development of technologies and cost reduction.	Medium	

Risk Management Report [Contd.]

Risk Type	Factor	Action Plan	Rank
Regulatory Framework	Changes to tax and other Regulations, Legal restrictions, requirement for approval for business and investments, custom duties and tariffs, accounting standards and environmental laws.	~	Medium
Fire Risk	The Warehouse Complex, and Transmission sites.	Group makes an effort to improve the quality of construction product, maintenance programs, specialized equipment and life support system maintained.	Low
Building Condition and safety	The Warehouse Complex and Transmission sites.	Group makes an effort to improve the quality of construction product, Maintenance programs, specialized equipment and life support system maintained.	Low
Strategic Risk	Risk if not achieving planned objective and variances.	Company function with a clear business plan and within an approved annual budget and variances reviewed periodically.	Low
Credit Recovery	Non recovery of receivable.	Obtain customer deposits from lessees of leasehold property. Regular trade debtor balance review and follow up.	Low

Independent Auditors' Report



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TO THE SHAREHOLDERS OF **EAST WEST PROPERTIES PLC**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of East West Properties PLC ("the Company") and the consolidated financial statements of the Company and its subsidiaries ("the Group"), which comprise the statement of financial position as at 31st March 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company and the Group give a true and fair view of the financial position of the Company and the Group as at 31st March 2022, and their financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by CA Sri Lanka (Code of Ethics), and we have fulfilled our other ethical responsibilities in accordance with the Code of Fthics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

For each matter below, our description of how our audit addressed the matter is provided in that context.

Investment Properties Refer to note 11 to the financial statements.

Risk Description

As at 31st March 2022 the Group has its Investment Property at carrying value, amounting to Rs. 1,209,012,060/- which represents 46.05% of the Company's total assets.

During the year Group has acquired Investment properties amounting to Rs. 1,158,772,500/- at cost.

We identified this as a key audit matter because of the significance of the value of these properties to the Financial Statements.

Our audit procedures included;

- Documenting and testing the design and implementation and operating effectiveness of the Investment Properties valuation process and key controls in place.
- Checked the Deed of transfers to verify the ownership of Investment Properties.

Independent Auditors' Report [Contd.]

Key Audit Matters (Contd.)

- Verified the purchase consideration of Investment Properties and its fair values by checking the Valuation reports obtained after the acquisition of such properties.
- Assessing the adequacy of disclosures in the financial statements and inherent degree of subjectivity and key assumptions in the estimates as required by the relevant accounting standards.
- We further evaluated the adequacy of the related disclosures in the notes 1.3.7 and 11.
- Short Term InvestmentsRefer to note 17 to the financial statements.

Risk Description

Short Term investments of the Group as at 31st March 2022 comprise FVTPL financial assets, Fixed Deposits and Investments in Repurchase Agreements. FVTPL financial assets at cost amounts to Rs. 630,978,429/- and fair value amounts to Rs. 555,069,572/- which is 21.14% of the total assets as at the reporting date. Further the Company's FVTPL portfolio is made up of listed equity investments and measured based on quoted market prices.

Fixed Deposits and Investments in Repurchase Agreements amounts to Rs. 489,225,262/-which represents 18.63% of the total assets. Short Term Investments value represents 39.77% of the total assets.

Due to the significance of the balances, we determined Short Term Investments as a key audit matter.

Our audit procedures included;

 Documenting and testing the design and implementation and operating effectiveness of the Short Term investment valuation process and key controls in place.

- Checking the CDS confirmation to verify the existence, completeness and accuracy of the number of quoted shares and agreeing the market price as of 31st March 2022 with the CSE prices.
- Checking the number of shares and the share price as at 31st March 2022 with the external confirmations received from stock broker.
- Checked the individual and sector vice fair value changes of equity instruments after the reporting period in order to identify whether there is a necessity for further impairment.
- Checked the bank confirmations to verify the existence of the fixed deposits and Investments in Repurchase Agreements.
- Checked the accuracy of the interest income accounted from fixed deposits and Investments in Repurchase Agreements.
- Assessing the adequacy of disclosures in the financial statements and inherent degree of subjectivity and key assumptions in the estimates as required by the relevant accounting standards.
- We further evaluated the adequacy of the related disclosures in the notes 1.3.4 and 17.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

Independent Auditors' Report [Contd.]

Other Information (Contd.)

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SLAuSs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SLAuSs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company and the Group's internal control.

Independent Auditors' Report [Contd.]

Auditor's Responsibilities for the Audit of the Financial Statements (Contd.)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 1638.

W. Associated

V.S. & ASSOCIATES
CHARTERED ACCOUNTANTS
Colombo

26th August 2022

Statement of Profit or Loss and Other Comprehensive Income

	NOTES	GROUP		COMPANY	
For the year ended 31st March		2022	2021	2022	2021
		Rs.	Rs.	Rs.	Rs.
_					
Revenue	2	82,240,536	71,773,265	46,549,694	34,032,754
Direct Costs		(3,596,227)	(6,721,973)	-	-
Gross Profit		78,644,309	65,051,292	46,549,694	34,032,754
Other Income	3	5,370,952	1,812,419	12,185,391	11,056,889
		84,015,261	66,863,711	58,735,085	45,089,644
Administrative Expenses		(71,924,222)	(77,511,927)	(56,731,504)	(63,179,290)
Other Expenses	3	(12,568,368)	(25,196,802)	(1,468,544)	(23,564,274)
Results from Operating Activities		(477,329)	(35,845,018)	535,037	(41,653,920)
Finance Income	4	185,108,227	384,629,613	182,013,464	382,089,198
Finance Costs	5	(32,210,790)	(32,072,412)	(32,207,589)	(32,070,991)
Net Finance Income / (Costs)		152,897,437	352,557,201	149,805,875	350,018,207
Profit / (Loss) before Tax	6	152,420,107	316,712,182	150,340,912	308,364,287
Income Tax Expense	7	(16,189,371)	(15,591,582)	(11,944,947)	(18,196,661)
•		, , , ,		, , , ,	
Profit / (Loss) for the year		136,230,736	301,120,600	138,395,965	290,167,626
Other Comprehensive Income					
Items that will not to be reclassified to Profit or Loss		4 000 500	(400 (50)	4 (07 4 4 4	(0.40.540)
- Re-measurement of Employee Benefits		1,923,508	(429,658)	1,637,144	(368,563)
- Deferred Tax on Re-measurement and Actuarial (Gain) / Loss on Employee Benefits		(286,473)	298,490	(229,200)	204 271
Total Other Comprehensive Income /		(260,473)	276,470	(227,200)	286,271
(Expense) for the year		1,637,035	(131,168)	1,407,944	(82,292)
Total Comprehensive Income / (Expense) for the year	r	137,867,772	300,989,432	139,803,909	290,085,333
Profit / (Loss) attributable to:		400 450 400	000 004 540	400 005 075	0004/7/0/
Equity Holders of the Parent Non-Controlling Interest		132,459,603	290,921,548	138,395,965	290,167,626
Non-Controlling interest		3,771,133	10,199,052	<u> </u>	
Profit / (Loss) for the year		136,230,736	301,120,600	138,395,965	290,167,626
Total Comprehensive Income / (Expense) attributable	e to:				
Equity Holders of the Parent		133,984,384	290,814,329	139,803,909	290,085,333
Non-Controlling Interest		3,883,388	10,175,104	-	
Total Comprehensive Income / (Expense) for the year	,	137,867,772	300,989,432	139,803,909	290,085,333
		207,007,772	300,707,402	207,000,707	
Earnings / (Loss) per Share	8	0.96	2.10		
Dividend per share		-	-		

Statement of Financial Position

	NOTES	GROUP		COMPANY		
As at 31st March		2022	2021	2022	2021	
		Rs.	Rs.	Rs.	Rs.	
ASSETS						
Non - Current Assets						
Property, Plant & Equipment	9	178,682,562	141,376,590	171,691,298	130,446,685	
Leasehold Property	10	25,649,968	26,070,459	25,649,968	26,070,459	
Investment Property	11	1,209,012,060	58,002,988	1,209,012,060	58,002,988	
Intangible Assets	12	22,452,583	22,452,583	-	-	
Investments in Subsidiaries	13	-	-	39,445,672	29,584,254	
Interest Bearing Loan	14	-	50,000,000	-	50,000,000	
Total Non - Current Assets		1,435,797,173	297,902,621	1,445,798,999	294,104,387	
Current Assets		0.00.4.7.1	0.001.71.			
Inventories	15	2,204,713	2,204,713	- 	-	
Trade and Other Receivables	16	64,253,211	72,883,934	41,542,504	51,340,780	
Amounts due from Related Parties	26	62,851,419	64,956,172	62,851,419	56,208,233	
Other Financial Assets	17	1,044,294,834	1,759,120,660	987,361,834	1,718,775,660	
Cash and Cash Equivalents	18	16,228,945	321,914,986	12,588,162	320,771,167	
Total Current Assets		1,189,833,122	2,221,080,464	1,104,343,919	2,147,095,840	
Total Assets		2,625,630,295	2,518,983,085	2,550,142,917	2,441,200,226	
EQUITY AND LIABILITIES						
Equity						
Stated Capital	19	1,212,000,000	1,212,000,000	1,212,000,000	1,212,000,000	
Revaluation Reserve	20	77,184,832	77,184,832	77,184,832	77,184,832	
Revenue Reserve		1,208,364,215	1,074,379,831	1,181,165,058	1,041,361,149	
Total Equity attributable to						
Equity Holders of the Parent		2,497,549,047	2,363,564,663	2,470,349,891	2,330,545,982	
		_, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	_,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	_, ,, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	_,000,010,702	
Non-Controlling Interest		42,459,217	38,575,830	-		
Total Equity		2,540,008,264	2,402,140,493	2,470,349,891	2,330,545,982	
Non - Current Liabilities						
Employee Benefits	21	6,396,111	8,404,544	5,471,818	7,083,893	
Deferred Tax Liability	22	6,286,518	3,034,299	5,844,373	4,960,874	
Rent Received in Advance	23	7,181,893	8,729,076	7,181,893	8,729,076	
Nent Necelyeu III Auvallee	25	7,101,073	0,727,070	7,101,073	0,727,070	
Total Non - Current Liabilities		19,864,521	20,167,919	18,498,083	20,773,843	
					·	

Statement of Financial Position [Contd.]

	NOTES	GROUP		COMPANY		
As at 31st March		2022	2021	2022	2021	
		Rs.	Rs.	Rs.	Rs.	
Current Liabilities						
Trade and Other Payables	24	48,924,335	70,026,565	46,394,746	66,433,121	
Rent Received in Advance	23	1,547,183	1,456,779	1,547,183	1,456,779	
Income Tax Liability	25	13,236,977	22,572,137	11,304,000	21,925,551	
Bank Overdrafts	18	2,049,014	2,619,191	2,049,014	64,950	
Total Current Liabilities		65,757,509	96,674,673	61,294,943	89,880,401	
Total Liabilities		85,622,031	116,842,592	79,793,027	110,654,245	
Total Equity and Liabilities		2,625,630,295	2,518,983,085	2,550,142,917	2,441,200,226	

I certify that these financial statements are in compliance with the requirements of the Companies Act No. 07 of 2007.

Vijayanthi Jayasinghe

GROUP FINANCIAL OFFICER

The Board of Directors is responsible for the preparation and presentation of these financial statements. Approved and signed for and on behalf of the Board by,

Nahil Wijesuriya

DIRECTOR

Colombo

26th August 2022

DIRECTOR

Statement of Changes in Equity

GROUP	Attril	butable to Equity H	Attributable to Equity Holders of the Parent		Non-Controlling	Total
	Stated Capital	Revaluation	Revenue Reserve	Total	Interest	Equity
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 31st March 2020	1,212,000,000	77,184,832	783,565,502	2,072,750,334	28,400,726	2,101,151,060
Profit for the year Other Comprehensive Income / (Expense)			290,921,548 (107,220)	290,921,548 (107,220)	10,199,052 (23,948)	301,120,600 (131,168)
Total Comprehensive Income / (Expense) for the year	ı		290,814,329	290,814,329	10,175,104	300,989,432
Transaction with owners, recognised directly in equity Changes in Non-Controlling Interest		1				
Total transaction with owners of the Company	,	ı			,	
Balance as at 31st March 2021	1,212,000,000	77,184,832	1,074,379,831	2,363,564,663	38,575,830	2,402,140,493
Profit for the year Other Comprehensive Income / (Expense)			132,459,603 1,524,781	132,459,603 1,524,781	3,771,133 112,255	136,230,736 1,637,035
Total Comprehensive Income / (Expense) for the year	1	ı	133,984,384	133,984,384	3,883,388	137,867,772
Transaction with owners, recognised directly in equity Changes in Non-Controlling Interest						
Total transaction with owners of the Company			,	,	ı	•
Balance as at 31st March 2022	1.212.000.000	77.184.832	1.208.364.215	2.497.549.047	42.459.217	2.540.008.264

Details of the Revaluation Reserve are given in Note 20.1 to the Financial Statements.

Figures in brackets indicate deductions. The Accounting Policies and Notes from Pages 38 to 91.from an integral part of these Financial Statements.

Statement of Changes in Equity [Contd.]

COMPANY	Stated Capital	Revaluation Reserve	Revenue Reserve	Total
	Rs.	Rs.	Rs.	Rs.
Balance as at 31st March 2020	1,212,000,000	77,184,832	751,275,816	2,040,460,648
Profit for the year	-	-	290,167,626	290,167,626
Other Comprehensive Income / (Expense)	-	-	(82,292)	(82,292)
Total Comprehensive Income	-	-	290,085,333	290,085,333
Transaction with owners, recognised directly in equity	-	-	-	
Total Transaction with Owners of the Company	-	-	-	-
Balance as at 31st March 2021	1,212,000,000	77,184,832	1,041,361,149	2,330,545,982
Profit for the year	-	-	138,395,965	138,395,965
Other Comprehensive Income / (Expense)	-	-	1,407,944	1,407,944
Total Comprehensive Income	-	-	139,803,909	139,803,909
Transaction with owners, recognised directly in equity	-	-	-	-
Total Transaction with Owners of the Company	-	-	-	-
Balance as at 31st March 2022	1,212,000,000	77,184,832	1,181,165,058	2,470,349,891

Details of the Revaluation Reserve are given in Note 20.1 to the Financial Statements.

Figures in brackets indicate deductions.

The Accounting Policies and Notes from Pages 38 to 91 from an integral part of these Financial Statements.

Statement of Cash Flows

	NOTES	GR	OUP	СОМ	PANY
For the year ended 31st March		2022	2021	2022	2021
		Rs.	Rs.	Rs.	Rs.
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/ (Loss) before Interest & Tax		86,827,787	198,031,223	87,340,422	192,167,167
Adjustment for;					
Depreciation on Property, Plant & Equipment	9	9,898,728	10,640,224	5,871,199	5,656,242
Depreciation on Investment Property	11	7,763,428	3,588,774	7,763,428	3,588,774
Amortisation of Leasehold Property	10	420,491	420,491	420,491	420,491
Amortisation of Intangible Assets	12	-	-	-	-
Gratuity	21	1,134,950	964,184	926,194	755,428
Dividend Income	4	(4,760,570)	(15,698,914)	(4,760,570)	(15,698,914)
Dividend Received as Scrip Dividend	4	(129,516)	(84,582)	(129,516)	(84,582)
Gain on Disposal of Financial Assets at FVTPL	4	-	(237,517,076)	-	(237,517,076)
Fair Value Changes on Financial Assets at FVTPL	5	32,162,118	23,419,789	32,162,118	23,419,789
Provision for / (Reversal of) Impairment on,					
- Investments in Subsidiaries	3	-	-	(9,861,418)	(9,861,418)
- Trade Receivables	3	1,978,591	752,650	1,468,544	329,674
- Related Party Receivables	3	(1,813,925)	1,209,552	-	
Profit / (Loss) before Working Capital Changes		133,482,084	(14,273,685)	121,200,892	(36,824,424)
Changes in Working Capital					
(Increase) / Decrease in Inventories		-	(696,291)	-	-
(Increase) / Decrease in Trade and Other Receivables		6,652,131	(2,428,615)	8,329,732	(5,155,505)
(Increase) / Decrease in Amounts due from Related Parties		3,918,678	(13,229,581)	(6,643,186)	(12,812,917)
Increase / (Decrease) in Trade and Other Payables		(21,102,231)	6,906,576	(20,038,375)	12,456,719
Increase / (Decrease) in Rent Received in Advance		(1,456,779)	(1,456,779)	(1,456,779)	(1,456,779)
Cash Generated from / (used in) Operating Activities		121,493,883	(25,178,375)	101,392,283	(43,792,907)
Tax Paid		(22,558,785)	(31,223,580)	(21,912,199)	(30,932,842)
Interest Paid		(48,609)	(388,742)	(45,408)	(387,320)
Gratuity Paid	21	(1,219,875)	-	(901,125)	-
Net Cash Flows from / (used in) Operating Activities		97,666,614	(56,790,697)	78,533,552	(75,113,069)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of Property, Plant & Equipment	9	(42,441,213)	(9,228,677)	(42,352,325)	(6,239,078)
Purchase of Investment Property	11	(1,158,772,500)	(7,220,077)	(1,158,772,500)	(0,237,076)
(Increase) / Decrease in Capital Work in Progress	9	(4,763,487)	2,797,190	(4,763,487)	_
Acquisition of Other Financial Assets	,	682,793,224	(550,956,521)	699,381,224	(511,101,763)
Proceeds from Disposal of Financial Assets		-	732,680,699	-	732,680,699
Interest Received		65,640,929	119,069,701	63,045,898	116,584,439
Dividend Income Received		4,760,570	15,698,914	4,760,570	15,698,914
		.,,,,,,,,,,,	10,070,717	.,700,570	15,070,717
Net Cash Flows from / (used in) Investing Activities		(452,782,478)	310,061,307	(438,700,621)	347,623,212

Statement of Cash Flows [Contd.]

	NOTES	GRO	OUP	COMPANY	
For the year ended 31st March		2022	2021	2022	2021
		Rs.	Rs.	Rs.	Rs.
CASH FLOWS FROM FINANCING ACTIVITIES					
(Advance) / Repayment on Interest Bearing Loan		50,000,000	50,000,000	50,000,000	50,000,000
Dividend Paid		-		-	
Net Cash Flows from / (used in) Financing Activities		50,000,000	50,000,000	50,000,000	50,000,000
Net Increase / (Decrease) in Cash and Cash Equivalents		(305,115,864)	303,270,610	(310,167,070)	322,510,143
Cash and Cash Equivalents at the beginning of the year		319,295,795	16,025,185	320,706,217	(1,803,926)
Cash and Cash Equivalents at the end of the year		14,179,931	319,295,795	10,539,147	320,706,217
ANALYSIS OF CASH AND CASH EQUIVALENTS					
Favourable balances					
Call Deposits	18	5,291,928	134,447	5,291,928	134,447
Savings Accounts	18	2,488,576	316,216,426	903,375	315,147,963
Cash in Hand & at Bank	18	8,448,441	5,564,113	6,392,859	5,488,757
Un-favourable balances					
Bank Overdrafts	18	(2,049,014)	(2,619,191)	(2,049,014)	(64,950)
		14,179,931	319,295,795	10,539,147	320,706,217

Notes to the Financial Statements

1. CORPORATE INFORMATION

1.1. REPORTING ENTITY

1.1.1. General

East West Properties PLC ("Company") is a Public Quoted Company with Limited Liability incorporated and domiciled in Sri Lanka. The registered office of the Company and the principal place of business is located at No. 81/11, 3rd Lane, New Nuge Road, Peliyagoda.

The Ordinary Shares of the Company are listed on the Colombo Stock Exchange.

1.1.2. Consolidated Financial Statements

The Consolidated Financial Statements, "the Company" refers to East West Properties PLC as the Parent Company and "the Group" refers to the companies whose accounts have been consolidated therein.

There is no identifiable parent and ultimate parent Company.

1.1.3. Principal Activities and Nature of Operations

The principal activity of the Company is renting warehouses, Ground, Office Space and Yard for commercial purposes.

The principal activity of the Subsidiary is disclosed in Note 13 to the Financial Statements.

There were no significant changes in the nature of the principal activities of the Company and the Group during the financial year under review.

1.1.4. Date of Authorisation for issue

The Consolidated Financial Statements of the Group for the year ended 31st March 2022 were authorised for issue, in accordance with a resolution of the Board of Directors on 26th August 2022.

1.1.5. Responsibility for Financial Statements

The Board of Directors is responsible for the preparation and presentation of these Financial Statements as per Sri Lanka Accounting Standards (SLFRS / LKAS) and the provisions of the Companies Act No. 07 of 2007.

1.2. BASIS OF PREPARATION

1.2.1. Statement of Compliance

The Financial Statements of the Company as at 31st March 2022 and for the year then ended, have been prepared and presented in accordance with Sri Lanka Accounting Standards (SLFRS and LKAS), laid down by the Institute of Chartered Accountants of Sri Lanka and in compliance with the requirements of the Companies Act No. 07 of 2007.

1.2.2. Components of Financial Statements

The Consolidated Financial Statements include the following components.

- Statement of Profit or Loss and Other Comprehensive Income providing the information on the financial performance of the Group and the Company for the year under review.
- Statement of Financial Position providing the information on the financial position of the Group and the Company as at the year end.
- Statement of Changes in Equity depicting all changes in shareholders' funds during the year under review for the Group and the Company.
- Statement of Cash Flows providing the information to users, on the ability of the Group and the Company to generate cash and cash equivalents and utilisation of those cash flows.
- Notes to the financial Statements comprising significant accounting policies and other explanatory information.

1.2. BASIS OF PREPARATION (CONTD.)

1.2.3. Basis of Measurement

The financial statements of the Group and the Company have been prepared on the historical cost basis, except for the following material items in the statement of financial position.

- a) Items of Property, Plant & Equipment which are measured at cost at the time of acquisition and construction and subsequently at revalued amounts, which are the fair values at the date of revaluation less accumulated depreciation and impairment loss.
- b) Financial instruments reflected as fair value through profit or loss financial assets are measured at fair value.
- Defined benefit plans which are measured at the present value of the Employee Benefits.

No adjustments have been made for inflationary factors in the Consolidated Financial Statements.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When measuring fair value of an asset or liability, the Group uses observable market data as far as possible. Fair Values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques.

- Level 1: inputs are unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2: inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: inputs are inputs that are not based on observable market data (unobservable inputs)

If inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information on about the assumptions made in determining fair value is disclosed in the notes specific to that asset or liability.

1.2.4. Functional and Presentation Currency

The financial statements are presented in Sri Lankan Rupees, which is the Group's functional currency.

1.2.5. Use of Estimates, Judgements and Assumptions

The presentation of the financial statements of the Group and the Company in conformity with Sri Lanka Accounting Standards (SLFRS / LKAS) requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the Note 21 - measurement of Employee Benefits.

1.2. BASIS OF PREPARATION (CONTD.)

1.2.6. Materiality and Aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of a dissimilar nature or function are presented separately unless they are immaterial as permitted by the Sri Lanka Accounting Standard - LKAS 1 on 'Presentation of Financial Statements'.

1.2.7 Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position, only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously. Income and expenses are not offset in the income statement, unless required or permitted by Sri Lanka Accounting Standards and as specifically disclosed in the significant accounting policies of the Group.

1.2.8 Current versus Non-Current Classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is expected to be realised or intended to be sold or consumed in the normal operating cycle and held primarily for the purpose of trading or expected to be realized within twelve months after the reporting period.

or

Is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is expected to be settled in the normal operating cycle and is held primarily for the purpose of trading and is due to be settled within twelve months after the reporting period.

or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current liabilities.

The Group classifies deferred tax liability under non-current liabilities.

1.2.9. Going Concern

The Management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the Management has assessed the existing and anticipated effects of Covid – 19 on the Company, and is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the Financial Statements of the Company continue to be prepared on a going concern basis.

1.2.10. Changes in Accounting Policies

There were no changes in accounting policies for the year ended 31st March 2022.

1.3. SIGNIFICANT ACCOUNTING POLICIES

The Company has consistently applied the accounting policies to all periods presented in these financial statements.

1.3.1. Basis of Consolidation

The Group's financial statements comprise of the consolidation of financial statements of the Company and its Subsidiary prepared in terms of Sri Lanka Accounting Standard SLFRS 10 - 'Consolidated Financial Statements'. Subsidiary is disclosed in Note 13 to the Financial Statements.

1.3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

1.3.1.1. Business Combination and Goodwill

Business combinations are accounted for using the acquisition method as at the acquisition date which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to groups of cashgenerating units that are expected to benefit from the synergies of the combination.

Impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash generating unit is less than the carrying amount, an impairment loss is recognised. The impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets pro-rata to the carrying amount of each asset in the unit.

1.3.1.2. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the

ability to affect those returns through its power over the entity. The Financial Statements of Subsidiaries are included in the Consolidated Financial Statements from the date on which control commences until the date when control ceases.

1.3.1.3. Transactions with Non-controlling Interests

The profit or loss and net assets of a subsidiary attributable to equity interests that are not owned by the Parent, directly or indirectly through subsidiaries, is disclosed separately under the heading "Non-Controlling Interest".

The Group applies a policy of treating transactions with non-controlling interests as transactions with parties external to the Group. Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

The acquisition of an additional ownership interest or a disposal of ownership interest in a subsidiary without a change of control is accounted for as an equity transaction. Any excess or deficit of consideration paid over the carrying amount of the non-controlling interests is recognised in equity of the parent. No adjustment is made to goodwill as a result of such transactions.

1.3.1.4. Loss of Control

On the loss of control, the Group derecognises the assets including goodwill and liabilities of the subsidiary, any non-controlling interests and other components of equity related to the subsidiary. Any gain or loss arising on the loss of control is recognised in the Statement of Profit or Loss.

If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

1.3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

1.3.1.5. Profits and Losses

The total profits and losses of the Company and its subsidiary for the period are included in the consolidation. The proportion of the profit or loss after taxation attributable to Non Controlling Interest shareholders of the subsidiary is shown as a component of profit for the period in the Consolidated Statement of Profit or Loss.

1.3.1.6. Assets and Liabilities

All assets and liabilities of the Company and its subsidiary are included in the Consolidated Statement of Financial Position. Non controlling interest which represents the proportion of interest attributable to non controlling interest of subsidiary in the net assets employed by the Group is disclosed as a component of equity in the Consolidated Statement of Financial Position, separately from the Parent shareholders' equity.

1.3.1.7. Transactions Eliminated on Consolidation

All intra group balances and transactions, income and expenses, profits and losses resulting from intra group transactions that are recognised in assets, liabilities, income and expenses are eliminated in preparing the consolidated financial statements.

1.3.1.8. Financial Period

The Subsidiary has a common financial year as the Parent Company.

1.3.2. Foreign Currency Transactions

All foreign currency transactions are translated to Sri Lankan Rupees at the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into local currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured based on historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in the Statement of Profit or Loss.

1.3.4. Financial Instruments

A financial instrument is a contract that gives rise to a financial asset in one entity and a financial liability or equity instrument of another entity.

1.3.4.1 Financial Assets

a) Initial Recognition and Measurement

Receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

b) Subsequent Measurement

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI) - debt investment; fair value through other comprehensive income (FVOCI) - equity investment; or fair value through profit or loss (FVTPL).

1.3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

Subsequent Measurement (Contd.)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The financial assets of the Group comprise financial assets measured at amortised cost and financial assets at fair value through profit or loss.

Financial Assets at Amortised Cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the Effective Interest Rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost include cash & cash equivalent, trade & other receivables, interest bearing loan, investment in fixed deposits, Investments in Repurchase Agreements and amounts due from related parties.

Financial Assets at Fair Value through Profit or Loss (FVTPL)

Financial assets at fair value through profit or loss include financial assets held for trading.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

The Group's financial assets at fair value through profit or loss include investments in quoted companies.

c) De-recognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

d) Impairment of Financial Assets

The Group reviews its individually significant receivables at each reporting date to assess whether an impairment loss should be recorded in the Statement of Profit or Loss, In particular, management's judgment is required in the estimation of the amount and timing of future cash flows when determining the impairment loss. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the impairment allowance.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss (ECLs) at each reporting date, right from its initial recognition. As a practical expedient, the Group uses a provision

1.3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

Impairment of Financial Assets (Contd.)

matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Group estimates provision on trade receivables at the reporting date, impairment loss allowance charges (or reversal) recognised during the period is recognised as income / expense.

The Group considers a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. If outstanding contractual amounts remains for more than 3 months, management will take necessary actions to recover the balances through negotiations. Based on the likelihood of recoverability, Group considers a financial asset to be in default.

A financial Asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

1.3.4.2. Financial Liabilities

a) Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, carried at amortised cost. This includes directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and bank overdrafts.

b) Subsequent Measurement of Financial Liabilities

The measurement of financial liabilities depends on their classification, as described below.

Loans and Borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate (EIR) method amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of profit or loss.

c) Derecognition

A Financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification as treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

1.3.5. Property, Plant & Equipment

1.3.5.1. Recognition and Measurement

Items of Property, Plant & Equipment are measured at cost (or at valuation in the case of certain items) less accumulated depreciation and accumulated impairment losses.

When parts of an item of property, plant & equipment have different useful lives, they are accounted for as separate items (major components) of property, plant & equipment.

1.3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

1.3.5. Property, Plant & Equipment (Contd.)

1.3.5.2. Owned Assets

The cost of Property, Plant & Equipment include expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, and any other costs directly attributable to bringing the asset to a working condition for its intended use and the cost of dismantling and removing the items and restoring the site on which they are located.

Revaluation of condominium apartment is done with sufficient frequency to ensure that the fair value of the condominium apartment does not differ materially from its carrying amount, and is undertaken by professionally qualified valuers.

Increases in the carrying amount on revaluation is recognised in other comprehensive income and accumulated in equity in the revaluation reserve, unless it reverses a previous revaluation decrease relating to the same asset, which was previously recognised as an expense. In these circumstances the increase is recognised as income to the extent of the previous write down.

Decrease in the carrying amount on revaluation that offset previous increases of the same individual assets are charged against revaluation reserve directly in equity. All other decreases are recognised in profit or loss.

1.3.5.3. Subsequent Costs

The cost of replacing component of an item of property, plant & equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within that part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised in accordance with the derecognition policy given below.

The costs of the day-to-day servicing of property, plant & equipment are recognised in statement of profit or loss as incurred.

1.3.5.4. Derecognition

The carrying amount of an item of property, plant & equipment is derecognised upon disposal off or when no future economic benefits are expected from its use. Gains and losses arising on derecognition of the assets determined by comparing the proceeds from disposal with the carrying amount of property, plant & equipment and are recognised net within 'Other Income' in profit or loss.

1.3.5.5. Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant & equipment, since this most closely reflected the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives are as follows.

C		:	A
Cona	ıomın	iium	Apartments

Condominium Apartments	
(Re-valued)	Over 30 Years
Site Buildings	Over 10 Years
Furniture & Fittings	Over 5 - 8 Years
Fixtures & Fittings	Over 5 Years
Office Equipment	Over 5-8 Years
Computers & Accessories	Over 4-5 Years
Communication Equipment	Over 8 Years
Air Conditioners	Over 5-8 Years
Generators	Over 5 Years
Plant & Machinery	Over 5 Years
Tools & Equipment	Over 5 Years
CCTV Camera System	Over 5 Years
Equipment	
- Radio Studio	Over 8 Years
- TV2 Studio	Over 8 Years
Encoder & Decoder	Over 8 Years
UPS System	Over 4 Years
Studio Broadcast System	Over 5 Years
Digital Audio Router	Over 5 Years

1.3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

1.3.5. Property, Plant & Equipment (Contd.)

Transmitter Towers Over 8 Years
Transmitters Over 8 Years
Transformers Over 5 -10 Years
Antenna Over 8 Years
Cables & Connectors Over 8 Years
Gongala Cabin Over 8 Years
Motor Vehicles Over 5 Years

No depreciation is provided on freehold land.

Depreciation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognised.

1.3.5.6. Capital Work in Progress

Capital expenses incurred during the period which are not completed as at the reporting date are shown as capital work-in-progress, whilst the capital assets which have been completed during the period and put to use have been transferred to property, plant and equipment, if any.

1.3.6. Leasehold Property

Leasehold Property includes of leasehold rights to land of Urban Development Authority situated at 3rd Lane, New Nuge Road, Peliyagoda which is on a 99 years lease. Leasehold Property is amortised over their remaining period of leases.

1.3.6.1. Lease Rentals paid in Advance

Prepaid lease rentals paid to acquire land use rights are amortised over the lease term. Details of the leasehold property are given in note 10 to the financial statements.

1.3.7. Investment Property

Investment property is property held either to earn rental income or for capital appreciation or both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

The Group adopts cost model to measure investment property. Investment property is measured at cost on initial recognition and subsequently carried at its cost less any accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use.

Depreciation is recognised on a straight-line basis over the estimated useful life of the investment property. The estimated useful life of investment property of the Group is as follows.

Warehouse No. I

Warehouse No. II

Warehouse No. III

Over 30 Years

Over 10 Years

Office Building

Over 30 Years

Investment property is derecognised when either they have been disposed off or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit or loss in the period of derecognition.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

1.3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

1.3.8. Intangible Assets

An intangible asset is initially recognised at cost, if it is probable that future economic benefit will flow to the enterprise, and the cost of the asset can be measured reliably.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets with finite lives are amortised over the useful economic life, from the date that they are available for use and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least once at each financial year end.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level.

1.3.8.1. Intangible assets recognised by the Group

a) Computer Software

All computer software cost incurred and licensed for use by the Group, which does not form an integral part of related hardware, which can be clearly identified and reliably measured with the probability of leading to future economic benefits, are capitalised under intangible assets. The Group amortises the computer software over period of 5 years.

b) Goodwill

Goodwill arising on an acquisition represents the excess of the cost of acquisition over the fair value of net assets acquired. Goodwill is measured at cost less accumulated impairment losses.

Gain from bargain purchase arising on an acquisition represents the excess of the fair value of the net assets acquired over the cost of acquisition. Gain from bargain purchase is recognised immediately in the Statement of Profit or Loss.

1.3.8.2. Derecognition of Intangible Assets

Intangible assets are derecognised on disposal or when no future economic benefits are expected from its use. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit or Loss when the asset is derecognised.

1.3.9. Inventories

Inventories are measured at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items. The cost of inventories includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price less estimated costs of completion and estimated costs necessary to make the sale.

Accordingly, the costs of inventories are accounted for as follows.

Transmission Equipment - at the lower of cost and net realisable value

1.3.10. Trade and Other Receivables

Trade and Other Receivables are stated at the amounts estimated to be realised after providing for impairment on trade and other receivables.

Trade and Other Receivables and amounts due from related parties are recognised at cost, less provision for impairment.

1.3.11. Cash & Cash Equivalents

Cash and Cash equivalents are defined as cash in hand, demand deposits and short term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, cash & cash equivalents comprise of call deposit, savings accounts, cash in hand, cash at banks and bank overdrafts.

1.3. SIGNIFICANT ACCOUNTING POLICIES 1.3.1 (CONTD.)

1.3.12. Impairment of Non Financial Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount. the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in the Statement of Profit or Loss in those expense categories consistent with the function of the impaired asset.

For assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased If such indication exists, the Group makes an estimate of the recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount.

That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit or Loss.

1.3.13. Stated Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

As per the Companies Act No. 07 of 2007, Section 58(1), Stated Capital in relation to a Company means the total of all amounts received by the Company or due and payable to the Company in respect of the issue of shares and in respect of calls in arrears.

1.3.14. Liabilities & Provisions

1.3.14.1. Liabilities

Liabilities classified as current liabilities on the statement of financial position are those which fall due for payment on demand or within one year from the reporting date. Non-current liabilities are those balances payable after one year from the reporting date.

All known liabilities are accounted for in the statement of financial position.

Trade & Other Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

1.3.15. Provisions

A provision is recognised in the Statement of Financial Position when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and the amount of the provision can be measured reliably in accordance with LKAS 37 - 'Provisions, Contingent Liabilities and Contingent Assets'. The amount recognised is the best estimate of the consideration required to settle the present obligation at the Reporting date, taking into account the risks

1.3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

Provisions (Contd.)

and uncertainties surrounding the obligation at the date. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is determined based on the present value of those cash flows.

1.3.15.1. Commitments and Contingencies

Capital commitments and contingent liabilities of the Company are disclosed in respective notes to the Financial Statements.

1.3.16. Employee Benefits

a) Defined Benefit Plan - Retirement Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability recognised in the Statement of Financial Position in respect of defined benefit plans is the present value of the defined benefit obligation as at the reporting date. The defined benefit obligation is calculated by the Group using the projected unit credit method based on the formula prescribed in "LKAS 19 - Employee Benefits".

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related liability.

Provision has been made for retirement gratuities for the first year of service for all employees, in conformity with "LKAS 19 - Employee Benefits". However, according to the Payment of Gratuity Act No. 12 of 1983, the liability for gratuity payment to an employee arises only after the completion of five years of continued service.

Principal assumptions used in determining the defined benefit obligation are given in Note 21.3. Defined benefit plan liability has not been externally funded by the Company as well as subsidiary of the Group.

b) Defined Contribution Plans - Employees Provident Fund & Employees Trust Fund

A defined contribution plan is a postemployment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

All employees who are eligible for Employees Provident Fund Contributions and Employees Trust Fund Contributions are covered by relevant contribution funds in line with respective statutes and regulations. Contribution plans are recognised as an expense in the statement of profit or loss when incurred.

1.3.17. Statement of Profit or Loss and Other Comprehensive Income

1.3.17.1. Revenue from Contracts with Customers

The Group recognises revenue from contracts with customers when control of the goods or services is transferred to the customer at an amount that reflects the consideration that the Group is to be entitled in exchange for those goods or services. Determining the timing of the transfer of control of goods or services, at a point in time or over time, requires judgements taking into consideration the nature of goods or services that Group offers.

SLFRS 15 requires an entity to disaggregate revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. The Group's contracts with customers are in similar nature and revenue from these contracts are not significantly affected by economic factors apart from the service categories.

a) Rental Income

Rent Income is recognised in the Statement of Profit or Loss as it accrues.

1.3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

1.3.17.1. Revenue from Contracts with Customers (Contd.)

b) Lease Rental Income

The Company has sub leased part of the Land lease owned by the Company for a period of thirty years. The lease Rentals have been collected in advance and will be accounted as income as per the provisions of the lease agreement.

c) Rendering of Services

Revenue from rendering of services is recognised in the accounting period in which the services are rendered or performed.

d) Sale of Goods

Revenue is recognised on sale of goods when all significant risks and rewards of ownership have been transferred to the buyer which normally occurs on delivery of goods.

e) Finance Income and Finance Costs

Finance income comprises interest income on funds invested, dividend income and gains on the disposal of financial assets at fair value through profit or loss.

Interest income is recognised on an accrual basis. Dividend Income is recognised when the Shareholders right to receive such dividend is established. Profit or Losses on disposal of Financial Assets are accounted for in the Statement of Profit or Loss on the basis of realised net profit or loss.

Finance costs comprises of interest expense on borrowings and the changes in the fair value of financial assets. Interest expenses are recognised using the effective interest method. All borrowing costs are recognised as an expense in the period in which they are incurred.

Foreign currency gains and losses are reported on a net basis as either finance income or finance costs depending on whether foreign currency movements are in a net gain or net loss position.

f) Others

Other income is recognised on an accrual basis. Net gains and losses of a revenue nature on disposal of an item of property, plant & equipment and other non-current assets including investments have been accounted for in profit or loss, having deducted from proceeds from disposal, the carrying amount of the assets and related selling expenses.

1.3.17.2. Segmental Reporting

A segment is a distinguishable component of the Group that is engaged in either providing products or services (Business Segments) which is subject to risks and rewards that are different from those of other segments.

Segment information is presented in respect of the Group's business activities. The business segment has been identified as the primary segment of the Group as there are no distinguishable components to be identified as geographical segments for the Group. The business segments are reported based on the Group's management and internal reporting structure.

1.3.17.3. Expenditure Recognition

All expenditure incurred in the running of the business and in maintaining the plant & equipment in a state of efficiency has been charged to the statement of profit or loss.

Expenditure incurred for the purpose of acquiring and extending or improving assets of a permanent nature by means of which to carry on the business or for the purpose of increasing the earning capacity of the business has been treated as capital expenditure.

a) Borrowing Costs

As per LKAS 23 on "Borrowing costs", the Group capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of the asset.

1.3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

Expenditure Recognition (Contd.)

a) Borrowing Costs

A qualifying asset is an asset which takes a substantial period of time to get ready for its intended use or sale. Other borrowing costs are recognised in the profit or loss in the period it is incurred.

b) Income Tax Expense

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the Statement of Profit or Loss except to the extent that it relates to a business combination, or items recognised directly in Equity or in Other Comprehensive Income.

Current Tax

The current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Taxation for the current and previous periods to the extent unpaid is recognised as a liability in the Financial Statements. When the amount of taxation already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset in the Financial Statements.

The provision for income tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and Inland Revenue (Amendment) Act, No.10 of 2021.

Deferred Tax

Deferred Tax is provided in full, using the liability method on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the Financial Statements. Deferred tax is determined using tax rates that have been enacted or

substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability settled.

Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects either accounting nor taxable profit, and difference relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

1.4. STATEMENT OF CASH FLOWS

The Statement of Cash Flows has been prepared using 'indirect method'. Interests paid are classified as operating cash flows while dividends paid are classified as financing cash flows. Interests and dividends received are classified as investing cash flows for the purpose of presentation of Statement of Cash Flows.

For the purpose of Statement of Cash Flows, cash & cash equivalents consist of savings accounts, cash in hand, cash at banks net of outstanding bank overdrafts.

1.5. RELATED PARTY TRANSACTIONS

Disclosures have been made in respect of the transactions between parties who are defined as related parties as per Sri Lanka Accounting Standard (LKAS) 24 - "Related Party Disclosures".

1.3. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

Related Party Transactions (Contd.)

Related Party Receivables and Payables are treated as Current Assets and Current Liabilities as they are deemed to be of a temporary nature.

1.6. EARNINGS PER SHARE

The Group presents Earnings per Share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

1.7. EVENTS AFTER THE REPORTING PERIOD

All material events occurring after the reporting period have been considered and appropriate adjustments to or disclosures have been made in the financial statements.

1.8. FINANCIAL RISK MANAGEMENT POLICIES

The Group's principal financial liabilities comprise of loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group has loan and other receivables, trade and other receivables, and cash and short-term deposits that arrive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management monitors these risks. The Group's senior management is supported by an Audit Committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The Audit Committee provides assurance to the Group's senior management that the Group's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with group policies and group risk appetite.

The Group's objectives, policies and processes for measuring and managing risk from financial instruments and the management of capital are reported separately in note 34 in conformity with Sri Lanka Financial Reporting Standards.

1.9. NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

A number of new standards and amendments to standards are effective for annual periods beginning after 1st January 2022 and earlier application is permitted. However, the Company has not early adopted the new and amended standards in preparing these financial statements.

The following new and amended standards are not expected to have a significant impact on the Company's financial statements

- Onerous Contracts Cost of Fulfilling a Contract (Amendments to LKAS 37).
- Property Plant and Equipment proceeds before intended use (Amendments to LKAS 16)
- Annual Improvements to SLFRS Standards 2018 - 2020. The amendments are effective for annual reporting periods beginning on or after 1st January 2022.
- Interest rate benchmark reforms Phase 2(Amendments to SLFRS 9, LKAS 39, SLFRS 7, SLFRS 4 and SLFRS 16).
- Reference to Conceptual Framework (Amendments to SLFRS 3). The amendment applies to annual reporting period beginning on or after 1st January 2022.
- Classification of Liabilities as Current or Non-current (Amendments to LKAS 1). The amendment applies to annual reporting periods beginning on or after 1st January 2023.
- Definition of Accounting Estimates (Amendments to LKAS 8).
- Disclosure of Accounting Policies (Amendments to LKAS 1).

		GROUP		CON	1PANY
		2022	2021	2022	2021
		Rs.	Rs.	Rs.	Rs.
2	REVENUE				
	Revenue from Contracts with Customers	82,240,536	71,773,265	46,549,694	34,032,754

2.1 Revenue Streams

The Companies in the Group are primarily involved in renting and retail space are recognised over a period of time, depending on agreements.

At inception of the contract, the entity determines whether it satisfies the performance obligation over time or at a point in time. Timing and amount of cash flow will be determined according to the agreement.

2.2 Disaggregation of Revenue from Contracts with Customers

Revenue from contracts with customers is disaggregated by Service Lines and Timing of Revenue Recognition as follows.

	GROUP		COMPANY	
	2022	2021	2022	2021
	Rs.	Rs.	Rs.	Rs.
2.2.1 Service Lines				
Warehouses & Yard Rental	43,355,054	33,518,674	43,869,134	34,032,754
Office Space Rental	2,680,560	-	2,680,560	-
Infrastructure Rental	35,500,402	34,784,693	-	-
Sale of Equipment	704,520	3,469,898	-	
	82,240,536	71,773,265	46,549,694	34,032,754

2.2.2 Timing of Revenue Recognition

Revenue Recognised at a point in time	704,520	3,469,898	-	-
Revenue Recognised over time	81,536,016	68,303,367	46,549,694	34,032,754
	82,240,536	71,773,265	46,549,694	34,032,754

2.3 Contract Balances

Contract Assets

A contract Asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment due, a contract assets is recognized for the earned consideration that is conditional.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfer goods or Services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier).

2 Revenue (Contd..)

The following table provides information about receivables, contract assets and liabilities from contracts with customers.

		GR	OUP COMPANY		1PANY
		2022	2021	2022	2021
		Rs.	Rs.	Rs.	Rs.
Receivables, which are includ	ed in				
trade and other receivables	Note 16	14,547,003	17,323,648	9,491,979	12,264,565
Deferred Revenue	Note 23	1,456,779	1,456,779	1,456,779	1,456,779
Leasehold Property	Note 10	37,003,233	37,003,233	37,003,233	37,003,233
Rent Received in Advance	Note 23	8,729,076	10,185,856	8,729,076	10,185,856

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the reporting period is amounts to Rs. 8,729,076/- which is disclosed under Note 23.

Rent in Advance Received under operating lease is recognized based on the term of lease. The lease term is for a fixed period of 30 years together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the Directors are reasonably certain that the tenant will exercise that option.

2.4 Obligations for returns, refunds and types of warranties and related Obligations

Costs incurred by the Group under the terms of the warranty agreement between principal suppliers are reimbursed to the Group. Statement of Comprehensive Income. Any amounts that are not reimbursed under the warranty agreement are charged to the The Group has no Warranty liability in respect of past sales which can occur in future, as the cost is reimbursed by the principal.

2.5 Operating Segments

Segment information is presented in respect of the Group's business segments. Business segments are based on the Group's management and internal reporting structure.

Inter-segment transactions are carried in the ordinary course of business. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The Group comprises the following main business segments.

Rental - Warehouses, Yard, Ground and Office Space Rental

Infrastructure - Infrastructure Rental

Trading & Services - Selling & Distribution, Renting & Repairs of Transmission Equipment & Machinery

Parts

Unallocated assets and liabilities comprise mainly of assets and liabilities that cannot be attributed to a particular segment.

Sales to any single customer does not represent more than 10% of the total sales and no segments are determined based on the geographical area.

The Board of Directors regularly reviews the operating results of all operating business segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, is measured differently from operating profit or loss in the Consolidated Financial Statements.

2.6	Business Segments Analysis
	Rental

Rentai
Infrastructure
Trading & Services

GR	OUP	COM	IPANY
2022	2021	2022	2021
Rs.	Rs.	Rs.	Rs.
46,035,614	33,518,674	46,549,694	34,032,754
35,500,402	34,784,693	-	-
704,520	3,469,898	-	
82,240,536	71,773,265	46,549,694	34,032,754

	Jetue Dental	-	Infracturation	Ichina	Trading S. Senvices	Canvicas	Croun Tota	Total
		2004	OCCO.	2004	o Silling o	2004	dia cooc	2024
	2022 Rs.	2021 Rs.	2022 Rs.	2021 Rs.	2022 Rs.	2021 Rs.	2022 Rs.	2021 Rs.
2.6 Business Segments								
External Revenue	46,035,614	33,518,674	35,500,402	34,784,693	704,520	3,469,898	82,240,536	71,773,265
Inter Segment Revenue	514,080	514,080	•	1	-	•	514,080	514,080
Total Segment Revenue	46,549,694	34,032,754	35,500,402	34,784,693	704,520	3,469,898	82,754,616	72,287,345
Elimination of Inter Segment Revenue	(514,080)	(514,080)	•	ı			(514,080)	(514,080)
Net Revenue	46,035,614	33,518,674	35,500,402	34,784,693	704,520	3,469,898	82,240,536	71,773,265
Segment Results	(9,326,381)	(51,515,338)	8,676,856	14,248,938	172,196	1,421,383	(477,329)	(35,845,018)
Finance Income Finance Costs Eliminations / Adjustments	182,013,464 (32,207,589) -	382,089,198 (32,070,991) -	3,034,541 (3,139)	2,309,986 (1,293)	60,222 (62)	230,429 (129)	185,108,227 (32,210,790)	384,629,613 (32,072,412) -
Profit / (Loss) before tax	140,479,494	298,502,869	11,708,258	16,557,631	232,355	1,651,683	152,420,107	316,712,182
Tax Expense	(11,944,947)	(18,196,661)	(4,161,831)	2,368,784	(82,593)	236,295	(16,189,371)	(15,591,582)
Profit / (Loss) for the year	128,534,547	280,306,208	7,546,428	18,926,415	149,762	1,887,978	136,230,736	301,120,600
Purchase and construction of	77 115 010	020 026 7	07150	710 077 0	4 720	271 172	007 NOC TN	777 000 0
Purchase of Investment Property	1,158,772,500		001,00	2,7 ±0,420	- T, 30		1,158,772,500	,,0,0,7,
Depreciation on Property, Plant & Equipment Depreciation on Investment Property	5,871,199	5,656,242	3,949,157	4,531,907	78,373	452,074	9,898,728	10,640,224
Amortisation of Intangible Assets			ı	İ		1		
Amortisation of Leasehold Property	420,491	420,491	ı	ı		1	420,491	420,491
Gratuity Provision and Related Costs	926,194	755,428	204,694	189,821	4,062	18,935	1,134,950	964,184
Property, Plant & Equipment	171,691,298	130,446,685	6,855,219	9,938,504	136,045	991,401	178,682,562	141,376,590
Leasehold Property	25,649,968	26,070,459	ı	ı			25,649,968	26,070,459
Investment Property	1,209,012,060	58,002,988	ı	ı	•	•	1,209,012,060	58,002,988
Intangible Assets	ı	1	ı	ı				
Interest Bearing Loan	•	50,000,000	•	1	-		-	50,000,000
Segment Non - Current Assets	1,406,353,327	264,520,133	6,855,219	9,938,504	136,045	991,401	1,413,344,590	275,450,038
Goodwill							22,452,583	22,452,583
Total Non - Current Assets							1,435,797,173	297,902,621

	Ren	ltal	Infrastructure	ucture	Trading &	Frading & Services	Group Total	Total
	2022		2022	2021	2022	2021	2022	2021
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Inventories	•	•	2,161,811	2,004,733	42,902	199,979	2,204,713	2,204,713
Trade and Other Receivables	41,542,504	51,340,780	22,609,839	19,749,323	448,702	1,970,066	64,601,045	73,060,169
Amounts due from Related Parties	62,851,419	56,208,233		7,954,453	ı	793,485	62,851,419	64,956,172
Other Financial Assets	987,361,834	1,718,775,660	55,825,127	36,685,491	1,107,873	3,659,509	1,044,294,834	1,759,120,660
Cash and Cash Equivalents	12,588,162	320,771,167	3,569,936	1,040,069	70,847	103,751	16,228,945	321,914,986
Segment Current Assets	1,104,343,919	2,147,095,840	84,166,714	67,434,069	1,670,323	6,726,791	1,190,180,956	2,221,256,699
Eliminations / Adjustments							(347,834)	(176,235)
Total Current Assets							1,189,833,122	2,221,080,464
Total Assets							2,625,630,295	2,518,983,085
Employee Benefits	5,471,818	7,083,893	906,307	1,200,861	17,986	119,790	6,396,111	8,404,544
Rent Received in Advance	7,181,893	8,729,076				1	7,181,893	8,729,076
Segment Non - Current Liabilities Deferred Tax Liability	12,653,710	15,812,969	906,307	1,200,861	17,986	119,790	13,578,003 6,286,518	17,133,620 3,034,299
Total Non - Current Liabilities							19,864,521	20,167,919
Trade and Other Payables	47,941,929	006'888'29	2,821,430	3,427,749	55,992	341,930	50,819,352	71,659,580
Bank Overdraft	2,049,014	64,950	. '	2,322,558		231,684	2,049,014	2,619,192
Segment Current Liabilities	49,990,943	67,954,850	2,821,430	5,750,307	55,992	573,614	52,868,366	74,278,771
Income Tax Liability							13,236,977	22,572,137
Eliminations / Adjustments							(347,834)	(176,235)
Total Current Liabilities							65,757,509	96,674,674
Total Liabilities						•	85,622,031	116,842,593

The Group has not provided any impairment losses or reversal of the impairment loss for Segments, Since Management reasonably certain that no impairment provision is required to be made in the financial statements relating reportable Segments.

		GR	OUP	сом	PANY
		2022	2021	2022	2021
		Rs.	Rs.	Rs.	Rs.
3	OTHER INCOME / (EXPENSE)				
3.1	OTHER INCOME				
	Reimbursement of Electricity	598,461	311,659	1,317,500	986,083
	Reimbursement of Water	224,155	103,487	268,108	150,200
	Insurance Claim	1,987,047	-	-	-
	Commission Income	1,444	14,189	1,444	14,189
	Excavator Hire Income	651,588	-	651,588	-
	Sundry Income	94,333	1,383,084	85,333	45,000
	Reversal of Impairment Loss on				
	- Investments in Subsidiaries	-	-	9,861,418	9,861,418
	- Related Party Receivables	1,813,925		-	
		5,370,952	1,812,419	12,185,391	11,056,889
3.2	OTHER EXPENSES				
	Provision for Impairment of,	4.070.504	750 (50	4.440.544	000 (74
	- Trade Receivables	1,978,591	752,650	1,468,544	329,674
	- Related Party Receivables	-	1,209,552	•	-
	- Other Receivables Irrecoverable Staff Loan Written off	10,561,863	-	-	-
	Compensation	27,914	- 23,234,600	-	23,234,600
	Compensation	-	23,234,600	<u> </u>	23,234,600
		12,568,368	25,196,802	1,468,544	23,564,274
		12,300,000	23,170,002	1,400,544	20,304,274
4	FINANCE INCOME				
•	Interest on Bank Deposits	43,174,283	100,194,052	41,070,090	98,273,237
	Interest on Related Party Balances	3,566,782	3,247,558	3,566,782	2,841,406
	Interest on Repo Investments	16,756,486	6,437,495	16,265,647	6,279,200
	Interest on Loan	2,143,378	9,190,596	2,143,378	9,190,596
	Dividend Income	4,890,086	15,783,496	4,890,086	15,783,496
	Gain on Disposal of				
	Financial Assets at FVTPL	-	237,517,076	-	237,517,076
	Exchange Gain on Conversion of				
	Foreign Currency	114,577,212	12,259,340	114,077,480	12,204,187
		185,108,227	384,629,613	182,013,464	382,089,198
5	FINANCE COSTS				
	Interest on Bank Overdrafts	48,609	257,706	45,408	256,285
	Interest on Related Party Balances	-	131,035	-	131,035
	Share Transaction Cost	63	8,263,882	63	8,263,882
	Fair Value Changes on	22.472.442	00 440 700	22472442	22 440 702
	Financial Assets at FVTPL	32,162,118	23,419,789	32,162,118	23,419,789
		32,210,790	32,072,412	32,207,589	32,070,991
		02,210,770	52,072,412	02,207,307	52,070,771

2022 Rs.		GR	OUP	СОМ	IPANY
6 PROFIT / (LOSS) BEFORE TAX Profit / (Loss) before Tax is stated after charging all expenses including the following: Remuneration to Directors 5,932,000 5,226,000 5,226,000 5,226,000 5,226,000 5,226,000 5,226,000 5,226,000 600,000 Personnel Costs - Staff Costs - Defined Benefit Plan Costs - Defined Benefit Plan Costs - Defined Contribution Plan Costs Depreciation - Property, Plant & Equipment - Investment Property 7,763,428 Amortisation - Leasehold Property - Intangible Assets Donations 303,267 16,627,023 303,267 16,617,023			l .		
Profit / (Loss) before Tax is stated after charging all expenses including the following: Remuneration to Directors 5,932,000 5,226,000 5,932,000 5,226,000 Auditors Remuneration 975,000 860,000 675,000 600,000 Personnel Costs 8,243,917 8,066,167 5,069,250 4,995,500 - Defined Benefit Plan Costs 1,134,950 964,184 926,194 755,421 - Defined Contribution Plan Costs 2,021,912 1,996,675 1,480,388 1,469,321 Depreciation - Property, Plant & Equipment 9,898,728 10,640,224 5,871,199 5,656,243 - Investment Property 7,763,428 3,588,774 7,763,428 3,588,774 Amortisation - Leasehold Property 420,491 420,491 420,491 420,491 - Intangible Assets Donations 303,267 16,627,023 303,267 16,617,023		Rs.	Rs.	Rs.	Rs.
all expenses including the following: Remuneration to Directors 5,932,000 5,226,000 5,932,000 5,226,000 5,932,000 5,226,000 600,000 Auditors Remuneration 975,000 860,000 675,000 600,000 Personnel Costs - Staff Costs - Defined Benefit Plan Costs - Defined Benefit Plan Costs - Defined Contribution Plan Costs 2,021,912 1,996,675 1,480,388 1,469,323 Depreciation - Property, Plant & Equipment - Property, Plant & Equipment - Investment Property 7,763,428 3,588,774 Amortisation - Leasehold Property - Intangible Assets	6 PROFIT / (LOSS) BEFORE TAX				
Auditors Remuneration 975,000 860,000 675,000 600,000 Personnel Costs - Staff Costs 8,243,917 8,066,167 5,069,250 4,995,500 - Defined Benefit Plan Costs 1,134,950 964,184 926,194 755,428 - Defined Contribution Plan Costs 2,021,912 1,996,675 1,480,388 1,469,328 Depreciation - Property, Plant & Equipment 9,898,728 10,640,224 5,871,199 5,656,248 - Investment Property 7,763,428 3,588,774 7,763,428 3,588,774 Amortisation - Leasehold Property 420,491 420,491 420,491 420,491 - Intangible Assets					
Personnel Costs - Staff Costs - Defined Benefit Plan Costs - Defined Contribution Plan Costs - Depreciation - Property, Plant & Equipment - Investment Property - Interstation - Leasehold Property - Intangible Assets - Donations - Staff Costs - Staff	Remuneration to Directors	5,932,000	5,226,000	5,932,000	5,226,000
- Staff Costs	Auditors Remuneration	975,000	860,000	675,000	600,000
- Defined Benefit Plan Costs - Defined Contribution Plan Costs 1,134,950 2,021,912 1,996,675 1,480,388 1,469,323 Depreciation - Property, Plant & Equipment - Investment Property Amortisation - Leasehold Property - Intangible Assets	Personnel Costs				
- Defined Contribution Plan Costs 2,021,912 1,996,675 1,480,388 1,469,329 Depreciation - Property, Plant & Equipment - Investment Property 420,491 - Intangible Assets 2,021,912 1,996,675 1,480,388 1,469,329 5,871,199 5,656,249 7,763,428 3,588,774 420,491	- Staff Costs	8,243,917	8,066,167	5,069,250	4,995,500
Depreciation 9,898,728 10,640,224 5,871,199 5,656,243 - Investment Property 7,763,428 3,588,774 7,763,428 3,588,774 Amortisation 420,491 420,491 420,491 420,491 420,491 420,491 - <t< td=""><td>- Defined Benefit Plan Costs</td><td>1,134,950</td><td>964,184</td><td>926,194</td><td>755,428</td></t<>	- Defined Benefit Plan Costs	1,134,950	964,184	926,194	755,428
- Property, Plant & Equipment 9,898,728 10,640,224 5,871,199 5,656,24: - Investment Property 7,763,428 3,588,774 7,763,428 3,588,774 Amortisation	- Defined Contribution Plan Costs	2,021,912	1,996,675	1,480,388	1,469,325
- Property, Plant & Equipment 9,898,728 10,640,224 5,871,199 5,656,24: - Investment Property 7,763,428 3,588,774 7,763,428 3,588,774 Amortisation	Depreciation				
- Investment Property 7,763,428 3,588,774 7,763,428 3,588,774 Amortisation - Leasehold Property 420,491 420,491 420,491 420,491 - Intangible Assets Donations 303,267 16,627,023 303,267 16,617,023	•	9,898,728	10,640,224	5,871,199	5,656,242
- Leasehold Property 420,491 420,491 420,491 420,491 - Intangible Assets			3,588,774		3,588,774
- Leasehold Property 420,491 420,491 420,491 420,491 - Intangible Assets	Amortication				
- Intangible Assets		420 491	420 491	420 491	420 491
	. ,	-	-	-	-
7 INCOME TAX EXPENSE	Donations	303,267	16,627,023	303,267	16,617,023
	7 INCOME TAX EXPENSE				
Current Income Tax Expense	Current Income Tax Expense				
	·	13,223,625	23,004,336	11,290,648	22,412,199
	, , , , , , , , , , , , , , , , , , , ,	· -		· -	(85,175)
Deferred Tax Expense	Deferred Tax Expense				
		2,965,746	(7,672,766)	654,299	(4,130,363)
16,189,371 15,591,582 11,944,947 18,196,66		16,189,371	15,591,582	11,944,947	18,196,661
7.1 Reconciliation of Accounting Profits & Current year tax					
Profit / (Loss) before Tax 152,420,107 316,712,182 150,340,912 308,364,283	Profit //Local hofore Tay	152 420 107	214 712 102	150 240 012	308,364,287
	, ,			150,540,912	300,304,207
Intra Group Adjustments 9,861,418 9,861,418	intra Group Adjustments	9,861,418	9,861,418		·
162,281,525 326,573,600 150,340,912 308,364,283		162,281,525	326,573,600	150,340,912	308,364,287
Aggregate Disallowed Expenses 39,324,204 96,263,275 23,988,094 89,428,010	Aggregate Disallowed Expenses	39,324,204	96,263,275	23,988,094	89,428,010
Aggregate Allowable deductions (154,666,741) (13,215,800) (150,549,251) (29,324,573	Aggregate Allowable deductions	(154,666,741)	(13,215,800)	(150,549,251)	(29,324,577)
Aggregate Interest Income (65,640,929) (119,069,701) (63,045,898) (116,584,439	Aggregate Interest Income	(65,640,929)	(119,069,701)	(63,045,898)	(116,584,439)
Dividend Income (4,890,086) (15,783,496) (4,890,086) (15,783,496)	Dividend Income	(4,890,086)	(15,783,496)	(4,890,086)	(15,783,496)
Non-taxable Receipts / Gains 32,162,118 (255,151,416) 32,162,118 (237,517,076)	Non-taxable Receipts / Gains	32,162,118	(255,151,416)	32,162,118	(237,517,076)
Assessable Profit / (Loss) from Business 8,570,092 19,616,463 (11,994,111) (1,417,291)	Assessable Profit / (Loss) from Business	8,570,092	19,616,463	(11,994,111)	(1,417,291)

			GRO	OUP	СОМ	PANY
			2022	2021	2022	2021
7	INCOME TAX EXPENSE (CONTD.)		Rs.	Rs.	Rs.	Rs.
	Assessable Profit / (Loss) from Business					
	- Company		(11,994,111)	(1,417,291)	(11,994,111)	(1,417,291)
	- Subsidiary		20,564,203	21,033,754	-	-
	Cassiala.,		20,00 1,200			
			8,570,092	19,616,463	(11,994,111)	(1,417,291)
	Assessable Income from Investment					
			40 440 447	104 751 544	47.044.242	104 204 214
	- Aggregate Liable Interest Income		49,619,667	106,751,546	47,044,363	104,284,314
	- Dividend Income		110,132	10,408,496	110,132	10,408,496
	Less:		(440.400)	(4.447.004)	(440,400)	(4.447.004)
	Assessable (Loss) from Business		(110,132)	(1,417,291)	(110,132)	(1,417,291)
	Assessable Income from Investment		49,619,667	115,742,751	47,044,363	113,275,519
	<u>Taxable Income</u>					
	Assessable Income from Business		20,564,203	21,033,754	-	-
	Assessable Income from Investment		49,619,667	115,742,751	47,044,363	113,275,519
	Less:					
	Qualifying Payments		-	(16,145,023)	-	(16,145,023)
	Utilisation of tax losses		(13,989,686)	(21,033,754)	_	-
	Taxable Income		56,194,184	99,597,728	47,044,363	97,130,496
7.1	Reconciliation of Accounting Profits &					
	Current year tax					
	Corporate Income Tax Rates					
	- Business Income	20%	1,314,904	-	-	-
	- Interest Income	24%	11,908,721	21,745,567	11,290,648	21,153,430
	- Dividend Income	14%		1,258,769		1,258,769
	Dividend meanic	1170		1,230,707		1,230,707
	Current Income Tax Expense		13,223,625	23,004,336	11,290,648	22,412,199
	Current meome rux Expense		10,220,023	20,00 1,000	11,270,010	
	Effective tax rate (%)					
	-excluding deferred tax		9%	7%	8%	7%
	-including deferred tax		11%	5%	8%	6%
	-					
	Tax losses carried forward		11,883,979	13,989,686	11,883,979	-

7.2 Applicable rates of Income Tax

In accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and amendment Act, No. 10 of 2021, as per para 6 (b) (d) of the Section 195, the Company is liable to income Tax at 14%, and as per para 4 (1) (b) of the first schedule, interest income is liable to income tax at 24%.

As per para 4 (2A) (i) of the first schedule, Dividend received from a resident company is liable to income tax at 14% and a dividend paid by a resident company to a member to the extent that dividend payment is attributable to, or derived from, another dividend received by that resident Company or another resident company exempt from income tax w.e.f. 01.01.2020.

7 INCOME TAX EXPENSE (CONTD.)

7.2 Applicable rates of Income Tax

As per the provision of the Inland Revenue (Amendment) Act, No. 10 of 2021, interest accruing to or derived by any person on money lying to his credit in foreign currency in any foreign currency account on his behalf, in any commercial bank exempt from income tax w.e.f. 01.01.2020.

Gain made on realisation of shares quoted in any official list published by any stock exchange licensed by the Securities and Exchange Commission of Sri Lanka are exempt from income tax in accordance with the provisions of the Inland Revenue Act, No. 24 of 2017.

7.2.1 Subsidiary liable to tax at concessionary rates

In accordance with the agreement entered into with the Board of Investments (BOI) of Sri Lanka under Section 17 of the Board of Investments (BOI) of Sri Lanka Law No. 04 of 1978, profits of People's Media Network (Pvt) Limited (PMN) are exempt from income tax for a period of 05 years which ended as at 31st March 2012.

Commencing from financial year ended 31st March 2013, the profits and income of the PMN was liable for income tax at the rate of 10% for a period of 02 years which ended as at 31st March 2014. After the expiration of the aforesaid concessionary tax rate the profits and Income of the PMN is liable at a reduced income tax rate of 20% (2021 - 20%) under Section 17 of the Board of Investment Law No. 04 of 1978. Other Income taxed at 24% (2021-24%) in accordance with the provision of the Inland Revenue Act No. 24 of 2017.

7.3 Reconciliation of Tax Losses

As per the provision of the Inland Revenue Act No. 24 of 2017 tax losses incurred can be set-off against tax profits without any limitations and any un-utilised tax losses can be carried forward for 6 subsequent years.

Further, as per section 19 (3) of the Inland Revenue Act, No. 24 of 2017, where a Company makes a loss and if the loss were a profit it would be taxed at a reduced rate, the loss shall be deducted only in calculating income taxed at the same reduced rate.

The tax losses carried forward by the Group entities are given below.

Tax losses brought forward
Tax losses arising during the year
Tax losses set-off during the year

Gains & Profits Investment

Tax losses carried forward

GR	OUP	СОМ	PANY
2022	2021	2022	2021
Rs.	Rs.	Rs.	Rs.
13,989,686	35,023,440	-	-
11,994,111	1,417,291	11,994,111	1,417,291
(13,989,686)	(21,033,754)	-	-
(110,132)	(1,417,291)	(110,132)	(1,417,291)
11,883,979	13,989,686	11,883,979	

7 INCOME TAX EXPENSE (CONTD.)

7.4 Deferred Taxation

Deferred tax expense is calculated based on the tax rates specified in the Inland Revenue Act No. 24 of 2017. As per guideline issued by CA Sri Lanka in 2015 on the "Application of Tax Rates in Measurement of Deferred Tax", substantively enacted rates shall be used in the measurement of deferred tax.

Deferred tax for the Company has been calculated by applying the future enacted tax rate of 14% (2021 - 14%) and the subsidiary People's Media Network (Pvt) Limited has computed the deferred tax at the rate of 20% (2021 - 20%) as per Section 17 of the Board of Investments (BOI) of Sri Lanka Law No. 04 of 1978.

LKAS 12 - "Income Taxes" and LKAS 10 - "Events after the Reporting Period", further state that where changes in tax rates or tax laws are enacted or announced after the reporting period, an entity shall disclose any significant effect of those changes on its current and deferred tax assets and liabilities.

During the year ended 31st March 2022, the income tax rates applicable to the Group have not been revised. Accordingly, there's no deferred tax impact due to the change in the income tax rates.

Deferred tax assets have been recognised in the financial statements of East West Properties PLC in respect of tax losses carried forward since it is probable that future taxable profit will be available against which the company can utilise the benefit there from.

The tax losses carried forward are given below.

East West Properties PLC
People's Media Network (Pvt) Limited

GR	OUP
2022	2021
11,883,979	-
-	13,989,686

8 EARNINGS / (LOSS) PER SHARE

The calculation of basic earnings / (loss) per share is based on the profit / (loss) for the year attributable to equity holders of the Company divided by weighted average number of ordinary shares in issue during the year.

	GRU	JUP
	2022	2021
Profit/(Loss) attributable to Equity Holders of the Company (Rs.)	132,459,603	290,921,548
Weighted average number of Ordinary Shares	138,240,000	138,240,000
Basic earnings / (loss) per share (Rs.)	0.96	2.10

There were no potentially dilutive ordinary shares outstanding at any time during the year.

		Balance as at 01.04.2021	Additions / Increase in Revaluation Rs.	Disposals / Transfers due to Revaluation	Balance as at 31.03.2022
9	PROPERTY, PLANT & EQUIPMENT	Rs.	KS.	Rs.	Rs.
,	PROPERTY, PEARL & EQUIPMENT				
9.1	GROUP				
	Cost / Valuation				
	Land	-	42,152,700	-	42,152,700
	Condominium Apartments	128,700,000	-	-	128,700,000
	Site Buildings	14,137,347	-	-	14,137,347
	Furniture & Fittings	3,059,508	-	-	3,059,508
	Furniture & Fittings				
	- Condominium Apartment	575,783	-	-	575,783
	Fixtures & Fittings	2,870,125	=	-	2,870,125
	Office Equipment	2,487,969	19,890	-	2,507,859
	Computers & Accessories	4,754,005	-	-	4,754,005
	Communication Equipment	20,915,289	21,000	-	20,936,289
	Air Conditioners / HVAC System	1,925,270	-	-	1,925,270
	Generators	7,780,142	-	-	7,780,142
	Plant & Machinery	6,563,183	-	-	6,563,183
	Tools & Equipment	1,533,511	17,075	-	1,550,586
	Tools & Equipment				
	- Condominium Apartment	332,191	-	-	332,191
	CCTV Camera System	256,550	182,550	-	439,100
	CCTV Camera System	•			·
	- Condominium Apartment	132,400	-	-	132,400
	Equipment .	•			·
	- Radio Studio	8,831,885	-	_	8,831,885
	- TV2 Studio	1,055,990	-	_	1,055,990
	Encoder & Decoder	4,052,433	_	-	4,052,433
	UPS System	4,615,874	-	_	4,615,874
	Studio Broadcast System	1,472,912	47,998	-	1,520,910
	Digital Audio Router	316,247	-	-	316,247
	Transmitter Towers	2,157,560	_	-	2,157,560
	Transmitters	32,521,989	_	-	32,521,989
	Transformers	1,797,211	_	-	1,797,211
	Antenna	5,580,598	_	-	5,580,598
	Cables & Connectors	2,081,145	_	-	2,081,145
	Gongala Cabin	503,256	_	_	503,256
	Motor Vehicles	13,252,000	_	_	13,252,000
	Excavator	5,800,000	-	-	5,800,000
					· · · · · · · · · · · · · · · · · · ·
		280,062,373	42,441,213	-	322,503,586

	Balance as at 01.04.2021 Rs.	Depreciation for the year Rs.	Transfers due to Revaluation Rs.	Balance as at 31.03.2022 Rs.
PROPERTY, PLANT & EQUIPMENT (C	ONTD.)			
1 GROUP (CONTD.)				
Accumulated Depreciation / Impairme	nt			
Condominium Apartments	4,290,000	4,290,000	-	8,580,000
Site Buildings	9,482,268	1,413,735	-	10,896,003
Furniture & Fittings	3,044,341	7,432	-	3,051,773
Furniture & Fittings				
- Condominium Apartment	575,783	-	-	575,783
Fixtures & Fittings	2,766,028	104,097	-	2,870,125
Office Equipment	2,077,124	119,868	-	2,196,992
Computers & Accessories	4,732,126	10,269	-	4,742,395
Communication Equipment	20,890,898	27,016	-	20,917,914
Air Conditioners / HVAC System	1,592,826	107,575	-	1,700,401
Generators	7,478,785	109,585	-	7,588,369
Plant & Machinery	6,563,183	-	-	6,563,183
Tools & Equipment	1,310,389	50,701	-	1,361,089
Tools & Equipment				
- Condominium Apartment	231,283	41,335	-	272,618
CCTV Camera System	119,698	50,818	-	170,516
CCTV Camera System				
- Condominium Apartment	88,428	10,580	-	99,008
Equipment				
- Radio Studio	8,817,025	6,791	-	8,823,816
- TV2 Studio	1,055,990	-	-	1,055,990
Encoder & Decoder	3,808,719	39,521	-	3,848,241
UPS System	4,468,687	147,188	-	4,615,874
Studio Broadcast System	1,472,912	8,800	-	1,481,712
Digital Audio Router	316,247	-	-	316,247
Transmitter Towers	1,603,237	133,250	-	1,736,487
Transmitters	30,659,320	1,102,452	-	31,761,772
Transformers	1,797,211	-	-	1,797,211
Antenna	3,261,063	697,575	-	3,958,638
Cables & Connectors	1,653,624	260,143	-	1,913,767
Gongala Cabin	503,256	-	-	503,256
Motor Vehicles	13,252,000	-	-	13,252,000
Excavator	773,333	1,160,000	-	1,933,333
	138,685,783	9,898,728	-	148,584,511

		Balance as at 01.04.2021 Rs.	Expenses incurred during the year Rs.	Capitalised during the year Rs.	Balance as at 31.03.2022 Rs.
9 9.1	PROPERTY, PLANT & EQUIPMENT(CONTD.) GROUP				
	Net Book Value	141,376,590			173,919,075
	Capital Work in Progress Boundary Wall - Pamunugama Land		4,763,487	-	4,763,487
	Carrying Value	141,376,590			178,682,562

- **9.1.1** During the financial year, the Group acquired Property, Plant & Equipment to the aggregate value of Rs. 42,441,213/- (in 2021 Rs. 9,228,677/-).
- **9.1.2** The gross carrying amount of fully depreciated Property, Plant & Equipment still in use as at 31st March 2022 is Rs. 112,264,514/- (in 2021 Rs. 101,474,884/-).
- **9.1.3** The Capital Work in Progress cost of Rs. 4,763,487/- has been spent on construction of Boundary Wall in Pamunugama Land.

		Balance as at 01.04.2021	Additions Increase in Revaluation	Disposals / Transfers due to Revaluation	Balance as at 31.03.2022
		Rs.	Rs.	Rs.	Rs.
9.2	COMPANY				
	Cost / Valuation				
	Land	-	42,152,700	-	42,152,700
	Condominium Apartments	128,700,000	-	-	128,700,000
	Furniture & Fittings	2,110,308	-	-	2,110,308
	Furniture & Fittings				
	- Condominium Apartment	575,783	-	-	575,783
	Fixtures & Fittings	2,870,125	-	-	2,870,125
	Office Equipment	1,673,856	-	-	1,673,856
	Computers	2,220,780	-	-	2,220,780
	Air Conditioners	185,000	-	-	185,000
	Generators	5,361,420	-	-	5,361,420
	CCTV Camera System	256,550	182,550	-	439,100
	CCTV Camera System				
	- Condominium Apartment	132,400	-	-	132,400
	Plant & Machinery	6,563,183	-	-	6,563,183
	Tools & Equipment	1,154,415	17,075	-	1,171,490
	Tools & Equipment				
	- Condominium Apartment	332,191	-	-	332,191
	Transformer	1,797,211	-	-	1,797,211
	Motor Vehicles	13,252,000	-	-	13,252,000
	Excavator	5,800,000	-	-	5,800,000
		172,985,221	42,352,325	-	215,337,546

PROPERTY, PLANT & EQUIPMENT (CONTD.)

COMPANY

COMPANY				
	Balance as at	Dereciation for the	Transfer due to	Balance as at
	01.04.2021	year	Revaluation	31.03.2022
	Rs.	Rs.	Rs.	Rs.
Accumulated Depreciation / Impairment				
Condominium Apartments	4,290,000	4,290,000	-	8,580,000
Furniture & Fittings	2,110,308	-	-	2,110,308
Furniture & Fittings				
- Condominium Apartment	575,783	-	-	575,783
Fixtures & Fittings	2,766,028	104,097	-	2,870,125
Office Equipment	1,383,768	91,202	-	1,474,970
Computers	2,198,900	10,269	-	2,209,169
Air Conditioners	185,000	-	-	185,000
Generators	5,060,062	109,585	-	5,169,647
CCTV Camera System	119,698	50,818	-	170,516
CCTV Camera System				
- Condominium Apartment	88,428	10,580	-	99,008
Plant & Machinery	6,563,183	-	-	6,563,183
Tools & Equipment	1,143,550	3,314	-	1,146,864
Tools & Equipment				
- Condominium Apartment	231,283	41,335	-	272,618
Transformer	1,797,211	-	-	1,797,211
Motor Vehicles	13,252,000	-	-	13,252,000
Excavator	773,333	1,160,000	-	1,933,333
	42,538,536	5,871,199	-	48,409,735
Net Book Value	130,446,685			166,927,811
Capital Work in Progress				
Boundary Wall - Pamunugama Land		4,763,487	-	4,763,487
Carrying Value	130,446,685			171,691,298

- **9.2.1** During the financial year, the Company acquired Property, Plant & Equipment to the aggregate value of Rs. 42,352,325/- (2021 Rs. 6,239,078/-).
- 9.2.2 The Company has acquired land and Company's Land consists of the following as at the reporting date.

		Cost
Location	Extent	Rs.
Land - Pamunugama - I	OA OR 11.00P	8,311,650
Land - Pamunugama - II	3A OR 25.00P	33,841,050

- 9.2.3 The gross carrying amount of fully depreciated Property, Plant & Equipment still in use as at 31st March 2022 is Rs. 37,601,656/- (2021 Rs. 35,919,858/-).
- **9.3** Capital Work in Progress represents the amounts of expenditure recognised under Property, Plant & Equipment during the construction of capital assets.
- 9.4 There were no capitalised borrowing costs related to the acquisition of Property, Plant & Equipment during the year.
- 9.5 There were no items of Property, Plant & Equipment pledged as securities for liabilities.

9 PROPERTY, PLANT & EQUIPMENT (CONTD.)

9.6 In financial year 2015, a revaluation was carried out by Messrs. Haleem Ghouse SCV, LIV.B.Com, ATM, PHF, APVA, a qualified independent valuer on the 31st March 2015 to reflect market value of the Condominium Apartment. The surplus of Rs. 30,324,832.27 arising from the revaluation was transferred to a revaluation reserve.

In March 2020, a revaluation was carried out by Messrs. Haleem Ghouse SCV, LIV.B.Com, ATM, PHF, APVA, a qualified independent valuer on the 31st March 2020 to reflect market value of the Condominium Apartment. The surplus of Rs. 46,860,000/- arising from the revaluation was transferred to a revaluation reserve.

9.6.1 The details of Condominium Apartment of the Group / Company which is stated at valuation is indicated below.

Property / Location	Extent	Method of Valuation	Date of Valuation	Valuation	Carrying Value
Condominium Apartment				Rs.	Rs.
- Unit No. BA/F24/U3					
MC Condominium Plan No. 3206,	2,479.68 sq.ft	Open Market	31.03.2020	128,700,000	120,120,000
Crescat Residencies, 75-23/2,		Value			
Kollupitiya Road, Kollupitiya.					

9.6.2 Measurement of Fair Values

Fair Value Hierarchy

The fair value of property was determined by external independent property valuer having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The fair value measurement for Condominium Apartments has been categorised as level 03 of the fair value hierarchy based on the input to the valuation techniques used.

Valuation Technique and Significant Unobservable Inputs

The following table shows the valuation technique used in measuring the fair value of condominium apartments, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurements
Open market value based on annual rent	Estimated market rental rate per square feet and rental period	Positively correlated sensitivity
	Estimated Fair Arms Length	
	Freehold Open Market Value	

9.6.3 The carrying amount of revalued Condominium Apartments if they were carried at cost less depreciation, would be as follows.

			Net Carrying	Amount
	Cost	Accumulated	2022	2021
		Depreciation	Rs.	Rs.
Condominium Apartments				
- Unit No. BA/F24/U3	91,757,480	(45,864,108)	45,893,372	48,951,955

9 PROPERTY, PLANT & EQUIPMENT (CONTD.)

9.7 The portfolio of Buildings owned by Group companies carried at cost are as follows.

Company Name	Location	No. of buildings	Extent	Cost Rs.
People's Media Network	Elkaduwa, Hunnasgiriya.	1	640 sq.ft	2,957,228
(Pvt) Ltd.	(build on land owned by State I	Plantation Corporation	n)	
	Gammaduwa, Karagahatenna.	1	640 sq.ft	8,382,929
	(build on land owned by Land F	Reform Commission)		
	Gonamotuwa, Nayabedda	1	660 sq.ft	2,797,190
	(build on land owned by Agara	pathana Plantation Lin	nited)	

Revaluation of the above buildings have not been carried out as the carrying values are consistent with the market values.

9.8 The Board of Directors has assessed the potential impairment loss of Property, Plant & Equipment as at 31st March 2022.

Based on the assessment, no impairment provision is required to be made in the financial statements as at the reporting date in respect of Property, Plant & Equipment.

10 LEASEHOLD PROPERTY

10.1 COMPANY

Right-to-use of Land

2022	2021
Rs.	Rs.
113.	1131
37,003,233	37,003,233
, ,	
37,003,233	37,003,233
07,000,200	07,000,200

2021

Leasehold Land includes leasehold rights to land owned by Urban Development Authority situated at 3rd Lane, New Nuge Road, Peliyagoda (Extent A2 - R1 - P23.80) which is on a 99 years lease. Leasehold Property is amortised over their remaining period of leases as follows.

	2022	2021
	Rs.	Rs.
Cost		
Balance as at beginning of the year	37,003,233	37,003,233
Balance as at end of the year	37,003,233	37,003,233
Amortisation		
Balance as at beginning of the year	10,932,773	10,512,282
Amortisation for the year	420,491	420,491
Balance as at end of the year	11,353,265	10,932,773
Carrying amount at the end of the year	25,649,968	26,070,459

The Company recognised Leasehold Property at cost and according to the last valuation done by Messrs. Haleem Ghouse SCV.LIV. B.Com, ATM, PHF, MPVA Corporate & Registered Valuer as at 31st March 2020, the fair value of the property is Rs.990,211,486/-.

10.2	Amounts recognised in profit or loss	2022	2021
		Rs.	Rs.
	Amortisation of right-of-use assets	420,491	420,491
	Income from Subleasing	1,456,779	1,456,779

10.3 Amounts recognised in statement of cash flows

There is no cash outflow for above lease since the company entered into this lease Agreement in 1983 by paying full amount at the inception.

There is no cash inflow for above sub lease, since the lease rentals had been calculated and received in advance.

		GROUP		COMPANY	
		2022	2021	2022	2021
		Rs.	Rs.	Rs.	Rs.
11	INVESTMENT PROPERTY				
	Cost				
	Balance as at beginning of the year	107,663,229	107,663,229	107,663,229	107,663,229
	Transferred from Capital Work in Progress	-	-	-	-
	During the year Additions	1,158,772,500		1,158,772,500	
	Balance as at end of the year	1,266,435,729	107,663,229	1,266,435,729	107,663,229
	Accumulated Depreciation				
	Balance as at beginning of the year	49,660,241	46,071,467	49,660,241	46,071,467
	Charge for the year	7,763,428	3,588,774	7,763,428	3,588,774
	Balance as at end of the year	57,423,669	49,660,241	57,423,669	49,660,241
	Carrying amount at the end of the year	1,209,012,060	58,002,988	1,209,012,060	58,002,988

- **11.1** During the year, the Company acquired Investment Properties, to the aggregate value of Rs. 1,158,772,500/-. This includes a sum of Rs. 709,239,000/- paid to acquire the "Aquity" Office Building together with Land in Kollupitiya, and Rs. 449,533,500/- paid to acquire the Paliyagoda Land. The existing Building in this land was identified as "Warehouse V".
- 11.2 There were no items of Investment Properties pledged as securities for liabilities.
- **11.3** The Group has adopted the cost model to value the Investment Property as per "LKAS 40 Investment Property". The details of Investment Property of the Group are as follows.

	Property / Location	No of	Extent	Cost	Carrying Value	Valuation
		buildings		Rs.	Rs.	Rs.
a)	Land					
	Land - Peliyagoda	1	1A OR 05.55P	413,298,300	409,533,500	416,704,800
	No. 204, Kandy Road, Peliyagoda.					(31.03.2022)
	Land - Kollupitiya	1	0A 0R 15.00P	287,085,345	287,085,345	300,000,000
	No. 53, Dharmapala Mawatha, Kollupitiya.					(31.03.2022)
b)	Warehouses					
	Warehouse No. I	1	27,342 sq.ft	13,389,223	4,963,502	32,009,384
	Warehouse No. I - Mezzanine Floor	1	2,390 sq.ft	7,162,230	2,909,656	-
	81/11, 3rd Lane, New Nuge Road, Peliyago	oda.				(31.03.2020)
	Warehouse No. II	1	12,967 sq.ft	21,841,098	2,456,821	15,180,516
	81/12, 3rd Lane, New Nuge Road, Peliyago	oda.				(31.03.2020)

11 INVESTMENT PROPERTY (CONTD.)

	Property / Location	No of buildings	Extent	Cost Rs.	Carrying Value Rs.	Valuation Rs.
b)	Warehouses					
	Warehouse No. III	1	34,863 sq.ft	63,231,316	42,180,829	55,780,800
	81/12, 3rd Lane, New Nuge Road, Peliyago	oda.				(31.03.2020)
	Warehouse No. IV	1	1,650 sq.ft	2,039,362	1,903,405	4,000,000
	81/12, 3rd Lane, New Nuge Road, Peliyago	oda.				(31.03.2020)
	Warehouse No. V	7	17,056 sq.ft	36,235,200	33,819,520	36,235,200
	No. 204, Kandy Road, Peliyagoda.					(31.03.2022)
c)	Building					
	Six Storied Building					
	No. 53, Dharmapala Mawatha, Kollupitiya.	1	20,755 sq.ft	422,153,655	420,394,681	435,850,000
						(31.03.2022)

Valuation carried out by Mr. Haleem Ghouse SCV, LIV.B.Com, ATM, PHF, MPVA Corporate & Registered Valuer. These properties were valued on an open market value for existing use basis.

Rental Income earned from Investment Property by the Company amounted to Rs. 46,549,694/- (2021 - Rs. 34,032,754/-) and Direct Operating Expenses incurred on Investment Property amounted to Rs. 3,968,639/- (2021 - Rs. 2,071,165/-).

	2022	2021	2022	2021
	Rs.	Rs.	Rs.	Rs.
12 INTANGIBLE ASSETS				
Goodwill on Acquisition (Note 12.1)	22,452,583	22,452,583	-	-
Software (Note 12.2)	-		-	
	22,452,583	22,452,583	-	
12.1 GOODWILL				
At the beginning of the year	22,452,583	22,452,583	-	-
Additions	-		-	_
At the end of the year	22,452,583	22,452,583	-	-

Goodwill represents the difference between the purchase consideration and the fair value of Assets acquired as a result of the acquisition of shares in Peoples' Media Networks (Pvt) limited which was acquired on 17.09.2011.

12 INTANGIBLE ASSETS (CONTD.)

12.1 GOODWILL

Principal activity of the Peoples' Media Networks (Pvt) limited was to hire its infrastructure facilities including the hire of Radio and Television Frequencies issued by the Telecommunication Regulatory Authority of Sri Lanka.

Based on the impairment assessment carried out by the management at the reporting date, management assumed that no impairment is required as there is no significant change in the fair value of such acquired assets and liabilities, subsequent to the acquisition.

No condition has arisen that results in an impairment of goodwill that requires a provision.

		GROUP		COMPANY	
		2022	2021	2022	2021
		Rs.	Rs.	Rs.	Rs.
12.2	SOFTWARE				
	Cost				
	Balance as at beginning of the year	1,744,896	1,744,896	244,896	244,896
	During the year Additions				
	Balance as at end of the year	1,744,896	1,744,896	244,896	244,896
	Amortisation				
	Balance as at beginning of the year	1,744,896	1,744,896	244,896	244,896
	Charge for the year	<u> </u>			-
	Balance as at end of the year	1,744,896	1,744,896	244,896	244,896
	Carrying amount at the end of the year				-

Cost of fully amortised computer software of Group and the Company amount to Rs. 1,744,896/- and Rs. 244,896/- respectively.

13 INVESTMENT IN SUBSIDIARY

		Holding % No. of		f Shares	Cost		
		2022	2021	2022	2021	2022	2021
						Rs.	Rs.
	Unquoted Investment						
	People's Media Network (Pvt) Ltd.	51	51	4,930,709	4,930,709	49,307,090	49,307,090
	Total Cost					49,307,090	49,307,090
	Provision for Impairment of Investment in;						
	- People's Media Network (Pvt) Ltd. (13.1)					(9,861,418)	(19,722,836)
	Carrying Value of Investment in Subsidiary					39,445,672	29,584,254
121	Durantaion for large imports of large started in Cubaidians				A +	Provision /	As at
13.1	Provision for Impairment of Investment in Subsidiary				As at 01.04.2021	(Reversal)	31.03.2022
					Rs.	Rs.	Rs.
					KS.	N3.	KS.
	People's Media Network (Pvt) Ltd.				19,722,836	(9,861,418)	9,861,418
				•			
				;	19,722,836	(9,861,418)	9,861,418
				•			

Name of the Subsidiary Principal Activity

People's Media Network (Pvt) Ltd.

Operates 2 Radio Frequencies and 2 Television Frequencies issued by the Telecommunication Regulatory Authority of Sri Lanka.

13.2 Investment in subsidiary is recorded at cost less impairment in the financial statements of the Company. The net assets of the subsidiary is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount of the investment is estimated and the impairment loss is recognised to the extent of its net assets loss.

As the Net Assets per Share of the subsidiary is Rs. 8.96 as at 31st March 2022, the impairment loss recognised has been reversed by Rs. 2 per Share.

14 INTEREST BEARING LOAN

Superlative Propreties (Pvt) Ltd.

GROUP			COMPANY			
	2022	2021	2022	2021		
	Rs.	Rs.	Rs.	Rs.		
	-	50,000,000	-	50,000,000		
	-	50,000,000	-	50,000,000		

14.1 The Company has entered in to an agreement with Superlative Properties (Pvt) Ltd on 17.10.2019 to provide Rs.250 Mn as a Working Capital Loan for the construction of residential apartment complex called and known as "The Castle" at 119, Dudley Senanayake Mawatha, Colombo 08.

Security pertaining to the Loan Agreement are as follows.

- i) Promossory notes covering the loan amount in favour of the Lender as additional security for Repayment of the Loan on due dates.
- ii) Personal Gurantee from Directors of the Borrower Company for the total loan amount.
- iii) Further Company has entered into Purchase Agreements with the borrower for following five Apartments in the said Residential Apartment Complex on 17.10.2019 mainly as security for loan given.

	Rs.
Apartment Unit marked Penthouse 1	94,500,000
Apartment Unit marked Type III Located 9th Floor (Level 11)	42,140,000
Apartment Unit marked Type IV Located 6th Floor (Level 8)	40,670,000
Apartment Unit marked Type III Located 5th Floor (Level 7)	40,180,000
Apartment Unit marked Type III Located 4th Floor (Level 6)	39,690,000

This has been fully settled by Superlative Propreties (Pvt) Ltd during the year.

			GROUP		COMPANY	
			2022	2021	2022	2021
			Rs.	Rs.	Rs.	Rs.
15	INVENTORIES					
	Transmission Equipment		2,204,713	2,204,713	 _	-
			2,204,713	2,204,713	<u> </u>	-
16	TRADE AND OTHER RE	CEIVABLES				
	Trade Receivables	(Note 16.1)	14,547,003	17,323,648	9,491,979	12,264,565
	Other Receivables		15,216,921	29,121,150	11,108,495	25,658,302
	Loans to Employees	(Note 16.2)	17,246,250	9,427,188	15,550,923	8,303,518
	Deposits, Advances & Pre	epayments	6,370,994	6,139,904	2,807,943	2,531,231
	Income Tax Recoverable		5,493,835	5,493,835	2,583,164	2,583,164
	Other Tax Recoverable					
	- Value Added Tax		5,378,208	5,378,208	<u> </u>	-
		;	64,253,211	72,883,934	41,542,504	51,340,780
16.1	Trade Receivables					
	Related Parties		4,288,512	6,271,220	4,636,345	6,447,455
	Others		25,837,651	24,652,996	12,835,563	12,328,496
	Less: Provision for Impair	ment of				
	Trade Receivable	s (Note 16.1.1)	(15,579,160)	(13,600,569)	(7,979,930)	(6,511,386)
		:	14,547,003	17,323,648	9,491,979	12,264,565
16.1.1	Provision for Impairment	of Trade Receivab	les			
	Movements in the allowa	nce for impairment	of Trade Receivables a	ire as follows.		
	Balance at the beginning	of the year	13,600,569	12,847,919	6,511,386	6,181,712
	Provision / (Reversal) of I	mpairment	1,978,591	752,650	1,468,544	329,674
	Balance at the end of the	year	15,579,160	13,600,569	7,979,930	6,511,386

16 TRADE AND OTHER RECEIVABLES (CONTD.)

16.1.2 As at 31st March, the age analysis of trade receivables are set out below.

			Neither Past		Past due but no		
			due nor	Less than	31-60	>61-90	> 90
		Total	Impaired	0-30 Days	Days	Days	Days
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	Group						
	2022	14,547,003	8,856,347	1,244,339	66,025	209,128	4,171,165
	2021	17,323,648	8,955,454	145,584	156,676	770,309	7,295,624
	Company						
	2022	9,491,979	4,053,690	1,455,679	66,025	209,128	3,707,458
	2021	12,264,565	4,635,105	-	232,581	770,309	6,626,571
				2022	2021	2022	2021
				Rs.	Rs.	Rs.	Rs.
16.2	Loans to E	mployees					
	Balance as	at beginning of th	ne year	9,427,188	2,881,573	8,303,518	1,960,932
	Loans gran	ted during the yea	ar	11,830,349	7,741,250	10,542,615	7,117,500
	Less: Repa	yments	_	(4,011,287)	(1,195,635)	(3,295,209)	(774,915)
	Balance at	the end of the ye	ar =	17,246,250	9,427,188	15,550,923	8,303,518

Staff loans are due at the date of statement of financial position represent loans given to staff on fixed repayment terms and are unsecured Fair value of loans given to staff equals their carrying amount.

			2022	2021	2022	2021
			Rs.	Rs.	Rs.	Rs.
17	OTHER FINANCIAL ASS	ETS				
	Financial Assets at Fair V	alue				
	Through Profit or Loss	(Note 17.1)	555,069,572	566,417,384	555,069,572	566,417,384
	Financial Assets at					
	Amortised Cost	(Note 17.2)	489,225,262	1,192,703,276	432,292,262	1,152,358,276
			1,044,294,834	1,759,120,660	987,361,834	1,718,775,660

17 OTHER FINANCIAL ASSETS (CONTD.)

17.1 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

		2022			2021	
	No. of	Cost	Fair Value	No. of	Cost	Fair Value
	Shares			Shares		
		Rs.	Rs.		Rs.	Rs.
17.1.1 COMPANY						
Banks						
National Development Bank PLC	876,403	70,486,657	48,815,647	600,681	49,807,507	48,535,025
Seylan Bank PLC - Voting	88,883	7,859,925	2,808,703	86,344	7,859,925	4,230,856
Capital Goods						
John Keells Holdings PLC	3.173.713	498.685.536	460.188.385	3,173,713	498,685,536	471,296,381
75 1.66 1.61	5,275,725	., 0,000,000	.55,255,555	3,17 3,7 13	., 0,000,000	., 1,2, 0,001
Consumer Services						
Asian Hotels & Properties PLC	977,379	41,729,818	36,163,023	977,379	41,729,818	36,553,975
The Kingsbury PLC	690,778	6,335,548	5,526,224	690,778	6,335,548	4,144,668
Food Beverage & Tobacco						
Browns Investments PLC	100	1,456	750	-	-	-
Horana Plantations PLC	71,400	5,875,241	1,563,660	71,400	5,875,241	1,656,480
Udapussallawa Plantations PLC	100	4,247	3,180	-	-	-
•	_			-		
		630,978,429	555,069,572		610,293,576	566,417,384
				=		

The fair value of the Company's listed equity portfolio is based on the volume weighted average price published by the Colombo Stock Exchange on the last day of trading for the financial year ended 31st March 2022.

Dividends earned whilst holding equity Securities are recognised in Profit or Loss as 'Finance Income' when the right to receive the payment has been established.

17.2 Fair Value Hierarchy

The Company measures the fair value using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurement.

Level 2: Inputs other than quoted prices included within level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Inputs that are not based on observable market data.

The Company held the following financial instruments carried at fair value in the statement of financial position:

	Leve	el 1	Level	2	L	evel 3
As at 31st March	2022	2021	2022	2021	2022	2021
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Financial Assets at Fair Value						
Through Profit or Loss	555,069,572	566,417,384	-	-	-	-

	GROUP		СОМЕ	PANY
	2022	2021	2022	2021
	Rs.	Rs.	Rs.	Rs.
17 OTHER FINANCIAL ASSETS (CONTD.)				
17.2 FINANCIAL ASSETS AT AMORTISED COS	т			
Investments in Fixed Deposits				
Hatton National Bank PLC (US \$ 1.2 Mn)	378,810,757	9,606,733	378,810,757	9,606,733
National Development Bank PLC	61,581,505	241,590,963	18,481,505	217,590,963
People's Bank (US \$ 1,109 Mn)	-	219,160,580	-	219,160,580
Vallibel Finance PLC	35,000,000	35,000,000	35,000,000	35,000,000
Investments in Repurchase Agreements				
Bank of Ceylon	-	671,000,000	-	671,000,000
Sampath Bank PLC	13,833,000	16,345,000	-	
	489,225,262	1,192,703,276	432,292,262	1,152,358,276

Fixed deposits and Investments in Repurchase Agreements are measured at amortised cost using the effective interest rates and these financial assets are expected to be recovered through contractual cash flows.

18 CASH AND CASH EQUIVALENTS

Favourable Balances				
Call Deposit	5,291,928	134,447	5,291,928	134,447
Savings Accounts	2,488,576	316,216,426	903,375	315,147,963
Cash at Bank	8,236,441	5,398,093	6,215,859	5,357,737
Cash in Hand	212,000	166,020	177,000	131,020
	16,228,945	321,914,986	12,588,162	320,771,167
Bank Overdrafts	2,049,014	2,619,191	2,049,014	64,950
Cash and Cash Equivalents				
as per the Statement of Cash Flows	14,179,931	319,295,795	10,539,147	320,706,217

19 STATED CAPITAL

Fully paid ordinary shares

At the beginning of the year

At the end of the year

20	22	2021			
Number of	Value of	Number of	Value of		
Shares	Shares	Shares	Shares		
	Rs.		Rs.		
138,240,000	1,212,000,000	138,240,000	1,212,000,000		
138,240,000	1,212,000,000	138,240,000	1,212,000,000		

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

		GROUP		COMPANY	
		2022	2021	2022	2021
		Rs.	Rs.	Rs.	Rs.
20	RESERVES				
20.1	Revaluation Reserve on Property, Plant & Equipment				
	At the beginning of the year	77,184,832	77,184,832	77,184,832	77,184,832
	Surplus / Deficit on Revaluation	-		-	
	At the end of the year	77,184,832	77,184,832	77,184,832	77,184,832

The Revaluation reserve relates to the revaluation surplus / (loss) of condominium apartments. Once the respective revalued items have been disposed, the relevant portion of the revaluation surplus / (loss) is transferred to retained earnings.

20.2 Revenue Reserve

Revenue Reserve comprises of Retained Earnings and Revenue Reserve represents the amounts set aside by the Directors for General Application.

		GF	ROUP	COMPANY	
		2022	2021	2022	2021
		Rs.	Rs.	Rs.	Rs.
21	EMPLOYEE BENEFITS				
	Balance at the beginning of the year	8,404,544	7,010,702	7,083,893	5,959,902
	Add:				
	Current service cost	504,609	683,756	394,902	517,032
	Interest cost	630,341	280,428	531,292	238,396
	Re-measurement arising from changes				
	in the assumptions or due to (over) / under				
	provision in the previous years	(1,923,508)	429,658	(1,637,144)	368,563
		7,615,986	8,404,544	6,372,943	7,083,893
	Less:				
	Payment made during the year	(1,219,875)		(901,125)	
		(00/111	0.404.544	5 474 040	7,000,000
	Balance at the end of the year	6,396,111	8,404,544	5,471,818	7,083,893
21.1	Expense recognised in the Statement of Profit or Loss				
	Current service cost	504,609	683,756	394,902	517,032
	Interest cost	630,341	280,428	531,292	238,396
	interest cost	030,341	200,420	331,272	230,370
	Expense recognised in				
	Statement of Profit or Loss	1,134,950	964,184	926,194	755,428
	Statement of Front of Loss	1,104,750	704,104	720,174	755,420
21.2	Re-measurement and Actuarial (Gain) / Loss				
	recognised in Other Comprehensive Income				
					
	Re-measurement recognised in				
	Other Comprehensive Income	(1,923,508)	429,658	(1,637,144)	368,563
	·				,
	Total provision for the year	(788,558)	1,393,842	(710,951)	1,123,991

21 EMPLOYEE BENEFITS (CONTD.)

21.3 Present Value of the Defined Benefit Obligations

The Company and People's Media Network (Pvt) Limited has adopted the "Projected Unit Credit Method" to determine the present value of the retirement benefit obligation as recommended by LKAS 19 - "Employee Benefits".

The principal assumptions used in determining the cost of employee benefits were,

East West Properties PLC
People's Media Network (Pvt) Ltd.

2022						
Retirement	Expected Future	Discount	Employee			
Age	Salary Increment	Rate	Turnover Factor			
60 Years	5%	7.5%	5%			
60 Years	5%	7.5%	5%			

2021			
Retirement Age	Expected Future Salary Increment	Discount Rate	Employee Turnover Factor
55 Years	5%	4%	5%
55 Years	5%	4%	5%
	Age 55 Years	Retirement Expected Future Age Salary Increment 55 Years 5%	Age Salary Increment Rate 55 Years 5% 4%

21.4 Sensitivity Analysis

Values appearing as defined benefit obligation in the financial statements are sensitive to the changes in financial and non-financial assumptions used. The estimated impact based on sensitivity analysis carried out is as follows.

	GROUP		COMPANY	
	+ 1%	- 1%	+ 1%	- 1%
A percentage point change in the discount rate				
Effect on the present value of				
defined benefit obligation	(394,408)	435,730	(349,212)	384,715
A percentage point change in the salary escalation rate				
Effect on the present value of				
defined benefit obligation	442,216	(407,016)	390,434	(360,392)

		GROUP		COMPANY		
		2022	2022 2021		2021	
21.5	Maturity profile of the defined benefit	Rs.	Rs.	Rs.	Rs.	
	obligation					
	Within the next 12 months	2,443,563	318,750	2,443,563	-	
	Between 1 and 2 years	-	2,443,563	-	2,443,563	
	Between 3 and 5 years	123,715	125,310	123,715	125,310	
	Beyond 5 years	3,828,833	5,516,922	2,904,540	4,515,021	

		GROUP		COMPANY	
		2022	2021	2022	2021
		Rs.	Rs.	Rs.	Rs.
22	DEFERRED TAX LIABILITY				
	Balance at the beginning of the year	3,034,299	11,005,555	4,960,874	9,377,508
	Origination / (Reversal) of temporary differences				
	- Recognised in Statement of Profit or Loss	2,965,746	(7,672,766)	654,299	(4,130,363)
	- Recognised in Other Comprehensive Income	286,473	(298,490)	229,200	(286,271)
	Balance at the end of the year	6,286,518	3,034,299	5,844,373	4,960,874
22.1	Composition of Deferred Tax Liability				
	Accelerated depreciation for tax purposes	8,901,189	7,088,112	8,274,185	5,952,619
	Employee benefit liability	(950,914)	(1,255,875)	(766,055)	(991,745)
	Losses available for offset against				
	future taxable income	(1,663,757)	(2,797,937)	(1,663,757)	
		6,286,518	3,034,299	5,844,373	4,960,874

Deferred tax is computed using the the provisions of the Inland Revenue Act No. 24 of 2017 and amendment Act, No.10 of 2021, which is 14% for the Company and 20% for People's Media Network (Pvt) Limited at the end of the Reporting period.

		GROUP		COMPANY	
		2022	2021	2022	2021
		Rs.	Rs.	Rs.	Rs.
23	RENT RECEIVED IN ADVANCE				
	Balance at the beginning of the year	10,185,856	11,642,635	10,185,856	11,642,635
	Amount recognised as income during the year	(1,456,779)	(1,456,779)	(1,456,779)	(1,456,779)
	Balance at the end of the year	8,729,076	10,185,856	8,729,076	10,185,856
	Amount falling due within one year	1,547,183	1,456,779	1,547,183	1,456,779
	Amount falling due after one year	7,181,893	8,729,076	7,181,893	8,729,076

The Company has sub leased part of the leasehold land owned by the Company to Ultra Tech Cement Lanka (Pvt) Ltd for a period of thirty years commencing from 9th July 1997. The lease rentals had been calculated in advance and will be accounted as income over the lease term in accordance with the provisions of the Lease Agreement.

		GRO	GROUP		COMPANY	
		2022	2021	2022	2021	
		Rs.	Rs.	Rs.	Rs.	
24	TRADE AND OTHER PAYABLES					
	Retention & Other Payables	17,164,490	53,940,152	16,853,159	53,356,091	
	Accrued Expenses	1,406,907	2,339,108	1,305,239	1,596,313	
	Deposits & Advances Received	23,756,619	7,139,321	23,164,152	6,396,854	
	Unclaimed Dividend	5,072,196	5,083,863	5,072,196	5,083,863	
	Other Tax Payable					
	- Value Added Tax	1,524,122	1,524,122	-		
		48,924,335	70,026,565	46,394,746	66,433,121	
25	INCOME TAX LIABILITY					
	Income Tax in respect of prior periods	13,352	167,801	13,352	13,352	
	Income Tax on current year profit	13,223,625	22,404,336	11,290,648	21,912,199	
		13,236,977	22,572,137	11,304,000	21,925,551	

26 RELATED PARTY TRANSACTIONS

26.1 Amounts due from Related Parties

26.1.1 Interest Bearing Receivables

	Affiliates				
	East West Engineering Services (Pvt) Ltd.	-	6,322,831	-	-
	East West Trading Company (Pvt) Ltd.	-	4,239,032	-	-
	Negombo Lagoon Properties (Pvt) Ltd.	62,851,419	56,208,233	62,851,419	56,208,233
	Less: Provision for Impairment (Note 26.1 a)	-	(1,813,925)	-	
		62,851,419	64,956,172	62,851,419	56,208,233
26.1 a	Provision for Impairment of				
	Amounts due from Related Parties				
	Balance at the beginning of the year	1,813,925	604,372	-	-
	Provided / (Reversal) during the year	(1,813,925)	1,209,552	-	
	Balance at the end of the year	-	1,813,925	-	

26.3 Related Party Disclosures

26.3.1 Parent and Ultimate Controlling Party

There is no identifiable parent and ultimate parent Company.

26.3.2 Identity of the Related Parties

The Group carried out transactions in the ordinary course of the business with parties who are defined as Related Parties as per the Sri Lanka Accounting Standard (LKAS 24) - "Related Party Disclosures", the details of which are reported below.

a) Transactions with Related Parties

The Group had following transactions with related entities during the year under review.

26 RELATED PARTY TRANSACTIONS (CONTD.)

		Transaction with Group		Transaction with Company	
		2022	2021	2022	2021
		Rs.	Rs.	Rs.	Rs.
i)	Subsidiaries				
	Recovery / (Settlement) of Expenses /				
	Outstanding Balances	-	-	(4,541,612)	(177,218,418)
	Rental Income / (Expense)	-	-	514,080	521,074
	Electricity Reimbursement / (Expense)	-	-	719,039	672,990
	Water Reimbursement / (Expense)	-	-	43,953	60,017
	Trade Debtor / (Creditor) Balance	-	-	347,834	364,373
ii)	Affiliates				
	Recovery / (Settlement) of Expenses /				
	, , , , ,	(00.507)	44.045.040	(00.507)	44.045.040
	Outstanding Balances	(23,597)	11,945,942	(23,597)	11,945,942
	Interest received / (paid) at the rate of 6%	3,566,782	3,116,522	3,566,782	2,710,371
	Interest Bearing Receivable / (Payable)	62,851,419	66,770,096	62,851,419	56,208,233
	Rental Income	600,000	108,000	600,000	108,000
	Trade Debtor Balance	4,288,512	6,271,220	4,288,512	6,271,220

b) Terms and Conditions of Transactions with Related Parties

Transactions with related parties are carried out in the ordinary course of the business at commercial rates. Outstanding related parties balances at the year end are unsecured.

The related party borrowings are at the rate of 6%.

26 RELATED PARTY TRANSACTIONS (CONTD.)

26.3.2 Identity of the Related Parties (Contd.)

c) Non-recurrent Related Party Transactions

There were no any Non-recurrent Related Party Transactions which in aggregate value exceeds 10% of the equity or 5% of the total assets whichever is lower of the Group audited financial statements, which required additional disclosures in the Annual Report under Colombo Stock Exchange Listing Rule 9.3.2 and Code of Best Practices on Related Party Transactions under the Securities Exchange Commission Directive issued under Section 13(c) of the Securities Exchange Commission Act.

d) Recurrent Related Party Transactions

There were no any Recurrent Related Party Transactions which in aggregate value exceeds 10% of the consolidated revenue of the Group as per the audited financial statements, which required additional disclosures in the Annual Report under Colombo Stock Exchange
Listing Rule 9.3.2 and Code of Best Practices on Related Party Transactions under the Securities Exchange Commission Directive issued under Section 13 (c) of the Securities Exchange Commission Act

26.3.3 Transaction with Key Management Personnel (KMP)

According to Sri Lanka Accounting Standard (LKAS 24) - "Related Party Disclosures", Key Management Personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. Accordingly, Key Management Personnel include the members of the Board of Directors (including Executive and Non-Executive Directors) of the Company and its subsidiary companies.

Outstanding balances at the year end relating to Key Management Personnel (KMP) are as follows.

a) Loans from / (to) Key Management Personnel

Loans Payable to / (Receivable from) Key Management personnel as at 31st March 2022 are as follows.

	2022	2021
	Rs.	Rs.
Loans Receivable		
Mr. N.P. Sooriyaarachchi	(322,667)	(431,667)
Mrs. H.B.G. Vijayanthi Jayasinghe	(6,337,590)	(6,357,600)

b) Key Management Personnel Compensation

	GROU	IP	COMPA	NY
	2022	2021	2022	2021
	Rs.	Rs.	Rs.	Rs.
Short term employment benefits	5,932,000	5,226,000	5,932,000	5,226,000
Post-employment benefits	-	-	-	-
Terminal benefits	-	-	_	-

In addition to their remuneration, the Company provides non cash benefits to KMP.

The Company also contributes to a post employment defined benefit plan on behalf of the KMP.

Further, the Company's Condominium Apartment has been utilised by the following Director free of charge.

Name of the Director	Condominium Apartment
Mr. M.W.A.D.J.N. Wijesuriya	Unit No. BA/F24/U3
	Management Corporation Condominium Plan No. 3206,
	Crescat Residencies, 75-23/2, Kollupitiya Road, Kollupitiya.

c) Transactions with Close Family Members

The amounts receivable from the following Close Family Member as at 31st March 2022 in the Company's books of accounts was,

	GROU	P	COMPA	NY
	2022	2021	2022	2021
	Rs.	Rs.	Rs.	Rs.
Mr. M.W.A.D.J. Vijitha Wijesuriya	6,990,638	6,990,638	5,299,844	5,297,732
Ms. M.W.A.D.A.A.V. Wijesuriya	1,843,397	-	1,843,397	-

	Mr. M.W.A. D.J. Nahil Wijesuriya	Mr. M.W.A. D.J. Vajira Wijesuriya	Mr. D.R. Jayasinghe	* Mr. N.P. Sooriyaarachchi	Mrs. H.B.G. Vijayanthi Jayasinghe
East West Properties PLC	>	>	>	>	>
Subsidiary People's Media Network (Pvt) Ltd.	>	,	ı	>	>
Affiliates					
Crescat Investments (Pvt) Ltd.	>	>		>	>
East West Commercial Property Development Ltd.	>			>	>
East West Enterprises (Pvt) Ltd.	>	>			
East West Engineering Services (Pvt) Ltd.	>			>	>
East West Hotel Developers (Pvt) Ltd.	>			>	•
East West Leisure (Pvt) Ltd.	>	>			
East West Technologies (Pvt) Ltd.	>				>
East West Trading Company (Pvt) Ltd.	>	•	•	>	>
Negombo Lagoon Properties (Pvt) Ltd.	>	>	•	>	>
Mines Holdings (Dyt) 1 td	7	7	,	1,	•

East West Engineering Services (Pvt) Ltd and East West Trading Company (Pvt) Ltd Mr. M.W.A. D.J. Nahil Wijesuriya and Mrs. H.B.G. Vijayanthi Jayasinghe resigned from the Board of w.e.f. 31st May 2022.

Mr. N.P. Sooriyaarachchi resigned from the Board of the Company and all other Companies excluding East West Engineering Services (Pvt) Ltd and East West Trading Company (Pvt) Ltd

Mr. Manju Nishshanka appointed to the Board of Directors of East West Properties PLC with effect of 09/12/2021.

There were no other related party transactions other than those disclosed in Note 26 to the Financial Statements.

The Directors of the Company are also Directors of the following Companies

Transaction with Key Management Personnel (KMP)

RELATED PARTY TRANSACTIONS (CONTD.)

27 CAPITAL AND FINANCIAL COMMITMENTS

There are no material capital or financial commitments as at the reporting date.

28 CONTINGENT LIABILITIES

There are no material contingent liabilities outstanding as at 31st March 2022.

29 EVENTS AFTER THE REPORTING PERIOD

Subsequent to the Reporting date no circumstances have arisen which would require adjustments to, or disclosure in the Financial Statements.

30 COMPARATIVE INFORMATION

Comparative information including quantitative, narrative and descriptive information is disclosed in respect of the previous period for all amounts reported in the Financial Statements in order to enhance the understanding of the current period's Financial Statements and to enhance the inter period comparability.

31 DIRECTORS' RESPONSIBILITY

The Board of Directors acknowledge the responsibility for the preparation and presentation of these Financial Statements.

32 NON-CONTROLLING INTEREST IN SUBSIDIARIES

The following table summarises the information relating to each of the Group's subsidiaries that has a material NCI, before any intra-group eliminations.

As at 31st March	2022	2021
	People's Media	People's Media
	Network (Pvt) Ltd.	Network (Pvt) Ltd.
	Rs.	Rs.
NCI Percentage (%)	49%	49%
Non-Current Assets	6,991,264	12,856,480
Current Assets	85,837,037	74,160,859
Non-Current Liabilities	(1,366,438)	(1,320,651)
Current Liabilities	(4,810,400)	(6,970,507)
Net Assets	86,651,463	78,726,182
Carrying Amount of NCI	42,459,217	38,575,830
Revenue	36,204,922	38,254,591
Profit / (Loss) after tax	7,696,190	20,814,393
Other Comprehensive Income	229,091	(48,876)
Total Comprehensive Income	7,925,281	20,765,517
Profit / (Loss) Allocated to NCI	3,771,133	10,199,053
Other Comprehensive Income / (Expense) Allocated to NCI	112,255	(23,949)
Cash Flows from / (used in) Operating Activities	19,133,062	18,322,372
Cash Flows from / (used in) Investing Activities	(14,081,857)	(37,561,905)
Cash Flows from / (used in) Financing Activities	-	-
Net Increase / (Decrease) in Cash and Cash Equivalents	5,051,205	(19,239,533)

33 BUSINESS COMBINATION AND ACQUISITION OF NON-CONTROLLING INTERESTS

33.1 Acquisitions of Subsidiaries

There are no acquisitions of subsidiaries for the year ended 31st March 2022.

33.2 Disposal of Subsidiaries

There are no disposal of subsidiaries for the year ended 31st March 2022.

34 FINANCIAL RISK MANAGEMENT

Overview

The Group has exposure to the following risks from its use of financial instruments.

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

This note presents qualitative and quantitative information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risks.

Risk Management Framework

The Board of Directors have overall responsibility for the establishment and oversight of the risk management framework, including policies and procedures. The Group's system of internal controls covers all policies and procdures and facilities the timely identification and effective management of significant areas of strategic and operational risks that may arise.

34.1 Credit Risk

Credit Risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Group is exposed to credit risk from its operating activities and from its financing activities.

34.1.1 Exposure to Credit Risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	GRO	UP	СОМР	ANY
	2022	2021	2022	2021
	Rs.	Rs.	Rs.	Rs.
Interest Bearing Loan	-	50,000,000	-	50,000,000
Trade and Other Receivables	57,882,218	66,744,030	38,734,562	48,809,549
Amounts due from Related Parties	62,851,419	64,956,172	62,851,419	56,208,233
Investments in Fixed Deposits	475,392,262	505,358,276	432,292,262	481,358,276
Investments in Repurchase Agreements	13,833,000	687,345,000	-	671,000,000
Cash and Cash Equivalents	16,228,945	321,914,986	12,588,162	320,771,167
<u>-</u>	626,187,844	1,696,318,464	546,466,404	1,628,147,225

The aging of Trade Debtors, Other Receivables, Loans to Employees, Other Tax Recoverable and Amounts due from Related Parties as the reporting date were:

	202	2	202	1
	Gross	Impairment	Gross	Impairment
	Rs.	Rs.	Rs.	Rs.
GROUP				
Past due 0-365 days	37,419,347	(971,050)	50,014,678	(2,165,028)
More than one year	104,274,311	(25,156,467)	91,782,417	(13,249,465)
	141,693,658	(26,127,517)	141,797,095	(15,414,493)
COMPANY				
Past due 0-365 days	28,956,057	(971,050)	42,737,602	(532,500)
More than one year	77,991,688	(7,008,879)	66,208,401	(5,978,886)
	106,947,746	(7,979,930)	108,946,004	(6,511,386)

34.2 Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity risk is to ensure, as far as possible. That it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Group's reputation.

The following are the contractual maturities of financial liabilities.

		GROUP			COMPANY	
	Carrying	1-12	More than	Carrying	1-12	More than
	Amount	Months	one year	Amount	Months	one year
As at 31st March 2022	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
- -	1	0	1 4 1 1	0 7		000
I rade and Other Payables	17,164,490	40,748	17,111,542	10,833,139	40,748	10,806,211
Advances Received	19,129,812	18,924,812	205,000	18,987,286	18,782,286	205,000
Unclaimed Dividend	5,072,196		5,072,196	5,072,196	1	5,072,196
Other payables and accrued expenses	2,931,029	1,406,907	1,524,122	1,305,239	1,305,239	1
Bank Overdrafts	2,049,014	2,049,014		2,049,014	2,049,014	ı
	46,346,541	22,427,681	23,918,860	44,266,894	22,183,488	22,083,407
As at 31st March 2021						
: : : :	6					
Trade and Other Payables	53,940,152	23,507,548	30,432,604	53,356,091	23,234,600	30,121,491
Advances Received	5,190,434	1,937,868	3,252,565	4,447,966	1,795,343	2,652,623
Unclaimed Dividend	5,083,863		5,083,863	5,083,863	1	5,083,863
Other payables and accrued expenses	3,863,230	2,339,108	1,524,122	1,596,313	1,596,313	ı
Bank Overdrafts	2,619,191	2,619,191	1	64,950	64,950	1
	70,696,869	30,403,716	40,293,154	64,549,183	26,691,206	37,857,977

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

34

FINANCIAL INSTRUMENTS (CONTD.)

34 FINANCIAL INSTRUMENTS (CONTD.)

34.3 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Market prices comprise four types of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters. While optimising the return.

34.3.1 Interest Rate Risk

Interest Rate Risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changess in market interest rate.

The Group's exposure to the risk of changes in the market interest rate relates primarily to the Group's long term debt obligtions with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The Group's objective is to maintain an efficient operational interest cost structure to minimise the adverse effects of fluctuating interest rates.

At the reporting date, the Group's interest-bearing financial instruments were as follows:

	Carrying am	ount	
GRO	UP	COMP	ANY
2022	2021	2022	2021
Rs.	Rs.	Rs.	Rs.
475,392,262	505,358,276	432,292,262	481,358,276
13,833,000	687,345,000	-	671,000,000
62,851,419	64,956,172	62,851,419	56,208,233
552,076,681	1,257,659,448	495,143,681	1,208,566,509
		_	_
5,291,928	134,447	5,291,928	134,447
2,488,576	316,216,426	903,375	315,147,963
(2,049,014)	(2,619,191)	(2,049,014)	(64,950)
5,731,489	313,731,681	4,146,289	315,217,460
	2022 Rs. 475,392,262 13,833,000 62,851,419 552,076,681 5,291,928 2,488,576 (2,049,014)	GROUP 2022 2021 Rs. Rs. 475,392,262 505,358,276 13,833,000 687,345,000 62,851,419 64,956,172 552,076,681 1,257,659,448 5,291,928 134,447 2,488,576 316,216,426 (2,049,014) (2,619,191)	2022 2021 2022 Rs. Rs. Rs. 475,392,262 505,358,276 432,292,262 13,833,000 687,345,000 - 62,851,419 64,956,172 62,851,419 552,076,681 1,257,659,448 495,143,681 5,291,928 134,447 5,291,928 2,488,576 316,216,426 903,375 (2,049,014) (2,619,191) (2,049,014)

34 FINANCIAL INSTRUMENTS (CONTD.)

34.3.1 Interest Rate Risk

Sensitivity analysis for variable rate instruments

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the profit before tax:

	Effect on Profit / (I	Loss) before Tax
	2022	2021
	Rs.	Rs.
GROUP		
Variable rate instruments (10% decrease)	(573,149)	(31,373,168)
Variable rate instruments (10% increase)	573,149	31,373,168
COMPANY		
Variable rate instruments (10% decrease)	(414,629)	(31,521,746)
Variable rate instruments (10% increase)	414,629	31,521,746

34.3.2 Currency Risk

The Group is exposed to currency risk on purchases and borrowings that are denominated in a currency other than the functional currency which is Sri Lankan Rupees.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group exposure to the risk of changes in foreign exchange rates relates primarily to the groups Investing activities.

Sensitivity Analysis

A strengthening or weakening of Sri Lankan Rupee, as indicated below, against the USD at 31st March 2022 would have increased / (decreased) the equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant.

Increase / (Decrease) in Exchange rate USD	Effect on Profit / (Loss) before Tax	
	2022 2021	
	Rs.	Rs.
GROUP		
+ 10%	36,486,821	22,600,683
- 10%	(36,486,821)	(22,600,683)

34.3.3 Commodity Risk

The Group was not exposed to Commodity Risk at the reporting period.

34.3.4 Equity Price Risk

The Group is exposed to equity price risk because of investments in quoted shares held by the Group classified as equity instruments at FVTPL. The value of these investments is subjected to the performance of investee company and the factors that affects the status of the stock market. Management of the Group reviews and approves all equity investment decisions. At the reporting date, the exposure to quoted equity securities at fair value is disclosed in Note 17.1.

34 FINANCIAL INSTRUMENTS (CONTD.)

34.4 Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Group's operations.

The Group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Group's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

34.5 Capital Management

The Board's policy is to maintain a strong capital base so as to maintain shareholder, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital and level of dividends paid out to ordinary shareholdes.

Bank Overdrafts with variable interest rates are used to manage the working capital requirements of the Group. Major projects are financed by funds received from long term borrowings as well as reserves of the Group.

The Group's debt to equity ratio at the end of the reporting period was as follows:

	GROU	UP	COMP	PANY
	2022	2021	2022	2021
	Rs.	Rs.	Rs.	Rs.
Total Liabilities	85,622,031	116,842,592	79,793,027	110,654,245
Less: Cash and Cash Equivalents	(16,228,945)	(321,914,986)	(12,588,162)	(320,771,167)
Net Debt	69,393,086	(205,072,394)	67,204,865	(210,116,922)
Total Equity	2,497,549,047	2,363,564,663	2,470,349,891	2,330,545,982
Net Debt to Equity Ratio	2.78%	<u>-</u>	2.72%	-

There were no changes in the Group's approach to capital management during the year and the Group is not subject to externally imposed capital requirements.

Shareholder Information

Stated Capital 31.03.2022 31.03.2021

Issued and Fully paid Capital (Rs.) No of Shares Class of Shares No of Ordinary Shareholders 1,212,000,000 1,212,000,000 138,240,000 138,240,000 Ordinary Shares 2,789 2,902

309,161,318

Distribution of Shareholders

For the year ended 31 st March		rch	2022					
			No of			No of		
			Share	No of		Share	No of	
-			Holders	Shares	%	Holders	Shares	%
1	-	1,000	1,520	540,649	0.39	1,578	564,353	0.41
1,001	-	10,000	934	3,593,132	2.60	968	3,800,697	2.75
10,001	-	100,000	278	8,737,442	6.32	300	9,659,803	6.99
100,001	-	1,000,000	51	13,374,290	9.67	49	11,288,166	8.17
Over 1,000,000 Share	es		6	111,994,487	81.01	7	112,926,981	81.69
Total			2,789	138,240,000	100.00	2,902	138,240,000	100.00

Categories of Shareholders

For the year ended 31 st March		2022			2021		
	No of	No of		No of			
	Share Holders	No of Shares	%	Share Holders	No of Shares	%	
Individuals	2,646	126,714,280	91.66	2,760	128,317,699	92.82	
Institutions	143	11,525,720	8.34	142	9,922,301	7.18	
	2,789	138,240,000	100.00	2,902	138,240,000	100.00	
Resident	2,771	86,775,624	62.77	2,882	84,843,711	61.37	
Non Resident	18	51,464,376	37.23	20	53,396,289	38.63	
	2,789	138,240,000	100.00	2,902	138,240,000	100.00	
Public	2,781	31,226,606	22.59	2,894	31,226,606	22.59	
Non Public	8	107,013,394	77.41	8	107,013,394	77.41	
	2,789	138,240,000	100.00	2,902	138,240,000	100.00	

The Entity shall meet the minimum public holding requirement as per Option 5.

Market Value

Float Adjusted Market Capitalization (Rs.)

For the year ended 31st March	2022	2021
Highest Market Price per Share (Rs.)	11.90	14.00
Lowest Market Price per Share (Rs.)	6.00	5.00
Last traded Market Price per Share as at 31st March (Rs.)	7.30	9.90

227,967,437

Shareholder Information [Contd...]

Information to Shareholders and Investors

Directors Share holding

For the year ended 31st March	2022	2021
Mr.M.W.A.D.J.Nahil Wijesuriya	51,136,410	51,136,410
Mr.M.W.A.D.J.Vajira Wijesuriya	26,066,637	26,066,637
Dr.D.Sunil AbeyRatna	Nil	Nil
Mr.Nishantha Sooriyaarachchi	1,746	1,746
Mrs.H.B.G.Vijayanthi Jayasinghe	Nil	Nil
Mr.D.R.Jayasinghe	10,000	10,000
Mr.Manju Nishshanka	Nil	nil

Top Twenty Shareholders

for the year ended 31 st March	202	2	2021		
<u> </u>	Share		Share		
	Holding	%	Holding	%	
Mr.M.W.A.D.J.Nahil Wijesuriya	51,136,410	36.99	51,136,410)	36.99
Mrs.M.W.A.D.A.A.V.Wijesuirya	29,793,601	21.55	29,793,60	1	21.55
Mr.M.W.A.D.J.Vajira Wijesuriya	26,066,637	18.86	26,066,63	7	18.86
Dawi Investment Trust (Pvt) Ltd	2,972,858	2.15	5		
Mr.A.M.Weerasinghe	1,023,781	0.74	1,023,78	1	0.74
Mr.D.P.Navaratnam	1,006,000	0.73	3		
RIL Property PLC	1,000,000	0.72	2 1,000,000)	0.72
Mr.A.D.Edussuriya	600,000	0.43	3 400,000)	0.29
Mr.N.D.S.K.Chandrasena	500,750	0.36	5 533,016	6	0.39
Merchant Bank of Sri Lanka & Finance PLC 01	500,000	0.36	300,000)	0.22
Citizens Development Buisness Finance PLC - Mr.A.N.K.De Silva	475,000	0.34	475,000)	0.34
DFCC Bank PLC / Maskeliya Tea Exports (Pvt) Ltd	474,815	0.34	1		
Mr.J.R.Willarachchi	460,483	0.33	3		
Peoples Merchant Finance PLC - Mr.R.M.Samarakkody	448,894	0.32	2		
Mr.G.R.De Livera	403,347	0.29)		
LOLC Finance PLC - Y.M.Ambani	400,555	0.29	450,59	5	0.33
Mr.A.A.M.Akram	385,988	0.28	385,988	3	0.28
Dialog Finance PLC - SDM Hemajith & RAN Udani	385,557	0.28	3		
Peoples Leasing & Finance PLC - Dr.H.R.D.Soysa & Mrs.G.Soysa	385,000	0.28	3		
Citizens Development Buisness Finance PLC - Mr.T.K.Fernando	355,000	0.26	35500	0	0.26
	118,774,676	85.92	111,920,028	3	80.96

Group Performance - Five Year Summery

•			,		
-	2022	2021	2020	2019	2018
Statement of Profit or Loss					
Revenue					
Rental	46,035,614	33,518,674	28,085,528	30,943,379	43,773,375
Infrastructure	35,500,402	34,784,693	34,714,746	32,781,822	28,194,084
Leisure	-	-	-	1,544,896,535	685,004,103
Construction	-	-	-	-	237,215,961
Trading	704,520	3,469,898	747,140	1,416,200	8,519,996
Total Revenue	82,240,536	71,773,265	63,547,413	1,610,037,936	1,002,707,519
Direct Costs	(3,596,227)	(6,721,973) 65,051,292	(3,213,014)	(505,089,620)	(493,209,538)
Gross Profit Other Income	78,644,309 5,370,952	1,812,419	60,334,399 2,755,405,875	1,104,948,316 53,050,036	509,497,981 14,671,854
Administrative Expenses	(71,924,222)	(77,511,927)	(77,367,471)	(976,301,198)	(874,209,506)
Promotional & Marketing Expenses	-	-	-	(101,530,839)	(59,913,664)
Other Expenses	(12,568,368)	(25,196,802)	(4,374,465)	(21,383,853)	(3,482,767)
Result from Operating Activities	(477,329)	(35,845,018)	2,733,998,338	58,782,463	(413,436,102)
Net Finance Income / (Costs)	152,897,437	352,557,201	52,641,135	(992,800,707)	(212,067,600)
Profit / (Loss) before Tax	152,420,107	316,712,182	2,786,639,474	(934,018,245)	(625,503,702)
Income Tax Expenses	(16,189,371)	(15,591,582)	(67,588,605)	(50,683,386)	(248,360,636)
Profit / (Loss) for the year	136,230,736	301,120,600	2,719,050,869	(984,701,631)	(873,864,338)
Total Other Comprehensive Income/(Expenses) Loss attributable to:	1,637,035	(131,168)	45,808,054	(3,664,601)	(352,516)
Equity Holder of the Parent	132,459,603	290,921,548	2,760,767,975	(702,983,680)	(644,732,981)
Non-Controlling Interest	3,771,133	10,199,053	3,790,947	(285,382,552)	(229,483,872)
Non-controlling interest	3,771,133	10,155,055	3,730,347	(203,302,332)	(225,405,072)
Statement of Financial Position					
Assets					
Non-Current Assets					
Property, Plant & Equipment	178,682,562	141,376,590	145,585,326	6,013,181,834	6,494,513,159
Leashold Property	25,649,968	26,070,459	26,490,951	26,911,442	27,331,933
Investment Property	1,209,012,060	58,002,988	61,591,762	63,073,196	89,557,824
Intangible Assets	22,452,583	22,452,583	22,452,583	50,126,165	58,582,899
Interest Bearing Borrowings	- 1 425 707 172	50,000,000	100,000,000		-
	1,435,797,173	297,902,621	356,120,622	6,153,292,637	6,669,985,815
Current Assets					
Inventories	2,204,713	2,204,713	1,508,422	16,193,210	42,834,285
Trade and Other Receivables Amount due from Related Parties	64,253,211 62,851,419	72,883,934 64,956,172	71,207,969 55,156,933	241,541,116 245,320,997	335,040,768 107,562,741
Other Financial Assets	1,044,294,834	1,759,120,660	1,726,662,970	10,930,834	29,662,080
Cash and Cash Equivalents	16,228,945	321,914,986	43,869,050	197,447,228	163,735,915
cash and cash Equivalents	1,189,833,122	2,221,080,464	1,898,405,344	711,433,386	678,835,788
Total Assets	2,625,630,295	2,518,983,085	2,254,525,966	6,864,726,023	7,348,821,603
Equity & Laibilities					
Stated Capital	1,212,000,000	1,212,000,000	1,212,000,000	1,212,000,000	1,212,000,000
Revaluation Reserve	77,184,832	77,184,832	77,184,832	30,324,832	26,571,004
Revenue Reserve Equity attributable to Equity Holders	1,208,364,215 2,497,549,047	1,074,379,831 2,363,564,663	783,562,502 2,072,750,334	(755,302,473) 487,022,359	(42,823,565) 1,195,747,439
Non-Cotrolling Interest	42,459,217	38,575,830	28,400,726	(26,861,838)	259,475,712
Total Equity	2,540,008,264	2,402,140,493	2,101,151,060	460,160,521	1,455,223,151
• •					
Non-Current Liabilities					
Interest Bearing Borrowings	-	-	-	4,587,848,763	4,410,304,877
Finance Lease Obligations	- C 20C 111	- 0.404 544	7 010 702	-	4 007 469
Employee Benefits Deferred Tax Liability	6,396,111	8,404,544	7,010,702	6,514,550	4,907,468
Rent Received in Advacne	6,286,518 7,181,893	3,034,299 8,729,076	11,005,555 10,185,855	290,989,086 11,642,635	247,503,963 13,099,415
Nette Necelved III Advacile	19,864,521	20,167,919	28,202,112	4,896,995,034	4,675,815,722
Current Liabilities	. ,				
Trade and Other Payables	48,924,335	70,026,565	63,119,990	315,154,088	401,973,090
Amounts due to Related Parties	-	-	2,220,790	341,448,676	273,857,285
Finance Lease Obligations	-	-	-	-	5,041,347
Interest Bearing Borrowings	- 4 E 4 7 4 0 2	- 1 4FC 770	- 1 456 770	748,453,764	270,328,810
Rent Received in Advances Income Tax Liability	1,547,183 13 236 977	1,456,779	1,456,779 30 531 369	1,456,779 13,352	1,456,780
Bank Overdraft	13,236,977 2,049,014	22,572,137 2,619,991	30,531,369 27,843,865	13,352 101,043,809	10,089,225 255,036,193
Sank Overdrait	65,757,509	96,675,473	125,172,793	1,507,570,468	1,217,782,730
Total Equity & Liabilities	2,625,630,295	2,518,983,885	2,254,525,965	6,864,726,023	7,348,821,603
	-	-	-	-	-
Earnings per Share	0.96	2.10	19.64	(5.06)	(4.66)
Net Asset Value per Share	18.07	17.10	14.99	3.52	8.65
Dividend per Share	-	-	8.50 43.27	-	-
Dividend pay out Ratio	-	-	43.2/	-	-

Company Performance - Five Year Summery

	2022	2021	2020	2019	2018
Statement of Profit Loss					
Revenue	46,549,694	34,032,754	28,606,602	32,618,991	35,656,630
Other Income	12,185,391	11,056,889	1,749,137,888	15,814,928	6,631,926
	58,735,085	45,089,643	1,777,744,490	48,433,919	42,288,556
Administrative Expenses	(56,731,504)	(63,179,290)	(55,284,409)	(50,885,462)	(52,312,987)
Other Expenses	(1,468,544)	(23,564,274)	-	(13,652,908)	(660,856)
	(58,200,048)	(86,743,563)	(55,284,409)	(64,538,370)	(52,973,843)
Result From Operating Activities	535,037	(41,653,920)	1,722,460,081	(16,104,451)	(10,685,287)
Finance Income	182,013,464	382,098,198	178,203,264	24,622,712	23,962,115
Finance Costs	(32,207,589)	(32,070,991)	(126,659,159)	(3,997,646)	(598,132)
Net Finance Income / (Costs)	149,805,875	350,027,207	51,544,105	20,625,067	23,363,983
Profit / (Loss) Before Tax	150,340,912	308,364,287	1,774,004,186	4,520,616	12,678,697
Income Tax Expense	(11,944,947)	(18,196,661)	(68,040,612)	(3,498,224)	(4,133,848)
Profit / (Loss) for the year	138,395,965	290,167,626	1,705,963,574	1,022,392	8,544,849
Total Other Comprhensive Income / (Expenses)	1 407 044	(92.202)	AE 647 901	(3,939,037)	(54,018)
rotal other comprisensive income / (expenses)	1,407,944	(82,292)	45,647,801	(3,939,037)	(54,018)
Profit / (Loss) for the Year	139,803,909	290,167,626	1,751,611,375	(2,916,645)	8,490,830
Statement of Financial Position					
Assets					
Non-Current Assets					
Property, Plant & Equipment	171,691,298	130,446,685	129,863,849	88,975,606	109,143,340
Leasehold Property	25,649,968	26,070,459	26,490,951	26,911,442	27,331,934
Investment Property	1,209,012,060	58,002,988	61,591,762	63,073,196	66,593,991
Intangible Assets	-	-	-	-	19,592
Invetment in Subsidiaries	39,445,672	29,584,254	19,722,836	893,778,468	893,801,963
Interest Bearing Borrowings	1,445,798,999	50,000,000 294,104,387	100,000,000 337,669,398	1 072 720 712	1,096,890,820
Current Assets	1,445,750,555	234,104,367	337,003,336	1,072,738,712	1,030,630,620
Trade and Other Receivables	41,542,504	51,340,780	46,514,949	20,030,796	23,841,936
Amount due from Related Parties	62,851,419	56,208,233	45,616,107	403,152,603	359,055,569
Other Financial Assets	987,361,834	1,718,775,660	1,726,172,727	10,930,834	29,612,080
Cash and Cash Equivalents	12,588,162	320,771,167	26,039,939	198,663	2,028,025
	1,104,343,919	2,147,095,840	1,844,343,722	434,312,897	414,537,610
Total Assets	2,550,142,917	2,441,200,226	2,182,013,120	1,507,051,609	1,511,428,430
Equity and Liabilities					
Equity					
Stated Capital	1,212,000,000	1,212,000,000	1,212,000,000	1,212,000,000	1,212,000,000
Revaluation Reserve	77,184,832	77,184,832	77,184,832	30,324,832	26,571,004
Revenue Reserve	1,181,165,058	1,041,361,149	751,275,816	221,564,442	231,093,822
Total Equity	2,470,349,891	2,330,545,982	2,040,460,648	1,463,889,274	1,469,664,826
Non Current Liabilities					
Employee Benefits	5,471,818	7,083,893	5,959,902	3,609,615	2,766,125
Deferred Tax Liability	5,844,373	4,960,874	9,377,508	6,101,235	2,675,036
Rent Received in Advacne	7,181,893	8,729,076	10,185,856	11,642,635	13,099,414
	18,498,083	20,773,843	25,523,266	21,353,485	18,540,575
Current Liabilities					
Trade and Other Payables	46,394,746	66,433,121	53,976,402	9,888,840	6,731,325
Amounts due to Related Parties Rent Received in Advance	1 5/7 103	- 1,456,779	2,220,790	- 1,456,779	6,339,430
Income Tax Liability	1,547,183 11,304,000	1,456,779 21,925,551	1,456,779 30,531,369	1,456,779	1,456,780 3,928,978
Bank Overdraft	2,049,014	64,950	27,843,865	10,449,879	4,766,516
	61,294,943	89,880,401	116,029,205	21,808,850	23,223,029
Total Equity & Laibilities	2,550,142,917	2,441,200,226	2,182,013,119	1,507,051,609	1,511,428,430
Earnings per Share	1.00	2.10	12.34	0.01	0.06
Net Asset Value per Share	1.00 17.87	16.86	14.76	10.59	10.63
Dividend per Share	-	-	8.50	-	10.03
Dividend pay out Ratio	-	-	68.88	-	-

Corporate Information

Name of the Company East West Properties PLC

Company Reg. Number PQ 221

Legal Form A Quoted Public Company with limited liability Incorporated in Sri Lanka

on 18th March 1981 and re-registered under the Companies Act No.07 of 2007. The Ordinary Shares of the Company are listed on the Colombo

Stock Exchange.

Board of Directors Mr.M.W.A.D.J.Vajira Wijesuriya - Chariman

Mr.M.W.A.D.J.Nahil Wijesuriya

Mr.D.Sunil AbeyRatna

Mrs.H.B.G.Vijayanthi Jayasinghe

Mr.D.R.Jayasinghe Mr.Manju Nishshnka

Mr. Nishantha P Sooriyaarachchi – Resigned with effect from 31.05.2022

Audit Committee Mr.D.Sunil AbeyRatne

Mr.D.R.Jayasinghe

Remuneration Committee Mr.D.Sunil AbeyRatna

Mr.D.R.Jayasinghe

Related Party Transaction Committee Mr.D.Sunil AbeyRatne

Mr.D.R.Jayasinghe

Company Secretaries SSP Corporate Services (Pvt) Ltd

101, Inner Flower Road

Colombo 03.

Auditors V.S. & Associates

Chartered Accountants 20/62, Fairfield Gardens

Colombo 08

Bankers Bank of Ceylon

Hatton National Bank PLC National Development Bank PLC

Registered Office 81/11, 3rd Lane, New Nuge Road, Peliyagoda

Telephone : +94 11 2 43 77 55
Fax : +94 11 2 43 20 40
Web : www.eastwest.lk

Warehouse Office 81/11, 3rd Lane, New Nuge Road, Peliyagoda

Telephone : +94 11 2 912 274 Fax : +94 11 2 912 068

Notice of Meeting

EAST WEST PROPERTIES PLC - PQ 221

NOTICE IS HEREBY GIVEN THAT THE FORTY FIRST ANNUAL GENERAL MEETING OF EAST WEST PROPERTIES PLC WILL BE HELD ON 10TH OCTOBER 2022 AT 10.00 AM VIA ZOOM, VIRTUALLY EMINATING FROM EAST WEST PROPERTIES PLC, NO. 81/11, 3RD LANE, NEW NUGE ROAD, PELIYAGODA.

AGENDA

- 1. To receive and consider the Report of the Directors and the Audited Financial Statements for the year ended 31st March 2022 together with the report of the Auditors thereon.
- 2. To re-appoint as a Director, Mr. Muthukuda Wijesuriya Arachchige Don Jayantha Nahil Wijesuriya who has attained the age of 77 years. The Company has received notice of intention to pass the under noted as an Ordinary Resolution in compliance with Section 211 of the Companies Act No. 07 of 2007.

Ordinary Resolution:

"That Mr. Muthukuda Wijesuriya Arachchige Don Jayantha Nahil Wijesuriya who has attained the age of 77 years be and is hereby re-appointed as a Director of the Company and it is hereby declared as provided for in Section 211 of the Companies Act No 07 of 2007 that the age limit of 70 years referred to in section 210 of the said Companies Act shall not apply to Mr. Muthukuda Wijesuriya Arachchige Don Jayantha Nahil Wijesuriya."

- 3. To re-elect Mr. Manju Nishshanka as a Director who retires in terms of Article No. 94 of the Articles of Association of the Company.
- 4. To re-elect Mr. D. Rohan Jayasinghe as a Director who retires by rotation in terms of Article No. 86 of the Articles of Association of the Company.
- 5. To re-appoint the retiring Auditors M/s V. S. & Associates, Chartered Accountants and authorize the Directors to determine their remuneration.
- 6. To authorize the Directors to determine Contribution to Charities and other donations for the year 2022/2023.

BY ORDER OF THE BOARD OF EAST WEST PROPERTIES PLC

S S P CORPORATE SERVICES (PRIVATE) LIMITED

SECRETARIES

Date: 29th August 2022

NOTE:

- (a) Any member/s is/are entitled to attend and vote is/are entitled to appoint a proxy in his stead.
- (b) A form of Proxy accompanies this notice. A proxy need not be a shareholder.
- (c) Instruments appointing proxies must be lodged with the Company not less that 48 Hours before the meeting.

Notes

EAST WEST PROPERTIES PLC - P Q 221 **FORM OF PROXY** I/We.....of being a member/members of East West Properties PLC hereby appoint Mr./Mrs./Ms(NIC No......) of......whom failing. Mr. M. W. A. D. J. Vajira Wijesuriya whom failing Mr. M. W. A. D. J. Nahil Wijesuriya whom failing Mrs. H. B. G. V. Jayasinghe whom failing Mr. D. S. AbeyRatna whom failing Mr. D. R. Jayasinghe whom failing Mr. Manju Nishshanka as my/our proxy to represent me/us and to vote on my/our behalf at the Annual General Meeting of the Company to be held on 10th October 2022 at 10.00 a.m. as an audio visual meeting from East West Properties PLC, No. 81/11, 3rd Lane, New Nuge Road, Peliyagoda and at any adjournment thereof. **FOR AGAINST** 1. To receive and consider the Report of the Directors and the Audited Financial Statements for the year ended 31st March 2022 together with the report of the Auditors thereon. To re-appoint Mr. Muthukuda Wijesuriya Arachchige Don 2. Jayantha Nahil Wijesuriya, who has attained the age of 77 years, as Director by passing the Ordinary Resolution set out in the Notice. To re-elect Mr. Manju Nishshanka who retires in terms of the 3. Article No.94 of the Articles of Association of the Company. To re-elect Mr. D. Rohan Jayasinghe who retires by rotation in 4. terms of the Article No. 86 of the Articles of Association of the Company. 5. To re-appoint the retiring Auditors M/s V. S. & Associates, Chartered Accountants and authorize the Directors to determine their remuneration. To authorize the Directors to determine Contribution to Charities 6. and other donations for the year 2022/2023. Signed this......Two Thousand and Twenty Two. NIC No./Passport No.

Signature

INSTRUCTIONS FOR THE COMPLETION OF THE FORM OF PROXY:

- 1. Please complete the Form of Proxy after filling in legibly your full name, NIC Number and address and by signing in the space provided.
- 2. To be valid, this Form of Proxy must be deposited at the Registered Office of the Company, East West Properties PLC, 81/11, 3rd Lane, New Nuge Road, Peliyagoda (by way of scanning and emailing to kanchaka@eastwest.lk, WhatsApp or Viber to +94 777 748 423 not less than 48 hours before the time appointed for holding the meeting.
- 3. Please indicate clearly how your proxy is to vote on the resolution. If no indication is given, the proxy in his discretion may vote as he thinks fit.
- 4. If the shareholder is a Company or body corporate, a form of Corporate Representation executed under its Common Seal in Accordance with its Articles of Association or Constitution should be submitted.
- 5. Where the Form of Proxy is signed under a Power of Attorney (POA) which has not been registered with the company, the original POA together with a photocopy of same or a copy certified by a Notary Public must be lodged with the company along with the Form of Proxy.
- 6. Any Shareholder / Proxy attending the Annual General Meeting is kindly requested to bring with him/her the National Identity Card or any other form of valid identification.

Note:

- (a) *Please delete the inappropriate words.
- (b) Instructions are noted on the reverse hereof.

Please provide the following details:		
Full Name of the Shareholder	:	
CDS A/C No/ NIC No/Company Reg No	:	
E – Mail address	:	
Folio No/ No of Shares held	:	
Full Name of the Proxy holder	:	
Proxy holder's ID No (if not a Director)	:	
Proxy holder's E – Mail address	:	

