

ABRIDGED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

ABRIDGED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			ABRIDGED STATEMENT OF CHANGES IN EQUITY			
	30 June 2021 Rs'000	30 June 2020 Rs'000	Stated capital Rs'000	Actuarial reserves Rs'000	Retained earnings Rs'000	Total Rs'000
Revenue	105,407	49,141	325,025	-	132,170	457,195
Cost of sales	(91,243)	(62,152)	-	(5,242)	5,242	-
Gross profit/(loss)	14,164	(13,011)	-	(2,655)	(77,949)	(80,604)
Operating profit/(loss)	2,792	(28,892)	-	-	(13,001)	(13,001)
Other income	1,914	4,102	325,025	(7,897)	46,462	363,590
Net finance costs	(12,383)	(10,614)	-	-	-	-
Share of result of associate, net of taxation	(9,197)	(42,545)	325,025	(7,897)	46,462	363,590
Loss before exceptional item	(16,874)	(77,949)	-	514	(22,560)	(22,560)
Exceptional item	(5,349)	-	-	-	-	514
Loss before taxation	(22,223)	(77,949)	325,025	(7,383)	23,902	341,544
Taxation	(337)	-	-	-	-	-
Loss for the year	(22,560)	(77,949)	-	-	-	-
Other comprehensive income	514	(2,655)	-	-	-	-
Total loss and other comprehensive income for the year	(22,046)	(80,604)	-	-	-	-
Earnings per share (Rs.)	(0.07)	(0.25)	-	-	-	-
Number of ordinary shares in issue	325,000	325,000	-	-	-	-

ABRIDGED STATEMENT OF FINANCIAL POSITION			ABRIDGED STATEMENT OF CASH FLOWS		
	30 June 2021 Rs'000	30 June 2020 Rs'000		30 June 2021 Rs'000	30 June 2020 Rs'000
ASSETS			Net cash flows generated from operating activities	11,459	10,356
Non-current assets	401,117	425,081	Net cash used in investing activities	(1,055)	(2,630)
Current assets	335,004	343,254	Net cash used in financing activities	-	(13,001)
Total assets	736,121	768,335	Net increase/(decrease) in cash and cash equivalents	10,404	(5,275)
EQUITY AND LIABILITIES			Cash and cash equivalents at beginning of year	740	6,015
Equity	341,544	363,590	Cash and cash equivalents at end of year	11,144	740
Non-current liability	30,963	30,031	<u>Analysis of cash and cash equivalents:</u>		
Current liabilities	363,614	374,714	Cash at bank	11,144	740
Total equity and liabilities	736,121	768,335			

Comments

Revenue and Profitability

The main sources of revenue of the Company consist of proceeds of sugar cane cultivation, proceeds of agricultural land sale and the share of profit from SIT Property Development Ltd, an associate company.

Significant improvements have been noted in all revenue streams resulting in an overall increase of 115% compared with last year's revenue figure (2021: Rs 105.4 M; 2020: Rs 49.1 M).

Revenue from Sugar cane cultivation has increased significantly from Rs 38.9 M in 2020 to Rs 52.4 M in 2021. This was mainly attributed to the SIFB compensation of Rs 14.9 M received in 2021 compared with Rs 0.5 M in 2020 and also in part due to the increase of 23.5% in the price of sugar per tonne, up from Rs 11,384 in 2020 to Rs14,062 in 2021.

During the financial year 2021, revenue from land sale amounted to Rs 52.1 M compared with Rs 7.7 M in 2020. Also, the share of results of associate has significantly improved in mostly due to an increase of 381% in revenue arising from land sales related to the Aurea project. The associate recorded an impairment of Rs 18 M which caused its results to still remain in negative territory at Rs 9.2 M. However, this represents a significant improvement from last year's losses of Rs 42.5 M.

The company recorded an overall loss of Rs 22 M in the financial year 2021 compared with a loss of Rs 80.6 M in the previous financial year. It is worth emphasising that despite an operating loss of Rs 28.9 M in 2020, the Company managed to record an operating profit of Rs 2.8 M in the year 2021 against the backdrop of COVID-19.

The above abridged financial statements to 30 June 2021 have been audited by Moore. These have been prepared using the same accounting policies used in the preparation of the audited financial statements for the year ended 30 June 2021. The auditor's report to the financial statements is unqualified.

Copies of the above report are available free of charge from the Company Secretary at the registered office of the Company, Ground Floor, NG Tower, Cybercity, Ebene.

These audited abridged financial statements are pursuant to DEM Rule 18.

The statement of direct and indirect interests of officers of the Company required under rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request, free of charge, at the registered office of the Company.

The Board of Directors of SIT LAND HOLDINGS LTD accepts full responsibility for information contained in the audited abridged financial statements.

By order of the Board

SIT Corporate and Secretarial Services Ltd

Date : 28 September 2021