



**SUNSHINE HOLDINGS PLC**  
Q2FY21\_22

# SUNSHINE HOLDINGS PLC

## GROUP MANAGING DIRECTOR'S MESSAGE

Dear Shareholder,

The Group recorded a consolidated revenue of LKR 15.8 billion for the period ended 30th September 2021 (1H FY21/22), up by LKR 4.9 billion (44.3% YoY). The Group revenue which predominantly includes revenue from Healthcare, Consumer goods, and Agribusiness sectors, contributed 54.1%, 23.7%, and 21.6% respectively. Healthcare sector recorded YoY growth of 47.5% against last year, while the Agri sector revenue was up by 60.3%. Consumer goods sector recorded a 35.3% increase in revenue compared to 1H FY21/22 mainly driven by the acquisition of Daintee Limited in FY21.

Gross profit margin for 1H FY21/22 stood at 34.0%, which is a marginal decrease of 17 basis points against the same period last year. The gross profit improved by LKR 1.6 billion up 43.6% YoY compared to the previous year, in line with revenue growth. The Group EBIT closed at LKR 2,980 million, an increase of 51.5% YoY.

Healthcare sector recorded a revenue of LKR 8.5 billion during 1H FY21/22, a significant increase of 47.5% YoY backed by the improved performance in Pharmaceutical and Medical Devices segments together with the contribution from the addition of Akbar Pharmaceutical (Pvt) Ltd. EBIT for the sector was LKR 760 million. The Healthcare sector Profit After Tax (PAT) increased by 19.8% YoY.

Consumer Goods sector reported a 35.3% YoY increase in revenue to close at LKR 3.8 billion in 1H FY21/22. The revenue increase is mainly driven by the addition of the confectionary business segment via the acquisition of Daintee Ltd. The PAT of the sector decreased by LKR 19 million (-14.6% YoY) to LKR 109 million in comparison to the same period last year. PAT contribution of Daintee Limited to the Consumer sector is LKR 44 million.

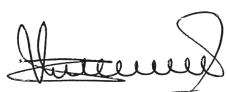
Agribusiness sector revenue increased by 60.3% YoY during 1H FY21/22 compared to the corresponding period last year. The EBIT increased to LKR 2,020 million from LKR 1,102 million driven by the improved performance in the Palm oil segment backed by the growth in NSA. PAT of the Agri sector closed at LKR 1.9 billion for 1H FY21/22, up by LKR 971 million compared to the same period last year, while PAT of the Dairy segment increased to LKR 32 million compared to a net profit of LKR 31 million during the same period last year.

Energy sector revenue amounted to LKR 21 million during 1H FY21/22 compared to LKR 209 million same period last year, reflecting the divestment of the hydro-power business in April 2021. The revenue in 1H FY21/22 accounts for the solar power business under Sky Solar (Pvt) Ltd which was subsequently divested in September 2021 enabling the Group to refocus on its core sectors.

Group PAT amounted to LKR 2,457 million in 1H FY21/22 compared to LKR 1,285 million reported during same period last year. Profits attributable to equity shareholders (PATMI) closed at LKR 1,209 million for 1H FY21/22.

As a Group, we have been facing various challenges due to the negative economic impact caused by the COVID-19 pandemic. All possible measures have been taken to ensure business sustainability and continuity in the coming months.

Further details of the Group's performance are available on the company website.  
(<https://www.sunshineholdings.lk/investor/financial-reports>)



**V. Govindasamy**

Group Managing Director  
11th November 2021  
Colombo

SUNSHINE HOLDINGS PLC  
CONDENSED STATEMENT OF COMPREHENSIVE INCOME - GROUP

	Unaudited			Unaudited			Audited
	Period ended 30th September 2021 LKR	Period ended 30th September 2020 LKR	Change %	Quarter ended 30th September 2021 LKR	Quarter ended 30th September 2020 LKR	Change %	Year ended 31st March 2021 LKR
<b>Revenue</b>	<b>15,803,263,794</b>	<b>10,950,683,038</b>	<b>44</b>	<b>8,455,683,776</b>	<b>6,164,430,763</b>	<b>37</b>	<b>24,339,446,156</b>
Cost of sales	(10,424,337,483)	(7,204,708,424)	45	(5,547,045,619)	(4,038,167,210)	37	(16,601,729,049)
<b>Gross profit</b>	<b>5,378,926,311</b>	<b>3,745,974,614</b>	<b>44</b>	<b>2,908,638,157</b>	<b>2,126,263,553</b>	<b>37</b>	<b>7,737,717,107</b>
Other income	189,078,268	153,483,869	23	120,219,882	101,935,478	18	291,436,825
Selling & distribution expenses	(1,279,652,694)	(906,269,310)	41	(681,664,642)	(555,880,765)	23	(2,182,677,904)
Administration expenses	(1,305,688,495)	(1,026,484,188)	27	(684,133,190)	(565,276,606)	21	(2,177,851,096)
Impairment of asset held for sale	-	-	-	-	-	-	(143,246,439)
Gain/(loss) on disposal of subsidiary	(2,750,340)	-	-	(2,750,340)	-	-	-
<b>Results from operating activities</b>	<b>2,979,913,050</b>	<b>1,966,704,985</b>	<b>52</b>	<b>1,660,309,867</b>	<b>1,107,041,660</b>	<b>50</b>	<b>3,525,378,493</b>
Finance income	68,719,008	144,654,292	(52)	39,139,154	66,178,373	(41)	252,646,432
Finance cost	(139,913,805)	(279,412,833)	(50)	(69,709,704)	(104,559,831)	(33)	(468,793,779)
<b>Net finance cost</b>	<b>(71,194,797)</b>	<b>(134,758,541)</b>	<b>(47)</b>	<b>(30,570,550)</b>	<b>(38,381,458)</b>	<b>(20)</b>	<b>(216,147,347)</b>
Share of profit/ (loss) of equity accounted investees	(273,412)	(440,185)	(38)	(219,390)	(185,580)	18	(92,356)
<b>Profit before tax</b>	<b>2,908,444,841</b>	<b>1,831,506,259</b>	<b>59</b>	<b>1,629,519,927</b>	<b>1,068,474,622</b>	<b>53</b>	<b>3,309,138,790</b>
Income tax expense	(451,685,571)	(546,122,156)	(17)	(213,185,474)	(335,699,242)	(36)	(771,610,789)
<b>Profit for the period</b>	<b>2,456,759,270</b>	<b>1,285,384,103</b>	<b>91</b>	<b>1,416,334,453</b>	<b>732,775,380</b>	<b>93</b>	<b>2,537,528,001</b>
<b>Other comprehensive income</b>							
Equity investments at FVOCI – net change in fair value	-	-	-	-	-	-	(32,088,698)
Exchange gain/(Loss) on foreign operation translation	627,085	(874,817)	(172)	209,078	811,387	(74)	1,092,211
Remeasurement of retirement benefit liability	-	7,148,972	(100)	-	7,148,972	(100)	(25,750,348)
Tax on other comprehensive income	-	(2,001,712)	(100)	-	(2,001,712)	(100)	18,776,503
<b>Total other comprehensive income for the period</b>	<b>627,085</b>	<b>4,272,443</b>	<b>(85)</b>	<b>209,078</b>	<b>5,958,647</b>	<b>(96)</b>	<b>(37,970,332)</b>
<b>Total comprehensive income for the period</b>	<b>2,457,386,355</b>	<b>1,289,656,546</b>	<b>91</b>	<b>1,416,543,531</b>	<b>738,734,027</b>	<b>92</b>	<b>2,499,557,669</b>
<b>Profit attributable to:</b>							
Owners of the parent company	1,208,937,875	704,307,257	72	644,591,347	383,291,016	68	1,522,207,103
Non-controlling interest	1,247,821,395	581,076,846	115	771,743,106	349,484,363	121	1,015,320,898
<b>Other comprehensive income attributable to:</b>							
Owners of the parent company	627,085	4,978,070	(87)	209,078	5,958,649	(96)	(43,843,965)
Non-controlling interest	-	(705,627)	(100)	-	-	-	5,873,633
<b>Total comprehensive income for the period</b>	<b>2,457,386,355</b>	<b>1,289,656,546</b>	<b>91</b>	<b>1,416,543,531</b>	<b>738,734,027</b>	<b>92</b>	<b>2,499,557,669</b>
<b>Basic earnings per share</b>	<b>2.69</b>	<b>1.57</b>		<b>1.44</b>	<b>0.85</b>		<b>3.39</b>

Figures in brackets indicate deductions.  
The above figures are not audited

SUNSHINE HOLDINGS PLC  
CONDENSED STATEMENT OF COMPREHENSIVE INCOME - COMPANY

	Unaudited			Unaudited			Audited
	Period ended	Period ended	Change %	Quarter ended	Quarter ended	Change %	Year ended
	30th September 2021 LKR	30th September 2020 LKR		30th September 2021 LKR	30th September 2020 LKR		31st March 2021 LKR
<b>Revenue</b>	<b>428,867,583</b>	<b>448,679,902</b>	<b>(4)</b>	<b>363,508,120</b>	<b>206,118,213</b>	<b>76</b>	<b>850,202,179</b>
Cost of sales	-	-	n/m	-	-	n/m	-
<b>Gross profit</b>	<b>428,867,583</b>	<b>448,679,902</b>	<b>(4)</b>	<b>363,508,120</b>	<b>206,118,213</b>	<b>76</b>	<b>850,202,179</b>
Other income	201,055,613	130,505,595	54	113,889,108	75,989,517	50	341,800,630
Administration expenses	(234,205,159)	(183,069,128)	28	(137,585,329)	(108,703,286)	27	(449,704,631)
Impairment of investment in equity-accounted investee	-	-	-	-	-	-	(59,452)
Gain on disposal of subsidiaries	-	-	-	-	-	-	2,032,745,933
Gain on disposal of subsidiary shares	-	-	-	-	-	-	260,563,654
<b>Results from operating activities</b>	<b>395,718,037</b>	<b>396,116,369</b>	<b>(0)</b>	<b>339,811,899</b>	<b>173,404,444</b>	<b>96</b>	<b>3,035,548,313</b>
Finance income	23,769,805	51,718,915	(54)	12,061,706	18,955,585	(36)	156,225,875
Finance cost	(3,643,832)	(215,558,806)	98	(277,227)	(113,082,457)	100	(170,998,805)
<b>Net finance cost</b>	<b>20,125,973</b>	<b>(163,839,891)</b>	<b>(112)</b>	<b>11,784,479</b>	<b>(94,126,872)</b>	<b>(113)</b>	<b>(14,772,930)</b>
<b>Profit before tax</b>	<b>415,844,010</b>	<b>232,276,478</b>	<b>79</b>	<b>351,596,378</b>	<b>79,277,572</b>	<b>344</b>	<b>3,020,775,383</b>
Income tax expense	1,224,860	(803,794)	(252)	184,746	(803,794)	(123)	(117,053,693)
<b>Profit for the period</b>	<b>417,068,870</b>	<b>231,472,684</b>	<b>80</b>	<b>351,781,124</b>	<b>78,473,778</b>	<b>348</b>	<b>2,903,721,690</b>
<b>Other comprehensive income</b>							
Equity investments at FVOCI – net change	-	-	-	-	-	-	(32,088,698)
Defined benefit plan actuarial gain/(loss)	-	-	-	-	-	-	6,049,909
Income tax on other comprehensive income	-	-	-	-	-	-	10,912,884
<b>Total other comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(15,125,905)</b>
<b>Total comprehensive income for the period</b>	<b>417,068,870</b>	<b>231,472,684</b>	<b>80</b>	<b>351,781,124</b>	<b>78,473,778</b>	<b>348</b>	<b>2,888,595,785</b>
<b>Basic earnings per share from continuing operations</b>	<b>0.93</b>	<b>0.52</b>		<b>0.78</b>	<b>0.17</b>		<b>6.47</b>

Figures in brackets indicate deductions.

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n/m- not meaningful

SUNSHINE HOLDINGS PLC  
STATEMENT OF FINANCIAL POSITION - GROUP

	Unaudited As at 30th September 2021 LKR	Audited As at 31st March 2021 LKR
<b>ASSETS</b>		
<b>Non current assets</b>		
Property, plant and equipment	4,606,232,106	4,794,110,834
Intangible assets	275,300,180	249,057,345
Leasehold right to bare land	241,660,000	238,853,000
Biological assets	3,487,302,000	3,492,193,000
Investment property	769,499,144	769,499,144
Equity-accounted investee	1,018,595	1,292,006
Other investments	734,184,436	1,004,330,898
Deferred tax assets	43,836,842	42,611,982
Goodwill on Acquisition	1,576,648,376	1,576,648,378
<b>Total non-current assets</b>	<b>11,735,681,679</b>	<b>12,168,596,587</b>
<b>Current assets</b>		
Biological assets-growing crops on bearer plants	72,495,000	52,688,000
Inventories	5,697,989,105	5,145,162,996
Other investments, including derivatives	47,769,864	335,364,187
Current tax assets	48,847,708	29,585,672
Trade & other receivables	5,230,905,643	4,848,691,358
Amounts due from related parties	154,354,753	475,000
Cash & cash equivalent	3,773,343,323	2,520,552,239
Assets Held for sale	-	1,781,889,421
<b>Total current assets</b>	<b>15,025,705,396</b>	<b>14,714,408,873</b>
<b>Total assets</b>	<b>26,761,387,075</b>	<b>26,883,005,460</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Stated capital	1,641,715,247	1,641,715,247
Reserves	339,686,250	339,686,250
Retained earnings	9,678,025,148	8,551,561,683
<b>Equity attributable to owners of the company</b>	<b>11,659,426,645</b>	<b>10,532,963,180</b>
Non-controlling interests	5,175,397,930	4,808,856,243
<b>Total equity</b>	<b>16,834,824,575</b>	<b>15,341,819,423</b>
<b>Non-current liabilities</b>		
Loans and borrowings	1,681,049,597	1,968,834,746
Employee benefits	723,679,705	713,774,478
Contingent consideration	79,958,063	78,026,414
Deferred income and capital grants	66,719,000	91,996,000
Deferred tax	624,343,258	632,277,792
<b>Total non-current liabilities</b>	<b>3,175,749,623</b>	<b>3,484,909,430</b>
<b>Current liabilities</b>		
Trade and other payables	4,421,485,216	3,775,377,119
Amounts due to related parties	7,767,759	12,802,099
Current tax liabilities	283,659,661	354,693,979
Loans and borrowings	1,245,276,653	2,184,694,049
Bank overdraft	792,623,588	872,203,730
Liabilities directly associated with assets held for sale	-	856,505,631
<b>Total current liabilities</b>	<b>6,750,812,877</b>	<b>8,056,276,607</b>
<b>Total equity and liabilities</b>	<b>26,761,387,075</b>	<b>26,883,005,460</b>

Net asset value per share (Rs.) 25.99 23.48

Figures in brackets indicate deductions.

The above figures are not audited

It is certified that the Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.



Group Chief Financial Officer

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

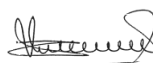
Approved and signed for and on behalf of the Board,



Chairman

November 11, 2021

Colombo



Group Managing Director

SUNSHINE HOLDINGS PLC  
STATEMENT OF FINANCIAL POSITION - COMPANY

	Unaudited As at 30th September 2021 LKR	Audited As at 31st March 2021 LKR
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant and Equipment	22,887,874	33,067,152
Intangible assets	14,108,343	7,555,660
Investment in subsidiaries	4,167,962,217	3,767,962,237
Equity-accounted investee	1,292,007	1,292,007
Other investments	635,337,436	647,177,898
Deferred tax assets	43,761,010	42,536,150
<b>Total non-current assets</b>	<b>4,885,348,887</b>	<b>4,499,591,104</b>
<b>Current assets</b>		
Derivative assets on SWAP agreement	-	222,469,740
Current tax assets	14,318,672	14,318,672
Trade & other receivables	137,858,146	70,396,643
Amounts due from related parties	210,891,983	223,215,489
Cash & cash equivalent	268,773,780	1,281,865,256
<b>Total current assets</b>	<b>631,842,581</b>	<b>1,812,265,800</b>
<b>Total assets</b>	<b>5,517,191,468</b>	<b>6,311,856,904</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Stated capital	1,641,715,247	1,641,715,247
Reserves	331,291,975	331,382,645
Retained earnings	3,334,628,495	3,141,800,110
<b>Equity attributable to owners of the company</b>	<b>5,307,635,717</b>	<b>5,114,898,002</b>
Non-controlling interests	-	-
<b>Total equity</b>	<b>5,307,635,717</b>	<b>5,114,898,002</b>
<b>Non-current liabilities</b>		
Employee benefits	110,478,289	103,878,290
<b>Total non-current liabilities</b>	<b>110,478,289</b>	<b>103,878,290</b>
<b>Current liabilities</b>		
Trade and other payables	81,252,339	24,974,054
Current tax liabilities	9,364,159	60,099,084
Loans and borrowings	8,388,254	1,006,808,533
Bank overdraft	72,710	1,198,941
<b>Total current liabilities</b>	<b>99,077,462</b>	<b>1,093,080,612</b>
<b>Total equity and liabilities</b>	<b>5,517,191,468</b>	<b>6,311,856,904</b>
<b>Net asset value per share (Rs.)</b>	<b>11.83</b>	<b>11.40</b>

Figures in brackets indicate deductions.

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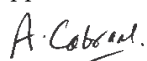
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Group Chief Financial Officer

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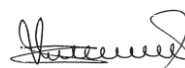
Approved and signed for and on behalf of the Board,



Chairman

November 11, 2021

Colombo



Group Managing Director



Attributable to owners of the company

CONDENSED STATEMENT OF CHANGES IN EQUITY - GROUP

<i>In LKR</i>	Stated capital	Reserve on exchange gain or loss	General reserve	Fair value gain or loss reserve on AFS	Retained earnings	Total	Non-controlling interest	Total equity
Balance as at 01st April 2020	1,641,715,247	3,131,942	1,257,725	353,928,208	6,414,107,233	8,414,140,355	4,035,566,113	12,449,706,468
Profit from continuing operations for the six months	-	-	-	-	704,307,257	704,307,257	581,076,846	1,285,384,103
Total other comprehensive income for the six months	-	4,978,070	-	-	-	4,978,070	(705,627)	4,272,443
Total comprehensive income for the six months	-	4,978,070	-	-	704,307,257	709,285,327	580,371,219	1,289,656,546
Issue of shares to NCI of Sunshine Wilmar (Pvt) Ltd	-	-	-	-	-	-	1,520,750,002	1,520,750,002
Impact on loss of effective shareholding in Watawala Planations PLC Group	-	-	-	-	(352,071,099)	(352,071,099)	352,071,099	-
Acquisition of Non controlling interest in Estate Management Services (Pvt) Ltd	-	-	-	-	(307,579,587)	(307,579,587)	(2,595,484,445)	(2,903,064,032)
Impact on gain of effective shareholding in Watawala Tea Ceylon Limited Group	-	-	-	-	522,016,592	522,016,592	(522,016,592)	-
Dividend paid to owners for 2019/20	-	-	-	-	(112,165,577)	(112,165,577)	(354,614,773)	(466,780,350)
	-	-	-	-	(249,799,671)	(249,799,671)	(1,599,294,709)	(1,849,094,380)
Balance as at 30th September 2020	1,641,715,247	8,110,012	1,257,725	353,928,208	6,868,614,819	8,873,626,011	3,016,642,623	11,890,268,634
Profit from continuing operations for the six months	-	-	-	-	817,899,846	817,899,846	434,244,052	1,252,143,898
Total other comprehensive income for the six months	-	(3,885,859)	-	(19,723,836)	(25,212,340)	(48,822,035)	6,579,260	(42,242,775)
Total comprehensive income for the six months	-	(3,885,859)	-	(19,723,836)	792,687,506	769,077,811	440,823,312	1,209,901,123
Acquisition through business Combination	-	-	-	-	-	-	131,339,319	131,339,319
Impact of loss effective shareholding of 25% in Sunshine Healthcare Lanka Ltd	-	-	-	-	928,404,876	928,404,876	1,391,844,424	2,320,249,300
Impact of disposal of 3% Shares held in Sunshine Healthcare Lanka Ltd	-	-	-	-	111,408,585	111,408,585	167,021,331	278,429,916
Dividend paid to owners for 2019/20	-	-	-	-	(149,554,103)	(149,554,103)	(338,814,766)	(488,368,869)
	-	-	-	-	890,259,358	890,259,358	1,351,390,308	2,241,649,666
Balance as at 31st March 2021	1,641,715,247	4,224,153	1,257,725	334,204,372	8,551,561,683	10,532,963,180	4,808,856,243	15,341,819,423
Profit from continuing operations for the six months	-	-	-	-	1,208,937,875	1,208,937,875	1,247,821,395	2,456,759,270
Total other comprehensive income for the six months	-	-	-	-	627,085	627,085	-	627,085
Total comprehensive income for the six months	-	-	-	-	1,209,564,961	1,209,564,961	1,247,821,395	2,457,386,356
Disposal of NCI - Waltrim Energy Ltd	-	-	-	-	-	-	(345,322,392)	(345,322,392)
Impact on loss of effective shareholding of 4.12% in Watala Dairy Ltd	-	-	-	-	267,098,594	267,098,594	88,841,406	355,940,000
Acquisition of 30% NCI in Sunshine Energy (Private) Limited	-	-	-	-	(125,868,935)	(125,868,935)	(274,131,065)	(400,000,000)
Dividend paid to owners for 2020/21	-	-	-	-	(224,331,155)	(224,331,155)	(350,667,657)	(574,998,812)
	-	-	-	-	(83,101,496)	(83,101,496)	(881,279,708)	(964,381,204)
Balance as at 30th September 2021	1,641,715,247	4,224,153	1,257,725	334,204,372	9,678,025,148	11,659,426,645	5,175,397,930	16,834,824,575

Figures in brackets indicate deductions.  
The above figures are not audited

SUNSHINE HOLDINGS PLC  
FOR THE SIX MONTHS ENDED 30TH SEPTEMBER 2021

STATEMENT OF CHANGES IN EQUITY - COMPANY <i>In LKR</i>	Stated capital	Fair value gain or loss reserve on AFS	General reserve	Retained earnings	Total
<b>Balance as at 31st March 2020 - Restated</b>	<b>1,641,715,247</b>	<b>349,758,086</b>	<b>1,257,725</b>	<b>3,398,354,871</b>	<b>5,391,085,929</b>
<b>Total comprehensive income for the period</b>					
Profit for the six months	-	-	-	231,472,684	231,472,684
Total other comprehensive income for the six months	-	-	-	-	-
<b>Total comprehensive income for the six months</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>231,472,684</b>	<b>231,472,684</b>
Dividend paid to owners - 2019/20	-	-	-	(112,165,577)	(112,165,577)
<b>Balance as at 30th September 2020</b>	<b>1,641,715,247</b>	<b>349,758,086</b>	<b>1,257,725</b>	<b>3,517,661,978</b>	<b>5,510,393,036</b>
<b>Total comprehensive income for the period</b>					
Profit for the six months	-	-	-	2,672,249,006	2,672,249,006
Total other comprehensive income for the six months	-	(19,723,836)	-	4,597,931	(15,125,905)
<b>Total comprehensive income for the six months</b>	<b>-</b>	<b>(19,723,836)</b>	<b>-</b>	<b>2,676,846,937</b>	<b>2,657,123,101</b>
Set-off of Acquisition of 40% of Non Controlling Interest in EMSPL against the investment made during the year	-	-	-	(2,903,064,032)	(2,903,064,032)
Dividend paid to owners - 2019/20 and 2020/21	-	-	-	(149,554,103)	(149,554,103)
<b>Balance as at 31st March 2021</b>	<b>1,641,715,247</b>	<b>330,034,250</b>	<b>1,257,725</b>	<b>3,141,890,780</b>	<b>5,114,898,002</b>
<b>Total comprehensive income for the period</b>					
Profit for the six months	-	-	-	417,068,869	417,068,869
Total other comprehensive income for the six months	-	-	-	-	-
<b>Total comprehensive income for the six months</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>417,068,869</b>	<b>417,068,869</b>
Dividend paid to owners - 2020/21	-	-	-	(224,331,155)	(224,331,155)
<b>Balance as at 30th September 2021</b>	<b>1,641,715,247</b>	<b>330,034,250</b>	<b>1,257,725</b>	<b>3,334,628,494</b>	<b>5,307,635,716</b>

Figures in brackets indicate deductions.

The above figures are not audited



## SUNSHINE HOLDINGS PLC

STATEMENT OF CASH FLOWS - GROUP	Unaudited	Unaudited	Audited
	Period ended 30th September 2021 LKR	Period ended 30th September 2020 LKR	Year ended 31st March 2021 LKR
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before income tax	2,908,444,841	1,831,506,259	3,309,138,790
<b>Adjustments for;</b>			
Interest income	(68,719,008)	(143,885,971)	(202,383,169)
Impairment/Write off of Assets Held for Sale	-	-	143,246,439
Profit on sale of property, plant & equipment	(38,996,432)	(22,855,000)	(31,708,661)
Provision/(reversal) and write-off for bad and doubtful debts	60,771,119	17,434,618	57,788,999
Provision for other receivable	-	-	370,565
Biological assets- (gain)/loss from produce crop valuation	-	6,349,000	(10,891,000)
Interest expense	139,913,805	279,412,833	468,793,779
Depreciation of Property, Plant and Equipment	260,225,757	308,691,503	647,977,610
Depreciation of mature plantations	90,432,000	76,877,000	157,230,000
Amortization of Intangible Assets	15,821,028	18,108,217	38,151,772
Profit/(loss) of equity accounted investee	273,412	440,184	92,356
Fair value changes in Deferred consideration	1,931,648	-	-
Impairment of biological assets	-	8,000,000	20,126,000
Fair value gain in quoted shares	6,355,532	4,847,587	1,086,323
Amortization of deferred income & capital grants	(25,277,000)	(25,277,000)	(50,554,000)
Amortisation of leasehold right to land	5,633,000	4,951,000	10,120,000
Fair value gain / (loss) on livestock	9,422,000	(2,582,000)	30,000
Fair value gain/loss on Consumable Biological Assets	(72,000)	-	(1,200,000)
Profit on sale of Investments	-	(5,902,294)	-
Provision/ (reversals) and Write-off for inventories	13,372,232	18,133,625	72,364,883
Rent Concession	(8,547,286)	(11,792,048)	(22,153,634)
Provision gratuity excluding actuarial gain/(loss)	52,155,322	49,239,095	119,130,631
Gain on disposal of subsidiary	2,750,340	63,000	63,000
<b>Operating profit before working capital changes</b>	<b>3,425,890,310</b>	<b>2,411,759,608</b>	<b>4,726,820,683</b>
(Increase)/decrease in inventories	(586,005,340)	(1,291,708,437)	(1,282,057,453)
(Increase)/decrease in trade and other receivables	(374,358,003)	199,566,874	47,163,592
(Increase)/decrease in amounts due from related parties	(153,879,753)	59,838,945	78,318,595
Increase/(decrease) in trade and other payables	654,936,618	1,043,883,001	1,043,501,779
Increase/(decrease) in amounts due to related parties	44,610,820	(17,337,088)	(21,760,653)
<b>Cash generated from/ (used in) operations</b>	<b>3,011,194,652</b>	<b>2,406,002,903</b>	<b>4,591,986,543</b>
Interest paid	(97,965,078)	(218,814,700)	(372,313,140)
Income tax paid	(530,863,334)	(352,017,326)	(643,172,689)
Gratuity paid	(42,250,095)	(24,729,354)	(44,655,743)
<b>Net cash generated from / (used in) operating activities</b>	<b>2,340,116,146</b>	<b>1,810,441,523</b>	<b>3,531,844,971</b>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest received	62,558,008	143,885,971	175,994,128
(Investments)/ disposal in other long term investments	5,484,932	31,720,611	52,076,228
(Investments)/ disposal in short term investments	65,124,583	487,239,754	375,484,496
(Investments)/ withdrawal in gratuity fund	264,467,000	(36,186,000)	(13,428,000)
Additions to Bearer plants	(73,122,000)	(60,140,000)	(165,202,000)
Investment in livestock	(21,769,000)	(30,112,000)	(53,832,000)
Acquisition of property, plant & equipment	(388,159,296)	(102,444,564)	(345,733,540)
Acquisition of intangible assets	(41,163,864)	-	(52,883,028)
Proceeds from disposal of property, plant & equipment	88,272,358	51,725,164	77,070,511
Acquisition of Non controlling interest in Subsidiaries	(400,000,000)	(2,903,064,032)	(2,903,064,032)
Disposal of Subsidiary (net of cash)	645,479,827	1,268,000	1,268,000
Acquisition of Subsidiaries (net of cash)	-	(1,544,022,015)	(2,238,359,537)
Proceeds on Disposal of Shares held in Subsidiary	-	-	278,429,916
<b>Net cash generated from / (used in) Investing activities</b>	<b>207,172,547</b>	<b>(3,960,129,111)</b>	<b>(4,812,178,858)</b>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds from share issued by subsidiary to NCI	355,940,000	1,520,750,002	1,520,750,002
Receipts of interest bearing borrowings	955,347,764	6,191,428,382	11,031,270,271
Repayment of interest bearing borrowings	(1,926,428,885)	(5,276,784,196)	(11,852,381,665)
Payment of lease liabilities	(75,493,133)	(89,654,899)	(175,206,299)
Dividend paid	(574,998,812)	(466,780,351)	(955,149,219)
<b>Net cash from / (used in) financing activities</b>	<b>(1,265,633,067)</b>	<b>1,878,958,938</b>	<b>(430,716,910)</b>

**Net increase/(decrease) in cash and cash equivalents** **1,281,655,626** **(270,728,650)** **(1,711,050,797)**

Cash and cash equivalents at the beginning of the period	1,698,437,024	3,408,395,610	3,408,395,610
Effect of exchange rate changes on cash and cash equivalents	627,085	(874,817)	1,092,211
<b>Cash and cash equivalents at the end of the period</b>	<b>2,980,719,735</b>	<b>3,136,792,143</b>	<b>1,698,437,024</b>

**Cash and cash equivalents**

Cash in hand & bank	3,773,343,323	3,713,866,120	2,566,573,920
Bank overdraft	(792,623,588)	(577,073,977)	(918,225,412)
Cash and bank Balance under Asset held for sale	-	-	52,507,138
Bank overdraft under Liability held for sale	-	-	(2,418,622)
	<b>2,980,719,735</b>	<b>3,136,792,143</b>	<b>1,698,437,024</b>

Figures in brackets indicate deductions.

The above figures are not audited

SUNSHINE HOLDINGS PLC

STATEMENT OF CASH FLOWS - COMPANY

	Unaudited	Unaudited	Audited
	Period ended	Period ended	Year ended
	30th September 2021	30th September 2020	31st March 2021
	LKR	LKR	LKR
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Profit before income tax</b>	<b>415,844,010</b>	<b>232,276,478</b>	<b>3,020,775,383</b>
<b>Adjustments for;</b>			
Interest income	(23,769,805)	(51,718,915)	(156,225,875)
Interest expense	3,643,832	215,558,806	170,998,805
Fair value gain/ loss in quoted shares and unit trust	(3,104,148)	5,812,360	2,225,511
Depreciation of Property, Plant and Equipment	11,142,237	10,661,928	21,463,966
Amortization of Intangible Assets	-	-	4,685
Profit on sale of property, plant & equipment	(8,626,500)	-	-
Loss/ (Gain) on disposal of a Subsidiary	-	-	(2,032,745,933)
Gain on partial disposal of investment in Subsidiary	-	-	(260,563,654)
Loss / (Profit) on sale of investments	-	-	(9,007,485)
Rent concession	-	(1,079,325)	(1,079,325)
Impairment of investment	-	-	59,452
Provision for gratuity	6,600,000	7,595,345	13,526,859
<b>Operating profit before working capital changes</b>	<b>401,729,625</b>	<b>419,106,677</b>	<b>769,432,389</b>
(Increase)/decrease in trade and other receivables	(67,461,503)	(73,081,685)	27,247,827
(Increase)/decrease in amounts due from related parties	12,323,505	(7,067,665)	17,561,881
Increase/(decrease) in trade and other payables	56,278,291	67,306,910	(5,755,018)
Increase/(decrease) in amounts due to related parties	-	3,592,409,852	(3,186,792)
<b>Cash generated from/ (used in) operations</b>	<b>402,869,918</b>	<b>3,998,674,089</b>	<b>805,300,287</b>
Interest paid	(2,990,036)	(187,797,191)	(169,371,726)
Income tax paid	(50,734,925)	(1,433,096)	-
Employee benefits paid	-	-	(63,223,579)
<b>Net cash generated from / (used in) operating activities</b>	<b>349,144,957</b>	<b>3,809,443,802</b>	<b>572,704,982</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	29,254,757	57,203,846	156,256,012
Investments in subsidiaries	(400,000,000)	(4,423,814,034)	(4,423,814,034)
Disposal of Subsidiary (net of cash)	-	-	2,999,743,572
Proceeds on disposal of shares held in subsidiary	-	-	278,429,916
(Investments)/ disposal in other investments	9,459,680	19,368,612	54,664,537
Acquisition of intangible assets	(6,552,683)	-	(7,555,660)
Proceed from disposal of property, plant & equipment	8,626,500	-	-
Acquisition of property, plant & equipment	(962,963)	(919,041)	(4,504,705)
<b>Net cash used in investing activities</b>	<b>(360,174,709)</b>	<b>(4,348,160,617)</b>	<b>(946,780,362)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Receipts of interest bearing borrowings	-	3,104,000,000	3,104,000,000
Repayment of interest bearing borrowings	(767,969,737)	(3,798,780,698)	(4,999,121,698)
Payment of lease liabilities	(8,634,600)	(7,555,275)	(14,750,775)
Dividend paid	(224,331,155)	(112,165,577)	(261,719,680)
<b>Net Cash generated from / (used in) Financing Activities</b>	<b>(1,000,935,492)</b>	<b>(814,501,550)</b>	<b>(2,171,592,153)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1,011,965,244)</b>	<b>(1,353,218,365)</b>	<b>(2,545,667,533)</b>
Cash and cash equivalents at the beginning of the period	1,280,666,314	2,185,982,598	3,826,333,848
<b>Cash and cash equivalents at the end of the period</b>	<b>268,701,070</b>	<b>832,764,233</b>	<b>1,280,666,315</b>
<b>Cash and cash equivalents</b>			
Cash in hand & bank	268,773,780	832,764,233	1,281,865,256
Bank overdraft	(72,710)	-	(1,198,941)
	<b>268,701,070</b>	<b>832,764,233</b>	<b>1,280,666,315</b>

Figures in brackets indicate deductions.

The above figures are not audited

SUNSHINE HOLDINGS PLC  
SEGMENTAL ANALYSIS  
FOR THE SIX MONTHS ENDED 30TH SEPTEMBER

	Investment and Management Services		Healthcare		Agri		Consumer Goods		Energy		Rental business		Intragroup		Group	
	LKR 2021	LKR 2020	LKR 2021	LKR 2020	LKR 2021	LKR 2020	LKR 2021	LKR 2020	LKR 2021	LKR 2020	LKR 2021	LKR 2020	LKR 2021	LKR 2020	LKR 2021	LKR 2020
<b>REVENUE</b>	881,678,712	448,679,902	8,546,201,060	5,795,468,201	3,406,178,000	2,125,428,000	3,750,072,321	2,771,944,414	20,891,694	208,753,853	20,162,979	16,424,609	(821,920,972)	(416,015,941)	15,803,263,794	10,950,683,038
<b>RESULT</b>																
Profit from operating activities	847,618,291	1,071,981,187	760,251,979	646,028,615	2,020,146,000	1,102,307,000	210,381,545	211,837,197	(59,955,972)	82,141,537	17,832,335	11,345,706	(816,361,129)	(1,158,936,257)	2,979,913,050	1,966,704,985
Net finance cost	22,466,677	(14,411,674)	(42,927,607)	(42,390,735)	(18,778,000)	(56,460,000)	(39,230,550)	9,997,166	13,417,525	(22,957,117)	(6,142,843)	(8,536,181)	-	-	(71,194,798)	(134,758,541)
Share of equity accounted investee	-	-	-	-	-	-	-	-	-	-	-	-	(273,412)	(440,185)	(273,412)	(440,185)
Income tax expense	(62,673,497)	(141,933,730)	(209,940,443)	(180,200,702)	(112,680,000)	(128,347,000)	(61,700,804)	(93,608,229)	(4,645,564)	(3,376,453)	(45,264)	1,343,958	-	-	(451,685,571)	(546,122,156)
<b>Profit for the year</b>	<b>807,411,471</b>	<b>915,635,783</b>	<b>507,383,929</b>	<b>423,437,178</b>	<b>1,888,688,000</b>	<b>917,500,000</b>	<b>109,450,191</b>	<b>128,226,134</b>	<b>(51,184,011)</b>	<b>55,807,967</b>	<b>11,644,228</b>	<b>4,153,483</b>	<b>(816,634,541)</b>	<b>(1,159,376,442)</b>	<b>2,456,759,270</b>	<b>1,285,384,103</b>
Other comprehensive income	-	(1,825,873,902)	-	-	-	-	627,085	4,272,443	-	-	-	-	-	1,825,873,902	627,085	4,272,443
<b>Total comprehensive income</b>	<b>807,411,471</b>	<b>(910,238,119)</b>	<b>507,383,929</b>	<b>423,437,178</b>	<b>1,888,688,000</b>	<b>917,500,000</b>	<b>110,077,276</b>	<b>132,498,577</b>	<b>(51,184,011)</b>	<b>55,807,967</b>	<b>11,644,228</b>	<b>4,153,483</b>	<b>(816,634,541)</b>	<b>666,497,460</b>	<b>2,457,386,355</b>	<b>1,289,656,546</b>

OTHER INFORMATION

	Investment		Healthcare		Agri		Consumer Goods		Energy		Others		Intragroup		Group	
	LKR 30th September 2021	LKR 31st March 2021	LKR 30th September 2021	LKR 31st March 2021	LKR 30th September 2021	LKR 31st March 2021	LKR 30th September 2021	LKR 31st March 2021	LKR 30th September 2021	LKR 31st March 2021	LKR 30th September 2021	LKR 31st March 2021	LKR 30th September 2021	LKR 31st March 2021	LKR 30th September 2021	LKR 31st March 2021
Segment assets	8,596,814,401	9,405,365,622	11,282,447,555	10,720,898,200	8,810,283,000	7,106,719,000	3,811,674,879	3,774,410,106	915,492,340	2,270,973,724	1,000,671,140	1,002,012,269	(7,655,996,240)	(7,397,373,461)	26,761,387,075	26,883,005,460
Equity & reserves	8,356,771,633	8,160,791,316	6,365,301,666	5,857,931,784	6,697,111,000	5,062,410,000	1,221,045,076	1,280,967,800	913,770,218	1,383,404,504	748,874,510	737,230,281	(7,468,049,528)	(7,140,916,262)	16,834,824,575	15,341,819,423
Total liabilities	240,042,765	1,244,574,305	4,917,145,890	4,862,966,416	2,113,172,000	2,044,309,000	2,590,629,801	2,493,442,306	1,722,122	887,569,220	251,796,630	264,781,986	(187,946,707)	(256,457,196)	9,926,562,500	11,541,186,037
	LKR 2021	LKR 2020	LKR 2021	LKR 2020	LKR 2021	LKR 2020	LKR 2021	LKR 2020	LKR 2021	LKR 2020	LKR 2021	LKR 2020	LKR 2021	LKR 2020	LKR 2021	LKR 2020
Depreciation	11,646,183	11,182,254	91,503,029	102,170,661	184,125,000	161,052,000	77,584,396	74,629,764	6,153,218	56,276,239	-	-	-	2,416,802	371,011,826	407,727,720
Capital expenditure	7,551,883	919,041	46,303,307	28,151,895	336,930,000	128,461,000	129,810,969	6,188,273	4,092,000	31,316,355	-	-	-	-	524,688,160	195,036,564

Figures in brackets indicate deductions.

The above figures are not audited

**SUNSHINE HOLDINGS PLC**  
**NOTES TO THE ACCOUNTS**

**1. Corporate information**

Sunshine Holdings PLC (the “Company”) is a Company incorporated and domiciled in Sri Lanka. The ordinary shares of the Company are listed on Colombo Stock Exchange of Sri Lanka. The address of the Company’s registered office is no. 60, Dharmapala Mawatha, Colombo 03.

The Group is primarily involved in the importing and selling of pharmaceuticals, managing portfolio of investments, marketing of tea, palm oil and related products.

The Registrar General of Companies on February 2, 2021 issued the certificate of Amalgamation in terms of section 244(1) (a) of the Companies Act, No. 7 of 2007 that Estate Management Services (Pvt) Limited to be amalgamated with Sunshine Holdings PLC in accordance with the provisions of part VIII of the Companies Act, No. 7 of 2007 with Sunshine Holdings PLC as the surviving entity.

**2. Interim condensed financial statements**

The Interim Condensed Financial Statements for the period ended 30th September 2021, includes the “Company” referring to Sunshine Holdings PLC as the holding Company and the “Group” comprise the Company and subsidiary companies of Sunshine Consumer Lanka Limited and its subsidiaries, Sunshine Healthcare Lanka Limited and its subsidiaries, Sunshine Packaging Lanka Limited and its subsidiary, Sunshine Energy (Pvt) Limited and its subsidiaries, Sunshine Wilmar (Pvt) Ltd and its subsidiaries.

The ultimate parent of the company is Lamurep Investments Limited which holds 59.48% of the issued share capital of the company as at 30th September 2021.

**3. Approval of financial statements**

The Interim Condensed Financial Statements of the Group and the Company for the period ended 30th September 2021, were authorised for issue by the Board of Directors on November 11, 2021.

**4. Basis of preparation**

The Interim Condensed Consolidated Financial Statements have been prepared in accordance with the Sri Lanka Accounting Standards with effect from 01st January 2014 (SLFRS/LKAS). There were no changes to the accounting policies and methods of computation since the publication of the Annual Report 2020/21. Further, these Financial Statements have been prepared in compliance with the requirement of the Sri Lanka Accounting Standard - LKAS 34 on “Interim Financial Reporting”.

The Interim Condensed Consolidated Financial Statements do not include all the information and disclosures required in the Annual Financial Statements, and should be read in conjunction with the Group’s annual Consolidated Financial Statements as at 31 March 2021.

Previous period figures and phrases have been rearranged wherever necessary to conform to the current presentation.

**5. Significant Accounting Policies**

The accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 March 2021.

**5.1. Standards Issued but not yet Effective**

A number of new standards and amendments to standards are effective for annual periods beginning after 1 April 2021 and early application is permitted; however the Group has not early adopted any of the forthcoming new or amended standards in preparing these condensed consolidated interim financial statements.

**5.2. Basis of Consolidation**

Subsidiaries are those entities controlled by 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 that substantive rights that give the ability to direct the activities of the subsidiaries.

The Financial Statements of the subsidiaries are included in the Consolidated Financial Statements from the date the control effectively commences until the date that control effectively ceases. Non- controlling interest is measured at the proportionate share of the acquiree’s identifiable net assets. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

## SUNSHINE HOLDINGS PLC

### NOTES TO THE ACCOUNTS

#### 5.3. Use of judgements and estimates

In preparing these interim condensed financial statements, management has made judgements and estimates that affected the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ these estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

#### 5.4. Property, Plant & equipment

##### *Recognition and measurement*

Property, plant and equipment is recorded at cost less accumulated depreciation and accumulated impairment losses if any, whilst land is measured at fair value.

##### *De-recognition*

The carrying amount of an item of Property, plant & equipment is de-recognised on disposal; or when no future economic benefits are expected from its use. Gains and losses on de-recognition are recognised in income statement and gains are not classified as revenue.

When re-valued assets are sold, any related amount included in the revaluation reserve is transferred to Retained Earnings.

##### *Depreciation*

Depreciation is recognised in income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant & equipment.

#### 5.4.1 Impairment

The Board of Directors has assessed the potential impairment loss of the property, plant and equipment as at 31 March 2021. Based on the assessment, no impairment provision is required to be made in the financial statements as at the reporting date.

#### 5.5. Biological assets

The Group recognise the biological assets when, and only when, the Company controls the assets as a result of past events, it is probable that future economic benefits associated with the assets will flow to the entity and fair value or cost of the assets can be measured reliably.

##### *Bearer biological assets*

Tea, rubber, oil palm, cinnamon ,sundry crops and nurseries are classified as bearer biological assets. The bearer biological assets are measured at cost less accumulated depreciation and accumulated impairment losses, if any, in terms of Sri Lanka Accounting Standard LKAS 16 - Property Plant and Equipment as per the ruling issued by Institute of Chartered Accountants of Sri Lanka.

##### *Consumable biological assets*

Timber plantation is classified as consumable biological assets and is measured on initial recognition and at the end of each reporting period at fair value less cost to sell. Costs to sell include all costs that would be necessary to sell the assets, including transportation costs. The fair value of trees younger than five years cannot be reliably estimated and are carried at cost less impairment. The cost includes direct material, direct labour and appropriate proportion of directly attributable overheads. Gains or losses arising on initial recognition of timber plantations at fair values less costs to sell and from the change in fair values less costs of plantations at each reporting date are included in profit or loss for the period in which they arise. All costs incurred in maintaining the assets are included in Profit or Loss for the period in which they arise.

##### *Livestock*

Livestock is measured at their fair value less estimated point of sale costs. Changes in fair value of livestock are recognised in the income statement.

#### 5.6. Investment properties

Investment properties are measured initially at cost, including transaction costs. The carrying value of an investment property includes the cost of replacing part of an existing investment property, at the time that cost is incurred if the recognition criteria are met, and excludes the costs of day to- day servicing of the investment property. Subsequent to initial recognition, the investment properties are stated at fair values, which reflect market conditions at the reporting date. Gains or losses arising from changes in fair value are included in the income statement in the year in which they arise. Fair values are evaluated at least every 3 years by an accredited external, independent valuer. Investment properties are derecognised when disposed, or permanently withdrawn from use because no future economic benefits are expected. Any gains or losses on retirement or disposal are recognised in the income statement in the year of retirement or disposal.

#### 5.7 Inventories

Inventories other than produce stock and nurseries are stated at the lower of cost or net realisable value, after making due allowances for obsolete and slow moving items. The Group uses weighted average cost formula and actual cost in assigning the cost of inventories. The cost includes expenses in acquiring stocks, production and conversion cost and other costs incurred in bringing them to their existing location and condition.

## 6. Revenue

Nature of timing of satisfaction of performance obligations, including significant payment terms and Revenue recognition under SLFRS 15 (applicable from 1 April 2018).

SLFRS 15 - Revenue from contracts with customers, establishes a comprehensive framework for determining whether, how much and when revenue is recognised.

The Group recognises revenue when a customer obtains control of the goods or services. Judgement is used to determine the timing of transfer of control - at a point in time or over time.

### a) Investments

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established. This is now under the scope of SLFRS 9.

### b) Plantation

Customers obtain the control of the produce after the customer acknowledgement at the dispatch point. Revenue is recognized point in time, at the time of dispatch after the customer acknowledgement.

### c) Consumer

Customers obtain control of the goods sold when the goods are delivered to and have been accepted at their premises. Invoices are generated at that point in time.

Revenue is recognized when a customer obtains control of the goods or services. Determining the timing of the transfer of control is at a point in time.

### d) Healthcare

Customers obtain control of the goods sold when the goods are delivered to and have been accepted at their premises. Invoices are generated at that point in time.

Revenue is recognized when a customer obtains control of the goods or services. Determining the timing of the transfer of control is at a point in time.

### e) Energy

This includes income from generating electricity units and transferred to Ceylon Electricity Board of Sri Lanka. Revenue is recognized point in time as the electricity units are transferred to Ceylon Electricity Board of Sri Lanka.

### f) Rent income

This includes rental income earned from renting out investment property owned by the Subsidiary. Revenue is recognized over time as the rent income is recognized on a straight line basis over the term of the agreement.

## 6.1 Disaggregation of Revenue from Contracts with Customers

The disaggregation of revenue has been provided under segmental analysis.

## 7. Investments in subsidiaries

Quoted and unquoted investments in shares held on long term basis by the Company and Group are stated at cost less provision for diminution in value of investments.

### 7.1. Disposal of a Subsidiary

On September 22, 2021, Sunshine Energy (Private) Limited, a subsidiary of the Company, has disposed its subsidiary Sky Solar (Private) Limited for total consideration of LKR 265Mn.

### 7.2. Change In NCI

On September 27, 2021, the Company has acquired the remaining stake of 30% in Sunshine Energy (Private) Limited from SBI Ven Holdings Pte Limited for the purchase consideration of Rs. 400 million. As a result of this transaction effective shareholdings of Sunshine Energy (Private) Limited has increased from 70% to 100%.



SUNSHINE HOLDINGS PLC  
NOTES TO THE ACCOUNTS

8. Valuation of Financial Assets and Liabilities

8.1. Accounting Classification and Fair Values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

30 September 2021	Classification	GROUP					COMPANY				
		Carrying amount	Fair value			Total	Carrying amount	Fair value			Total
			Level 1	Level 2	Level 3			Level 1	Level 2	Level 3	
<b>Financial Assets measured at Fair value</b>											
Investment in Unquoted Shares	Fair value through OCI	505,433,941	-	-	505,433,941	505,433,941	505,433,941	-	-	505,433,941	505,433,941
Investment in Quoted Shares	Fair value through P&L	28,999,385	28,999,385	-	-	28,999,385	28,999,385	28,999,385	-	-	28,999,385
Investment Fund	Fair value through P&L	98,847,000	-	98,847,000	-	98,847,000	-	-	-	-	-
		<b>633,280,326</b>	<b>28,999,385</b>	<b>98,847,000</b>	<b>505,433,941</b>	<b>633,280,326</b>	<b>534,433,326</b>	<b>28,999,385</b>	<b>-</b>	<b>505,433,941</b>	<b>534,433,326</b>
<b>Financial Assets not measured at Fair value</b>											
Trade and other receivables **	Amortized cost	5,230,905,643	-	5,230,905,643	-	5,230,905,643	137,858,146	-	137,858,146	-	137,858,146
Investment in Debentures	Amortized cost	100,904,110	-	100,904,110	-	100,904,110	100,904,110	-	100,904,110	-	100,904,110
Short term investment	Amortized cost	47,769,864	-	47,769,864	-	47,769,864	-	-	-	-	-
Amounts due from related parties **	Amortized cost	154,354,753	-	154,354,753	-	154,354,753	210,891,983	-	210,891,983	-	210,891,983
Cash & cash equivalents **	Amortized cost	3,773,343,323	-	3,773,343,323	-	3,773,343,323	268,773,780	-	268,773,780	-	268,773,780
		<b>9,307,277,693</b>	<b>-</b>	<b>9,307,277,693</b>	<b>-</b>	<b>9,307,277,693</b>	<b>718,428,019</b>	<b>-</b>	<b>718,428,019</b>	<b>-</b>	<b>718,428,019</b>
<b>Financial Liabilities not measured at Fair value</b>											
Loans and borrowings***	Other financial liabilities	2,926,326,250	-	2,926,326,250	-	2,926,326,250	8,388,254	-	8,388,254	-	8,388,254
Bank overdraft **	Other financial liabilities	792,623,588	-	792,623,588	-	792,623,588	72,710	-	72,710	-	72,710
Trade and other payables **	Other financial liabilities	4,421,485,216	-	4,421,485,216	-	4,421,485,216	81,252,339	-	81,252,339	-	81,252,339
Amounts due to related parties **	Other financial liabilities	7,767,759	-	7,767,759	-	7,767,759	-	-	-	-	-
		<b>8,148,202,813</b>	<b>-</b>	<b>8,148,202,813</b>	<b>-</b>	<b>8,148,202,813</b>	<b>89,713,303</b>	<b>-</b>	<b>89,713,303</b>	<b>-</b>	<b>89,713,303</b>

31 March 2021	Classification	GROUP					COMPANY				
		Carrying amount	Fair value			Total	Carrying amount	Fair value			Total
			Level 1	Level 2	Level 3			Level 1	Level 2	Level 3	
<b>Financial Assets measured at Fair value</b>											
Investment in Unquoted Shares	Fair value through OCI	505,433,941	-	-	505,433,941	505,433,941	505,433,941	-	-	505,433,941	505,433,941
Investment in Quoted Shares	Fair value through P&L	35,354,916	35,354,916	-	-	35,354,916	35,354,916	35,354,916	-	-	35,354,916
Derivative instruments	Fair value through P&L	222,469,740	-	222,469,740	-	222,469,740	222,469,740	-	222,469,740	-	222,469,740
Investment Fund	Fair value through P&L	357,153,000	-	357,153,000	-	357,153,000	-	-	-	-	-
		<b>1,120,411,597</b>	<b>35,354,916</b>	<b>579,622,740</b>	<b>505,433,941</b>	<b>1,120,411,597</b>	<b>763,258,597</b>	<b>35,354,916</b>	<b>222,469,740</b>	<b>505,433,941</b>	<b>763,258,597</b>
<b>Financial Assets not measured at Fair value</b>											
Trade and other receivables **	Amortized cost	4,281,151,733	-	4,281,151,733	-	4,281,151,733	16,236,144	-	16,236,144	-	16,236,144
Investment in Debentures	Amortized cost	106,389,041	-	106,389,041	-	106,389,041	106,389,041	-	106,389,041	-	106,389,041
Short term investment	Amortized cost	112,894,447	-	112,894,447	-	112,894,447	-	-	-	-	-
Amounts due from related parties **	Amortized cost	475,000	-	475,000	-	475,000	223,215,489	-	223,215,489	-	223,215,489
Cash & cash equivalents **	Amortized cost	2,520,552,239	-	2,520,552,239	-	2,520,552,239	1,281,865,256	-	1,281,865,256	-	1,281,865,256
		<b>7,021,462,460</b>	<b>-</b>	<b>7,021,462,460</b>	<b>-</b>	<b>7,021,462,460</b>	<b>1,627,705,930</b>	<b>-</b>	<b>1,627,705,930</b>	<b>-</b>	<b>1,627,705,930</b>
<b>Financial Liabilities not measured at Fair value</b>											
Loans and borrowings***	Other financial liabilities	4,153,528,795	-	4,153,528,795	-	4,153,528,795	1,006,808,533	-	1,006,808,533	-	1,006,808,533
Bank overdraft **	Other financial liabilities	872,203,730	-	872,203,730	-	872,203,730	1,198,941	-	1,198,941	-	1,198,941
Trade and other payables **	Other financial liabilities	2,593,943,975	-	2,593,943,975	-	2,593,943,975	-	-	-	-	-
Amounts due to related parties **	Other financial liabilities	12,802,099	-	12,802,099	-	12,802,099	-	-	-	-	-
		<b>7,632,478,599</b>	<b>-</b>	<b>7,632,478,599</b>	<b>-</b>	<b>7,632,478,599</b>	<b>1,008,007,474</b>	<b>-</b>	<b>1,008,007,474</b>	<b>-</b>	<b>1,008,007,474</b>

\*\* Classes of financial instruments that are not carried at fair value and of which carrying amounts are a reasonable approximation of fair value. This includes trade receivables, cash and cash equivalents, trade payable, other payables, amounts due to and due from related parties and bank overdraft. The carrying amounts of these financial assets and liabilities are a reasonable approximation of fair values due to their short term nature.

\*\*\* Discounted cash flows: The valuation model considers the present value of expected payments, discounted using a risk-adjusted discount rate.

SUNSHINE HOLDINGS PLC  
NOTES TO THE ACCOUNTS

8.2. Measurement of Fair Values

**Financial Assets and Liabilities measured or disclosed at Fair Value**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Group measures the fair value using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurement. An analysis of the fair value measurement of financial and non-financial assets and liabilities are provided below:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.

When available, the Group measures the fair value of an instrument using active quoted prices or dealer price quotations (assets and long positions are measured at a bid price; liabilities and short positions are measured at an ask price), without any deduction for transaction costs. A market is regarded as active if transactions for asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

This category includes instruments valued using:

(a) quoted prices in active markets for similar instruments,

(b) quoted prices for identical or similar instruments in markets that are considered to be less active, or

(c) other valuation techniques in which almost all significant inputs are directly or indirectly observable from market data.

- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs). This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation.

8.2.a Valuation techniques and significant unobservable inputs

The following valuation techniques used in measuring Level 2 and Level 3 fair values at 30 September 2021 and 31 March 2021 for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

• *Unquoted equity instruments - Discounted cash flows*

The valuation model considers the present value of expected net cash flows from those investments discounted using a risk adjusted discount rate. The expected cash flows are derived based on the budgeted cash flow forecasts of those investments determined by considering the sensible probability of the forecast EBITDA.

• *Interest rate swaps/Cross currency swaps- Swap models*

The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant

benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the Group and of the counterparty; this is calculated based on credit spreads derived from current credit default swap or bond prices.

Those assumptions for assets categorised as Level 3 has been described under respective notes to the financial Statements as at 31 March 2021.

During the reporting period ended 30 September 2021 and 31 March 2021, there were no transfers between Level 1 and Level 2 fair value measurements

8.3. Concentration on Credit Risk

The Group's concentration on Credit Risk as at 30 September 2021 remain the same as at 31 March 2021.

SUNSHINE HOLDINGS PLC  
NOTES TO THE ACCOUNTS

**9. Utilisation of private placement proceeds**

The Company has terminated the SWAP agreement entered with Standard Chartered Bank for the repayment of USD Loan at the fixed exchange rate on April 12, 2021. Accordingly, the loan outstanding as at March 31, 2021 amounted to USD 4,806,000 (Rs.771 Mn) has been fully settled on April 12, 2021 using the Private Placements funds available as at that date and the corresponding Derivative Asset amounted to Rs. 222,469,740 has been de-recognised on the same date.

**10. Comparatives**

The presentation and classification of the Financial Statements of the previous periods have been amended, where relevant, for better presentation and to be comparable with those of the current period.

**11. Events after the reporting date**

No circumstance has arisen since the reporting date which would require adjustment to or disclosure in the financial statements.

**12. Stated capital is represented by shares in issue as given below:**

No. of shares as at	30th September 2021	31st March 2021	30th September 2020
Ordinary shares*	448,662,309	448,662,309	149,554,103

\* As resolved in the Extra Ordinary General Meeting held , with effect from March 25, 2021, One Hundred and Forty Nine Million Five Hundred and Fifty Four Thousand One Hundred and Three (149,554,103) existing ordinary shares of the Company has increased by a subdivision of the Existing Shares on the basis of one (1) Existing Shares into three (03) ordinary shares thereby increasing the number of ordinary shares in the Company to Four Hundred and Forty Eight Million Six Hundred and Sixty Two Thousand Three Hundred and Nine (448,662,309) ordinary shares.

**13. Dividend**

	Year ended 31st March	
	2021	2020
Dividend paid (Rs)	373,885,258	112,165,577
No of ordinary shares	448,662,309	149,554,103
<b>Dividend per share (cash)</b>	<b>0.83</b>	<b>0.75</b>

**14. Commitments & contingencies**

There has not been significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31st March 2021.

**15. Net Assets per share**

Net assets per share has been calculated, for all periods, based on the number of shares issued as at the reporting date.

**16. The interim Financial Statements are not audited.**

SUNSHINE HOLDINGS PLC  
NOTES TO THE ACCOUNTS

SHAREHOLDER INFORMATION

Audited

Market price per share	Six months ended	Six months ended	Year ended
	30th September 2021	30th September 2020	31st March 2021
	Rs.	Rs.	Rs.
Highest price	28.00	60.00	105.00
Lowest price	22.50	36.10	26.00
Last traded price	25.00	57.10	26.50

TWENTY (20) LARGEST SHAREHOLDERS AS AT

Name	30th September 2021		31st March 2021	
	No of Shares Held	%	No of Shares Held	%
1 Lamurep Investments Limited	266,854,139	59.48%	229,216,803	51.09%
2 Deepcar Limited	44,866,231	10.00%	78,215,478	17.43%
3 SBI Ven Holdings Pte Limited	25,128,823	5.60%	42,636,357	9.50%
4 Ceylon Property Development Limited	9,165,876	2.04%	9,165,876	2.04%
5 Phoenix Ventures Private Limited	8,973,246	2.00%	8,973,246	2.00%
6 Mr.V.Govindasamy	6,079,500	1.36%	3,079,500	0.69%
7 GF Capital Global Limited	4,202,154	0.94%	4,202,154	0.94%
8 Rubber Investment Trust Ltd A/C No 01	3,696,996	0.82%	3,696,996	0.82%
9 Citibank Newyork S/A Norges Bank Account 2	3,631,374	0.81%	-	0.00%
10 Ceylon Investment PLC A/C # 02	3,300,000	0.74%	1,650,000	0.37%
11 Ceylon Guardian Investment Trust Plc A/C # 02	3,190,233	0.71%	1,540,233	0.34%
12 Seylan Bank Plc/Janashakthi Capital Limited	2,798,616	0.62%	-	0.00%
13 J.B. Cocoshell (Pvt) Limited	2,064,154	0.46%	3,268,833	0.73%
14 Hatton National Bank Plc-Senfin Growth Fund	2,019,084	0.45%	2,019,084	0.45%
15 Commercial Bank Of Ceylon Plc/Metrocorp (Pvt) Ltd	2,000,000	0.45%	-	0.00%
Mr. R.P.Weerasooriya	2,000,000	0.45%	-	0.00%
16 Dr. T.Senthilverl	1,910,034	0.43%	1,910,034	0.43%
17 Hallsville Trading Group Inc.	1,840,000	0.41%	2,400,000	0.53%
18 Mr. W.D.N.H.Perera	1,696,874	0.38%	-	0.00%
19 Hatton National Bank Plc A/C No.4 (Hnb Retirement Pe	1,333,275	0.30%	1,078,275	0.24%
20 Bank Of Ceylon No. 1 Account	1,287,511	0.29%	2,171,358	0.48%
<b>Sub Total</b>	<b>398,038,120</b>	<b>88.72%</b>	<b>395,224,227</b>	<b>88.09%</b>
Others	50,624,189	11.28%	53,438,082	11.91%
<b>Total</b>	<b>448,662,309</b>	<b>100.00%</b>	<b>448,662,309</b>	<b>100.00%</b>

PUBLIC SHARE HOLDING				
	Requirement by CSE	As at 30th September 2020	Requirement by CSE	As at 31st March 2021
Option	4	4	4	4
Float adjusted market capitalization	Above Rs.2,500,000,000/-	3,535,458,995	Above Rs.2,500,000,000/-	4,359,898,421
The percentage of shares held by the public	10%	31.52%	10%	36.67%
Number of shareholders representing public holding	500	4,851	500	3,238

The number of shares held by the Board of Directors are as follows:

	As at 30th September 2021	As at 31st March 2021
Mr.V.Govindasamy - Group Managing Director	6,079,500	3,079,500
Mr.G.Sathasivam	9,165	9,165
Mr.S.G.Sathasivam	3,054	3,054
Mr. A.D.B.Talwatte	3,054	3,054
Ms. S. Ratwatte	7,500	7,500

## CORPORATE INFORMATION

### **Name of Company**

Sunshine Holdings PLC

### **Legal Form**

Public Limited Liability Company  
(Incorporated in 1973 and listed in the Colombo Stock Exchange)

### **Company Registration Number**

PQ13

### **Principal Activities**

Holding Company, carrying out investment in subsidiaries

### **Registered Office**

No. 60, Dharmapala Mawatha, Colombo 03

### **Directors**

Mr. D. A. Cabraal - (Appointed Chairman w.e.f. 25th June 2021)

Mr. Munir Shaikh - (Retired as of 25th June 2021)

Mr. G. Sathasivam

Mr. V. Govindasamy -(Group Managing Director)

Mr. S.G. Sathasivam

Mr. H. D. Abeywickrama

Mr. A. Talwatte

Mr. S. Shishoo

Mr. Y Kitao

Mr. Shiran Dias- Alternate Director

Ms. Shalini Ratwatte

Ms. Aruni Goonetilleke

### **Secretaries**

Corporate Services (Private) Limited

No. 216, De Seram Place,

Colombo 10

Tel: 011 4 605 100

### **Auditors**

KPMG

Chartered Accountants

32A, Sri Mohamed Macan Marker Mawatha,

Colombo 03

### **Lawyers**

F J & G de Saram (Attorney- at -Law)

No.216, de Saram Place

Colombo 10

Nithya Partners

Attorneys-at-Law

No. 97/A, Galle Road

Colombo 03

### **Bankers**

Hatton National Bank PLC

National Development Bank PLC

MCB Bank Limited

Standard Chartered Bank Ltd.

Seylan Bank PLC

Nations Trust Bank PLC

Commercial Bank PLC

DFCC Bank PLC

### **Credit Ratings**

The Company has been assigned a national long-term rating of 'AA+(lka)'; outlook stable by Fitch Ratings Lanka Limited