



SUNSHINE HOLDINGS PLC

INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED
30th September 2022

GROUP MANAGING DIRECTOR'S MESSAGE

Dear Shareholder, The Group recorded a consolidated revenue of LKR 24.9 billion for the 6-month period ended 30th September 2022 (1HFY23), up 57.7% YoY. The Group revenue which predominantly includes revenue from Healthcare, Consumer goods and Agribusiness sectors, which contributed 46.6%, 34.4% and 18.4% respectively. In April 2022, Sunshine Tea (Pvt) Ltd which is a tea export business was acquired by the Group and its performance is consolidated under Consumer Goods sector w.e.f. 1st April 2022.

Healthcare sector recorded YoY growth of 35.9% against last year, whilst the Agri sector revenue was up by 34.4% YoY. Consumer goods sector recorded a 128.4% YoY increase in revenue compared to last year, driven by the acquisition of Sunshine Tea (Pvt) Ltd. Organic growth stood at 21.3% YoY.

Gross profit margin for the period stood at 29.4%, which is a contraction of 463 basis points against the corresponding period last year. The gross profit improved by LKR 1,952 million up 36.3% YoY compared to the previous year, driven by revenue growth. The Group EBIT closed at LKR 4,331 million, an increase of 45.3% YoY. Group PAT amounted to LKR 3,151 million in 1HFY23 compared to LKR 2,457 million reported during same period last year. The finance cost for the 6-month period amounted to LKR 707 million compared to LKR 140 million during the same period last year. The increase is owing to higher interest rates, higher facility utilization and the addition of the tea export business. Profit attributable to equity shareholders (PATMI) closed at LKR 1,935 million for 1HFY23, an increase of 60.0% YoY.

Healthcare

Healthcare sector recorded a revenue of LKR 11.6 billion during 1HFY23, a significant increase of 35.9% YoY backed by the price increases to reflect the depreciation of the Rupee, despite volume contraction. EBIT for the sector was LKR 1,505 million. The Healthcare sector Profit After Tax (PAT) increased by 51.7% YoY to LKR 770 million.

Pharmaceuticals segment and Medical Devices segment witnessed revenue growth owing to price increases despite the continued pressure on volume.

Healthguard retail segment was adversely affected by reduced footfall and gross margin contracted due to consumer focus on essential medicines compared to wellness products. The retail business recorded a marginal contraction in revenue as volumes contracted significantly.

Lina, the Pharma manufacturing business, experienced revenue growth mainly due to price revisions together with the revenue earned from Metered Dose Inhaler (MDI) sales to the government. The first MDI sale was made in the month of July 2022 marking the commencement of commercial operations in Lina Spiro.

Consumer Goods

Consumer Goods sector reported a 128.4% YoY increase in revenue to close at LKR 8.6 billion in 1HFY23. Excluding the new addition, revenue growth stood at 21.3% YoY. Gross margins were impacted by the rising cost of raw materials. However, EBIT margin has improved by 256 bps YoY. The PAT of the sector increased by LKR 383 million (350.1% YoY) compared to the same period last year.

The local business faced challenges mainly due to disruption in distribution owing to social unrest and fuel shortages. Tea category experienced a volume contraction in 1HFY23 compared to 1HFY22. While the Confectionery category revenue grew significantly, supported by price increases. Our Consumer brands Zesta, Watawala, Ran Kahata and Daintee continued to maintain and grow market shares.

The export business contribution in terms of revenue and PAT for the period stood at LKR 4,016 million and LKR 336 million respectively.

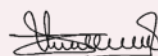
Agribusiness

Agribusiness sector revenue increased by 34.4% YoY during 1HFY23 compared to the corresponding period last year. The EBIT increased by LKR 13 million (0.6% increase YoY). EBIT margin for 1HFY23 stood at 44.4%, 1,491 bps lower than the corresponding period last year, owing to increased cost of bought crop and reduction in crop volumes YoY. Reduction in crop was mainly due to the ban imposed on chemical fertilizer.

PAT of the Agri sector closed at LKR 1,934 million for 1HFY23, up by LKR 45 million compared to the same period last year, while the Dairy business recorded a net loss of LKR 41 million in 1HFY23 compared to a net profit of 32 million during the same period last year. Net loss in dairy is mainly stemming from increased feed cost, despite increase in farm gate price.

Outlook

With local consumers being significantly impacted due to macroeconomic issues and fiscal policy tightening, the Group will strive to deliver value to its local customers, while focusing on growth outside of Sri Lanka with the recently acquired export business. 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 2022

Colombo

CONDENSED STATEMENT OF COMPREHENSIVE INCOME - GROUP

	Unaudited			Unaudited			Audited
	Period ended 30th September 2022	Period ended 30th September 2021	Change	Quarter ended 30th September 2022	Quarter ended 30th September 2021	Change	Year ended 31st March 2022
	LKR	LKR	%	LKR	LKR	%	LKR
Continuing operations							
Revenue	24,927,887,629	15,803,263,794	58	13,209,224,405	8,455,683,776	56	32,166,208,979
Cost of sales	(17,596,936,411)	(10,424,337,483)	69	(9,358,795,159)	(5,547,045,619)	69	(21,927,172,553)
Gross profit	7,330,951,219	5,378,926,311	36	3,850,429,246	2,908,638,157	32	10,239,036,426
Other income	167,460,046	189,078,268	(11)	89,738,258	120,219,882	(25)	563,541,787
Selling & distribution expenses	(1,682,109,194)	(1,279,652,694)	31	(846,214,476)	(681,664,642)	24	(2,327,421,928)
Administration expenses	(1,485,081,459)	(1,305,688,495)	14	(757,795,317)	(684,133,190)	11	(2,766,082,470)
(Loss)/Gain on disposal of subsidiaries/Associates	-	(2,750,340)	-	-	(2,750,340)	-	(2,705,775)
Results from operating activities	4,331,220,611	2,979,913,050	45	2,336,157,711	1,660,309,867	41	5,706,368,040
Finance income	467,213,111	68,719,008	580	177,625,096	39,139,154	354	366,448,549
Finance cost	(706,526,564)	(139,913,805)	405	(429,600,509)	(69,709,704)	516	(375,706,666)
Net finance cost	(239,313,453)	(71,194,797)	236	(251,975,413)	(30,570,550)	724	(9,258,117)
Share of profit/ (loss) of equity accounted investees	-	(273,412)	(100)	-	(219,390)	(100)	(436,572)
Impairment of Goodwill	(80,000,000)	-	-	(80,000,000)	-	-	(50,000,000)
Profit before tax	4,011,907,159	2,908,444,841	38	2,004,182,299	1,629,519,927	23	5,646,673,351
Income tax expense	(861,147,796)	(451,685,571)	91	(452,765,095)	(213,185,474)	112	(650,001,269)
Profit for the period	3,150,759,363	2,456,759,270	28	1,551,417,204	1,416,334,453	10	4,996,672,082
Other comprehensive income							
Equity investments at FVOCI – net change in fair value	-	-	-	-	-	-	(65,125,525)
Exchange gain/(Loss) on foreign operation translation	2,575,972	627,085	311	(1,668,360)	209,078	(898)	9,505,900
Remeasurement of retirement benefit liability	-	-	-	-	-	-	132,572,210
Tax on other comprehensive income	-	-	-	-	-	-	(6,574,130)
Total other comprehensive income for the period	2,575,972	627,085	311	(1,668,360)	209,078	(898)	70,378,455
Total comprehensive income for the period	3,153,335,336	2,457,386,355	28	1,549,748,844	1,416,543,531	9	5,067,050,537
Profit attributable to:							
Owners of the parent company	1,934,865,466	1,208,937,875	60	893,361,497	644,591,347	39	2,720,742,972
Non-controlling interest	1,215,893,899	1,247,821,395	(3)	658,055,709	771,743,106	(15)	2,275,929,110
Other comprehensive income attributable to:							
Owners of the parent company	2,575,972	627,085	311	(1,668,360)	209,078	(898)	31,420,887
Non-controlling interest	-	-	-	-	-	-	38,957,568
Total comprehensive income for the period	3,153,335,336	2,457,386,355	28	1,549,748,845	1,416,543,531	9	5,067,050,537
Basic earnings per share	3.93	2.46		1.82	1.31		5.53

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

CONDENSED STATEMENT OF COMPREHENSIVE INCOME - COMPANY

	Unaudited			Unaudited			Audited
	Period ended 30th September 2022	Period ended 30th September 2021	Change	Quarter ended 30th September 2022	Quarter ended 30th September 2021	Change	Year ended 31st March 2022
	LKR	LKR	%	LKR	LKR	%	LKR
Revenue	672,932,155	428,867,583	57	535,987,261	363,508,120	47	1,075,338,436
Cost of sales	-	-	-	-	-	n/m	-
Gross profit	672,932,155	428,867,583	56.9091	535,987,261	363,508,120	47	1,075,338,436
Other income	227,088,103	201,055,613	13	118,247,522	113,889,108	4	400,666,055
Administration expenses	(307,896,885)	(234,205,159)	32	(181,831,641)	(137,585,329)	32	(588,900,644)
Impairment of investment in equity-accounted investee	-	-	-	-	-	-	(436,572)
Gain on disposal of subsidiaries	-	-	-	-	-	-	59,173,066
Gain on disposal of subsidiary shares	-	-	-	-	-	-	-
Results from operating activities	592,123,373	395,718,037	50	472,403,142	339,811,899	39	945,840,341
Finance income	51,348,258	23,769,805	116	24,064,835	12,061,706	100	96,334,771
Finance cost	(19,103,856)	(3,643,832)	425	(7,764,496)	(277,227)	2,701	(3,890,181)
Net finance cost	32,244,402	20,125,973	60	16,300,339	11,784,479	38	92,444,590
Profit before tax	624,367,775	415,844,010	50	488,703,481	351,596,378	39	1,038,284,931
Income tax expense	(46,686,458)	1,224,860	(3912)	(48,254,275)	184,746	(26,219)	(15,452,669)
Profit for the period	577,681,317	417,068,870	39	440,449,207	351,781,124	25	1,022,832,262
Other comprehensive income							
Equity investments at FVOCI – net change in fair value	-	-	-	-	-	-	(65,125,525)
Defined benefit plan actuarial gain/(loss)	-	-	-	-	-	-	13,070,842
Income tax on other comprehensive income	-	-	-	-	-	-	12,412,284
Total other comprehensive income for the period	-	-	-	-	-	-	(39,642,399)
Total comprehensive income for the period	577,681,317	417,068,870	39	440,449,207	351,781,124	25	983,189,863
Basic earnings per share from continuing operations	1.17	0.85		0.90	0.72		2.08

Figures in brackets indicate deductions.

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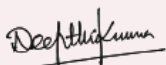
STATEMENT OF FINANCIAL POSITION - GROUP

	Unaudited	Adjusted
	As at	As at
	30th September	31st March
	2022	2022
	LKR	LKR
ASSETS		
Non current assets		
Property, plant and equipment	6,351,604,743	4,787,019,935
Intangible assets	366,519,638	385,928,439
Leasehold right to bare land	249,481,000	235,995,000
Biological assets	3,666,888,000	3,675,946,000
Investment property	1,031,009,015	1,030,093,525
Other investments	883,150,702	741,513,041
Deferred tax assets	57,320,232	59,582,503
Goodwill on Acquisition	1,750,072,041	1,526,648,376
Total non-current assets	14,356,045,371	12,442,726,819
Current assets		
Biological assets-growing crops on bearer plants	83,654,000	71,671,000
Inventories	10,866,713,136	6,483,619,355
Other investments	4,283,000	717,726,603
Current tax assets	48,240,068	56,763,982
Trade & other receivables	9,024,104,031	6,105,636,443
Amounts due from related parties	77,854,704	10,655,319
Cash & cash equivalent	2,359,155,049	3,264,723,523
Total current assets	22,464,003,988	16,710,796,225
Total assets	36,820,049,359	29,153,523,044
EQUITY AND LIABILITIES		
Equity		
Stated capital	4,240,394,447	1,641,715,247
Reserves	285,932,217	274,560,725
Retained earnings	11,148,922,228	10,741,353,809
Equity attributable to owners of the company	15,675,248,892	12,657,629,781
Non-controlling interests	3,606,866,575	5,450,236,264
Total equity	19,282,115,468	18,107,866,045
Non-current liabilities		
Loans and borrowings	2,334,787,901	1,663,343,846
Employee benefits	693,135,731	615,771,635
Refundable Deposit Received	-	-
Deferred income and capital grants	40,263,000	41,442,000
Deferred tax	554,138,700	501,523,157
Total non-current liabilities	3,622,325,332	2,826,317,338
Current liabilities		
Trade and other payables	7,017,696,891	5,633,690,534
Amounts due to related parties	186,908,501	57,537,862
Current tax liabilities	527,151,711	615,764,549
Loans and borrowings	4,180,623,481	994,833,215
Bank overdraft	2,003,227,976	917,513,501
Total current liabilities	13,915,608,560	8,219,339,661
Total equity and liabilities	36,820,049,359	29,153,523,044
Net asset value per share (Rs.)	31.86	25.73

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,



Director
November 11, 2022
Colombo



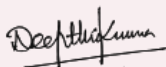
Group Managing Director

STATEMENT OF FINANCIAL POSITION - COMPANY

	Unaudited	Audited
	As at	As at
	30th September 2022	31st March 2022
	LKR	LKR
ASSETS		
Non-current assets		
Property, Plant and Equipment	37,357,490	13,663,640
Intangible assets	22,393,683	25,028,235
Investment in subsidiaries	7,248,733,185	3,210,053,985
Other investments	812,147,702	669,200,042
Deferred tax assets	57,244,400	59,506,672
Total non-current assets	8,177,876,460	3,977,452,574
Current assets		
Inventories	869,992	-
Current tax assets	14,318,672	14,318,672
Trade & other receivables	155,184,677	136,729,581
Amounts due from related parties	438,565,768	242,331,063
Other Short Term Investments	-	202,812,603
Cash & cash equivalent	50,197,356	1,208,295,019
Total current assets	659,136,465	1,804,486,938
Total assets	8,837,012,925	5,781,939,512
EQUITY AND LIABILITIES		
Equity		
Stated capital	4,240,394,447	1,641,715,247
Reserves	266,257,122	266,257,121
Retained earnings	3,965,580,904	3,663,938,630
Equity attributable to owners of the company	8,472,232,473	5,571,910,998
Non-controlling interests	-	-
Total equity	8,472,232,473	5,571,910,998
Non-current liabilities		
Loans and borrowings	11,491,640	-
Employee benefits	119,735,768	113,135,768
Total non-current liabilities	131,227,408	113,135,768
Current liabilities		
Trade and other payables	72,795,532	38,787,178
Amounts due to related parties	11,382	8,398
Current tax liabilities	26,059,420	58,097,170
Loans and borrowings	127,305,999	-
Bank overdraft	7,380,711	-
Total current liabilities	233,553,044	96,892,746
Total equity and liabilities	8,837,012,925	5,781,939,512
Net asset value per share (Rs.)	17.22	11.33

Figures in brackets indicate deductions.
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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,



Director
November 11, 2022
Colombo



Group Managing Director

CONDENSED STATEMENT OF CHANGES IN EQUITY - GROUP

FOR THE QUARTER ENDED 30TH SEPTEMBER 2022

	Attributable to owners of the company							
	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
In LKR								
Balance as at 01st April 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	-	-	-	-	1,209,564,960	1,209,564,960	1,247,821,395	2,457,386,355
Impact on loss of effective shareholding of 4.12% in Watawala Dairy Ltd	-	-	-	-	267,098,595	267,098,595	88,841,405	355,940,000
Dividend paid to owners for 2020/21	-	-	-	-	(224,331,155)	(224,331,155)	(157,117,657)	(381,448,812)
	-	-	-	-	42,767,440	42,767,440	(68,276,252)	(25,508,812)
Balance as at 30th September 2021	1,641,715,247	4,224,153	1,257,725	334,204,372	9,803,894,083	11,785,295,580	5,988,401,386	17,773,696,966
Total Comprehensive Income								
Profit for the Six months	-	-	-	-	1,511,805,097	1,511,805,097	1,028,107,715	2,539,912,812
Total other comprehensive income for the Six months	-	-	-	(65,125,525)	95,919,327	30,793,802	38,957,568	69,751,370
Total comprehensive income for Six months	-	-	-	(65,125,525)	1,607,724,424	1,542,598,899	1,067,065,283	2,609,664,182
Disposal of NCI - Waltrim Energy Ltd	-	-	-	-	-	-	(345,322,392)	(345,322,392)
Acquisition of 30% NCI in Sunshine Energy (Private) Limited	-	-	-	-	(125,868,935)	(125,868,935)	(274,131,065)	(400,000,000)
Transactions with NCI	-	-	-	-	-	-	10,000,000	10,000,000
Dividend paid to owners for 2020/21	-	-	-	-	(224,331,155)	(224,331,155)	(995,776,948)	(1,220,108,103)
					(350,200,090)	(350,200,090)	(1,605,230,405)	(1,955,430,495)
Balance as at 31st March 2022	1,641,715,247	4,224,153	1,257,725	269,078,847	11,061,418,417	12,977,694,389	5,450,236,264	18,427,930,653
Balance as at 01st April 2022	1,641,715,247	4,224,153	1,257,725	269,078,847	11,061,418,417	12,977,694,389	5,450,236,264	18,427,930,653
Adjustment for Surcharge tax	-	-	-	-	(653,411,141)	(653,411,141)	-	(653,411,141)
Adjusted Balance as at 01st April 2022	1,641,715,247	4,224,153	1,257,725	269,078,847	10,408,007,276	12,324,283,248	5,450,236,264	17,774,519,512
Total Comprehensive Income								
Profit for Six months	-	-	-	-	1,934,865,466	1,934,865,466	1,215,893,899	3,150,759,364
Total other comprehensive income for Six months	-	-	-	-	2,575,972	2,575,972	-	2,575,972
Total comprehensive income for six months	-	-	-	-	1,937,441,438	1,937,441,438	1,215,893,899	3,153,335,336
Acquisition of 2.59% of Watawala Plantation PLC shares	-	-	-	-	(291,033,858)	(291,033,858)	(170,746,657)	(461,780,515)
Acquisition of 28% in Sunshine Healthcare Lanka Limited	-	-	-	-	(633,356,694)	(633,356,694)	(1,965,322,506)	(2,598,679,200)
Share Issue to Akbar Brothers (Private) Limited	2,598,679,200	-	-	-	-	2,598,679,200	-	2,598,679,200
Capital Infusion in Watawala Dairy Ltd	-	-	-	-	(14,777,626)	(14,777,626)	14,777,626	-
Dividend to owners for 2021/22	-	-	-	-	(245,986,815)	(245,986,815)	(937,972,050)	(1,183,958,865)
	2,598,679,200	-	-	-	(1,185,154,992)	1,413,524,208	(3,059,263,587)	(1,645,739,380)
Balance as at 30th September 2022	4,240,394,447	4,224,153	1,257,725	269,078,847	11,813,704,862	16,328,660,034	3,606,866,575	19,282,115,469

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

STATEMENT OF CHANGES IN EQUITY - COMPANY

FOR THE QUARTER ENDED 30TH SEPTEMBER 2022

In LKR	Stated capital	Fair value gain or loss reserve on AFS	General reserve	Retained earnings	Total
Balance as at 3 1st March 2021	1,641,715,247	330,124,922	1,257,725	3,495,157,198	5,468,255,092
Total comprehensive income for the period					
Profit for the six months	-	-	-	417,068,869	417,068,869
Total other comprehensive income for the six months	-	-	-	-	-
Total comprehensive income for the six months	-	-	-	417,068,869	417,068,869
Dividend paid to owners - 2020/21	-	-	-	(224,331,155)	(224,331,155)
Balance as at 30th September 2021	1,641,715,247	330,124,922	1,257,725	3,687,894,912	5,660,992,806
Total comprehensive income for the period					
Profit for the six months	-	-	-	605,763,393	605,763,393
Total other comprehensive income for the six months	-	(65,125,525)	-	25,483,126	(39,642,399)
Total comprehensive income for the six months	-	(65,125,525)	-	631,246,519	566,120,994
Transaction with NCI (SEL)	-	-	-	(400,000,000)	(400,000,000)
Dividend paid to owners - 2020/21	-	-	-	(224,331,155)	(224,331,155)
Balance as at 3 1st March 2022	1,641,715,247	264,999,397	1,257,725	3,694,810,276	5,602,782,645
Balance as at 01st April 2022	1,641,715,247	264,999,397	1,257,725	3,694,810,276	5,602,782,645
Adjustment for Surcharge tax	-	-	-	(60,923,874)	(60,923,874)
Adjusted Balance as at 01st April 2021	1,641,715,247	264,999,397	1,257,725	3,633,886,402	5,541,858,771
Total comprehensive income for the period					
Profit for the six months	-	-	-	577,681,317	577,681,317
Total other comprehensive income for the six months	-	-	-	-	-
Total comprehensive income for the six months	-	-	-	577,681,317	577,681,317
Issue of shares to Akbar Brothers (Private) Limited	2,598,679,200	-	-	-	2,598,679,200
Dividend to owners - 2021/22	-	-	-	(245,986,815)	(245,986,815)
Balance as at 30th September 2022	4,240,394,447	264,999,397	1,257,725	3,965,580,904	8,472,232,473

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

STATEMENT OF CASH FLOWS - GROUP

	Unaudited Period ended 30th September 2022	Unaudited Period ended 30th September 2021	Audited Year ended 31st March 2022
	LKR	LKR	LKR
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax	4,061,907,159	2,908,444,841	5,646,673,351
Adjustments for;			
Interest Income	(467,213,111)	(68,719,008)	(366,448,548)
Profit on Disposal of Property, Plant & Equipment	(9,503,615)	(38,996,432)	(51,766,277)
Loss/(gain) on disposal of associates	-	-	(44,565)
Impairment of investment in associates	-	-	436,572
Biological assets-growing crops on bearer plants	(11,983,000)	-	(18,983,000)
Impairment of GW	80,000,000	-	50,000,000
Fair value changes in Deferred consideration	-	1,931,648	(7,688,504)
Fair value changes in livestock	(5,382,000)	9,422,000	6,013,000
Interest Expense	706,526,564	139,913,805	375,706,666
Depreciation of Property, Plant and Equipment	330,733,559	260,225,757	644,735,023
Amortization of Intangible Assets	40,366,936	15,821,028	52,863,375
Depreciation of mature plantations	96,037,000	90,432,000	180,851,000
Provision/(Reversal) for Bad and Doubtful Debts	220,037,065	60,771,119	90,581,040
Provision/ (Reversal) of impairment of inventories	48,553,424	13,372,232	21,616,406
Profit/(loss) of equity investee	-	273,412	-
Amortisation of Deferred Income	(1,179,000)	(25,277,000)	(50,554,000)
Amortization of Leasehold land right	6,254,000	5,633,000	11,298,000
Fair value gain/loss on investments	3,897,149	6,355,532	13,989,045
Provision for Gratuity excluding actuarial gain/loss	72,578,237	52,155,322	108,571,309
Rent Concession	(2,910,582)	(8,547,286)	(14,221,066)
Fair value gain/loss on Consumer Biological Assets	-	(72,000)	(1,328,000)
Loss/ (Gain) on disposal of Subsidiary	-	2,750,340	2,750,340
Fair value gain on investment property	-	-	(241,076,323)
Operating profit before working capital changes	5,118,719,785	3,425,890,310	6,453,974,842
(Increase)/decrease in inventories	(3,162,157,545)	(586,005,340)	(1,360,072,765)
(Increase)/decrease in trade and other receivables	(2,229,676,673)	(374,358,003)	(1,278,898,724)
(Increase)/decrease in amounts due from related parties	(34,665,672)	(153,879,753)	(10,180,318)
Increase/(decrease) in trade and other payables	597,375,801	654,936,618	1,872,280,098
Increase/(decrease) in amounts due to related parties	121,180,705	44,610,820	94,380,919
Cash generated from/ (used in) operations	410,776,401	3,011,194,652	5,771,484,053
Interest paid	(608,452,689)	(97,965,078)	(283,774,220)
Income tax paid	(1,266,776,788)	(530,863,334)	(870,194,920)
Gratuity paid	(37,198,937)	(42,250,095)	(74,001,816)
Net cash generated from / (used in) operating activities	(1,501,652,013)	2,340,116,145	4,543,513,097
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	471,479,368	62,558,008	356,021,548
(Investments)/ Disposal in Other Investments	(145,000,000)	5,484,932	(101,136,712)
(Investments)/ Disposal in Short term Investments	713,443,603	65,124,583	(397,365,156)
(Investments)/ Disposal in gratuity fund	5,801,000	264,467,000	87,800,000
Additions to Bearer plants	(36,802,000)	(73,122,000)	(169,818,000)
Acquisition of live stock	(70,000,000)	(21,769,000)	(225,695,000)
Acquisition of PPE	(650,753,378)	(388,159,296)	(918,782,371)
Acquisition of Intangible Assets	(11,316,531)	(41,163,864)	(189,734,470)
Proceeds from Disposal of PPE	29,558,016	88,272,358	66,368,185
Proceeds from sales of livestock	25,205,000	-	25,821,000
Disposal of investment in associates	-	-	900,000
Acquisition of Noncontrolling interest in Subsidiaries	(461,780,514)	(400,000,000)	(400,000,000)
Acquisition of Subsidiaries (net of cash)	(1,563,683,780)	-	-
Disposal of Subsidiary (net of cash)	-	645,479,827	645,479,827
Deferred consideration paid	-	-	(70,337,910)
Net Proceeds from Disposal of Biological Assets	-	-	402,000
Acquisition of Investment property	(915,490)	-	(19,518,058)
Net cash generated from / (used in) Investing activities	(1,694,764,706)	207,172,548	(1,309,595,117)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts of Interest Bearing Borrowings	6,280,064,860	955,347,764	4,731,267,603
Proceeds from share Issued by subsidiaries to NCI	-	355,940,000	355,940,000
Advance received from NCI (APHL)	-	-	10,000,000
Repayments of Interest Bearing Borrowings	(3,848,573,831)	(1,926,428,885)	(6,025,277,528)
Payment to lease creditor	(44,974,366)	(75,493,133)	(65,024,043)
Dividend Paid	(1,183,958,865)	(574,998,812)	(1,601,556,914)
Net cash from / (used in) financing activities	1,202,557,798	(1,265,633,066)	(2,594,650,883)
Net increase/(decrease) in cash and cash equivalents	(1,993,858,921)	1,281,655,627	639,267,097
Cash and cash equivalents at the beginning of the period	2,347,210,022	1,698,437,024	1,698,437,024
Effect of exchange rate changes on cash and cash equivalents	2,575,972	627,084	9,505,900
Cash and cash equivalents at the end of the period	355,927,073	2,980,719,735	2,347,210,022
Cash and cash equivalents			
Cash in hand & bank	2,359,155,049	3,773,343,323	3,264,724,123
Bank overdraft	(2,003,227,976)	(792,623,588)	(917,513,501)
	355,927,073	2,980,719,735	2,347,210,622

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

STATEMENT OF CASH FLOWS - COMPANY

	Unaudited Period ended 30th September 2022	Unaudited Period ended 30th September 2021	Audited Year ended 31st March 2022
	LKR	LKR	LKR
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax	624,367,775	415,844,010	1,038,284,931
Adjustments for;			
Interest income	(51,348,258)	(23,769,805)	(96,682,596)
Interest expense	19,103,856	3,643,832	3,890,181
Impairment of Investment in Associate	-	-	436,572
Fair value gain/ loss in quoted shares and unit trust	1,827,598	(3,104,148)	13,989,044
Depreciation of Property, Plant and Equipment	15,385,428	11,142,237	22,585,396
Amortization of Intangible Assets	-	-	1,317,276
Profit on sale of property, plant & equipment	-	(8,626,500)	(8,625,000)
Loss/ (Gain) on disposal of a Subsidiary	-	-	(59,173,066)
Loss/ (Gain) on disposal of associate	-	-	(44,565)
Provision for gratuity	6,600,000	6,600,000	20,309,048
Operating profit before working capital changes	615,936,398	401,729,626	936,287,221
(Increase)/decrease in trade and other receivables	(18,455,096)	(67,461,503)	(64,151,801)
(Increase)/Decrease in Inventory	(869,992)	-	-
(Increase)/decrease in amounts due from related parties	(158,607,947)	12,323,505	92,783,968
Increase/(decrease) in trade and other payables	34,008,351	56,278,291	8,755,725
Increase/(decrease) in amounts due to related parties	2,984	-	8,398
Cash generated from/ (used in) operations	472,014,697	402,869,919	973,683,511
Interest paid	(16,953,153)	(2,990,036)	(3,890,181)
Income tax paid	(106,514,161)	(50,734,925)	(53,549,791)
Employee benefits paid	-	-	(202,586)
Net cash generated from / (used in) operating activities	348,547,384	349,144,958	916,040,953
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	16,758,848	29,254,757	96,334,771
Acquisition of non-controlling interest in subsidiary	-	(400,000,000)	(400,000,000)
Investments in subsidiaries	(1,440,000,000)	-	-
(Investments)/ Disposal of associates	-	-	900,000
Mature/Investments in debentures	100,000,000	-	(100,000,000)
Disposal of Subsidiary (net of cash)	-	-	735,836,457
(Investments)/ Disposal in Short term Investments	180,000,000	-	(202,812,603)
(Investments)/ disposal in other investments	(225,000,000)	9,459,680	-
Acquisition of intangible assets	-	(6,552,683)	(18,789,851)
Proceed from disposal of property, plant & equipment	-	8,626,500	16,800,000
Acquisition of property, plant & equipment	(868,000)	(962,963)	(11,393,121)
Net cash used in investing activities	(1,369,109,152)	(360,174,709)	116,875,653
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts of interest bearing borrowings	771,000,000	-	-
Repayment of interest bearing borrowings	(660,000,002)	(767,969,737)	(768,701,275)
Payment of lease liabilities	(9,929,790)	(8,634,600)	(16,369,056)
Dividend paid	(245,986,815)	(224,331,155)	(448,662,310)
Net Cash generated from / (used in) Financing Activities	(144,916,607)	(1,000,935,492)	(1,233,732,641)
Net increase/(decrease) in cash and cash equivalents	(1,165,478,374)	(1,011,965,243)	(200,816,035)
Cash and cash equivalents at the beginning of the period	1,208,295,019	1,280,666,313	1,409,110,452
Cash and cash equivalents at the end of the period	42,816,645	268,701,070	1,208,294,417
Cash and cash equivalents			
Cash in hand & bank	50,197,356	268,773,780	1,208,294,417
Bank overdraft	(7,380,711)	(72,710)	-
	42,816,645	268,701,070	1,208,294,417

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

SEGMENTAL ANALYSIS

FOR THE PERIOD ENDED 30TH SEPTEMBER 2022

	Investment and Management Services		Healthcare		Agri		Consumer Goods		Energy		Rental business		Intragroup		Group	
	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
REVENUE	1,880,428,499	881,678,712	11,610,986,434	8,546,201,060	4,578,738,000	3,406,178,000	8,566,791,560	3,750,072,321	-	20,891,694	22,389,480	20,162,979	(1,731,446,344)	(821,920,972)	24,927,887,629	15,803,263,794
RESULT																
Profit from operating activities	1,798,808,579	847,618,291	1,505,211,283	760,251,979	2,032,748,000	2,020,146,000	700,042,190	210,381,545	(59,955,972)	20,906,904	17,832,336	(1,726,496,344)	(816,361,129)	4,331,220,611	2,979,913,050	
Net finance cost	26,768,582	22,466,677	(162,459,763)	(42,927,607)	16,534,000	(18,778,000)	(99,318,404)	(39,230,550)	-	13,417,525	(20,837,869)	(6,142,843)	-	(239,313,453)	(71,194,798)	
Share of equity accounted investee	-	-	-	-	-	-	-	-	-	-	-	-	-	(273,412)	(273,412)	
Impairment of Goodwill	-	-	(50,000,000)	-	(30,000,000)	-	-	-	-	-	-	-	-	-	(80,000,000)	
Income tax expense	(144,108,365)	(62,673,497)	(523,118,978)	(209,940,443)	(85,594,000)	(112,680,000)	(108,061,465)	(61,700,804)	-	(4,645,564)	(264,988)	(45,263)	-	(861,147,796)	(451,685,571)	
Profit for the year	1,681,468,796	807,411,471	769,632,542	507,383,929	1,933,688,000	1,888,688,000	492,662,321	109,450,191	-	(51,184,011)	(195,953)	11,644,230	(1,726,496,344)	(816,634,541)	3,150,759,363	2,456,759,269
Other comprehensive income	-	-	-	-	-	-	2,575,972	627,085	-	-	-	-	-	-	2,575,972	627,085
Total comprehensive income	1,681,468,796	807,411,471	769,632,542	507,383,929	1,933,688,000	1,888,688,000	495,238,293	110,077,276	-	(51,184,011)	(195,953)	11,644,230	(1,726,496,344)	(816,634,541)	3,153,335,335	2,457,386,354

OTHER INFORMATION

	Investment and Management Services		Healthcare		Agri		Consumer Goods		Energy		Rental business		Intragroup		Group	
	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR
	30th September 2022	31st March 2022	30th September 2022	31st March 2022	30th September 2022	31st March 2022	30th September 2022	31st March 2022	30th September 2022	31st March 2022	30th September 2022	31st March 2022	30th September 2022	31st March 2022	30th September 2022	31st March 2022
Segment assets	12,372,981,804	8,896,555,893	15,913,292,765	12,982,144,709	9,423,582,000	8,891,696,000	8,570,433,431	3,875,988,074	-	-	1,249,172,937	1,237,896,555	(10,629,413,577)	(6,730,757,583)	36,900,049,360	29,153,523,647
Equity & reserves	11,590,368,047	8,655,130,742	7,060,995,636	6,607,204,731	7,436,889,000	7,099,671,000	2,472,894,511	1,627,151,406	-	-	948,442,039	948,637,990	(10,147,473,764)	(6,509,865,215)	19,362,115,469	18,427,930,654
Total liabilities	782,613,757	241,425,152	8,852,297,129	6,374,939,978	1,986,693,000	1,792,025,000	6,097,538,919	2,248,836,668	-	-	300,730,898	289,258,565	(481,939,812)	(220,891,503)	17,537,933,891	10,725,593,860
	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Depreciation	16,043,888	11,646,183	150,407,791	91,503,029	292,581,000	184,125,000	104,216,816	77,584,396	6,153,218	-	-	-	-	-	563,249,496	371,011,826
Capital expenditure	39,078,568	7,551,883	120,786,408	46,303,307	680,418,000	336,930,000	234,738,174	129,810,970	4,092,000	-	-	-	-	-	1,075,021,150	524,688,160

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

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, Sri Lanka.

The Group is primarily involved in managing portfolio of investments which includes manufacturing, importing and selling of pharmaceuticals & medical devices, selling and export of branded tea, manufacturing of confectionery, fresh milk, 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.

The Registrar General of Companies on January 28, 2022 issued the certificate of Amalgamation in terms of section 244(1) (a) of the Companies Act, No. 7 of 2007 that Sunshine Energy (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 2022, 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 Wilmar (Pvt) Ltd and its subsidiaries, Sunshine Tea and its subsidiaries.

The ultimate parent of the company is Lamurep Investments Limited which holds 55.18% of the issued share capital of the company as at 30th September 2022.

3. Approval of financial statements

The Interim Condensed Financial Statements of the Group and the Company for the period ended 30th September 2022, were authorised for issue by the Board of Directors on 11th November 2022.

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 2021/22. 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 2022.

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 2022.

5.1. Standards Issued but not yet Effective

In the event of new standards and amendments to standards are effective for annual periods beginning after 1 April 2022 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 in to 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.

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 2022. 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.

NOTES TO THE ACCOUNTS

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) Sunshine Tea

This includes income of tea export to different countries. Revenue is recognised point in time, at the time of dispatch after the customer acknowledgement.

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%.

7.3. Amalgamation

The Company has completed the process of obtaining the legal clearance from the registrar of Companies for the amalgamation of Sunshine Energy (Private) Limited, a fully owned subsidiary with the Company. The Amalgamation Certificate has been obtained on January 28, 2022 and accordingly, the Books of the Sunshine Energy (Private) Limited amalgamated with the Company Books.

NOTES TO THE ACCOUNTS

7.4. Investment in a Subsidiary

The Company has entered into a share sale and purchase agreement with Mr Govindasamy Sathasivam, the owner of Sunshine Tea (Private) Limited ("STPL"), whereby the Company acquired Three Million Five Hundred Thousand (3,500,000) shares which amounts to 100% of the total issued shares of STPL, at a total consideration of Sri Lanka Rupees One Billion Four Hundred and Forty Million (Rs.1,440,000,000).

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 2022	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	
Financial Assets measured at Fair value											
Investment in Unquoted Shares	Fair value through OCI	440,308,417	-	-	440,308,417	440,308,417	440,308,417	-	-	440,308,417	440,308,417
Investment in Quoted Shares	Fair value through P&L	19,538,275	19,538,275	-	-	19,538,275	19,538,275	19,538,275	-	-	19,538,275
Investment Fund	Fair value through P&L	71,003,000	-	71,003,000	-	71,003,000	-	-	-	-	-
		530,849,692	19,538,275	71,003,000	440,308,417	530,849,692	459,846,692	19,538,275	-	440,308,417	459,846,692
Financial Assets not measured at Fair value											
Trade and other receivables **	Amortized cost	9,024,104,031	-	9,024,104,031	-	9,024,104,031	155,184,677	-	155,184,677	-	155,184,677
Investment in Debentures	Amortized cost	110,015,189	-	110,015,189	-	110,015,189	110,015,189	-	110,015,189	-	110,015,189
Amounts due from related parties **	Amortized cost	77,854,704	-	77,854,704	-	77,854,704	438,565,768	-	438,565,768	-	438,565,768
Cash & cash equivalents **	Amortized cost	2,359,155,049	-	2,359,155,049	-	2,359,155,049	50,197,356	-	50,197,356	-	50,197,356
		11,571,128,973	-	11,571,128,973	-	11,571,128,973	753,962,990	-	753,962,990	-	753,962,990
Financial Liabilities not measured at Fair value											
Loans and borrowings ***	Other financial liabilities	6,515,411,382	-	6,515,411,382	-	6,515,411,382	127,305,999	-	127,305,999	-	127,305,999
Bank overdraft **	Other financial liabilities	2,003,227,976	-	2,003,227,976	-	2,003,227,976	7,380,711	-	7,380,711	-	7,380,711
Trade and other payables **	Other financial liabilities	7,017,696,890	-	7,017,696,890	-	7,013,460,190	72,795,532	-	72,795,532	-	72,795,532
Amounts due to related parties **	Other financial liabilities	186,908,501	-	186,908,501	-	186,908,501	11,382	-	11,382	-	11,382
		15,723,244,749	-	15,723,244,749	-	15,723,244,749	207,493,624	-	207,493,624	-	207,493,624

31 March 2022	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	
Financial Assets measured at Fair value											
Investment in Unquoted Shares	Fair value through OCI	440,308,417	-	-	440,308,417	440,308,417	440,308,417	-	-	440,308,417	440,308,417
Investment in Quoted Shares	Fair value through P&L	21,365,872	21,365,872	-	-	21,365,872	21,365,872	21,365,872	-	-	21,365,872
Investment Fund	Fair value through P&L	72,313,000	-	72,313,000	-	72,313,000	-	-	-	-	-
		533,987,289	21,365,872	72,313,000	440,308,417	533,987,289	461,674,289	21,365,872	-	440,308,417	461,674,289
Financial Assets not measured at Fair value											
Trade and other receivables **	Amortized cost	5,061,469,954	-	5,061,469,954	-	5,061,469,954	136,729,581	-	136,729,581	-	136,729,581
Investment in Debentures	Amortized cost	207,525,753	-	207,525,753	-	207,525,753	207,525,753	-	207,525,753	-	207,525,753
Short term investment	Amortized cost	717,726,603	-	717,726,603	-	717,726,603	202,812,603	-	202,812,603	-	202,812,603
Amounts due from related parties **	Amortized cost	10,655,319	-	10,655,319	-	10,655,319	242,331,065	-	242,331,065	-	242,331,065
Cash & cash equivalents **	Amortized cost	3,264,723,523	-	3,264,723,523	-	3,264,723,523	1,208,295,019	-	1,208,295,019	-	1,208,295,019
		9,262,101,152	-	9,262,101,152	-	9,262,101,152	1,997,694,021	-	1,997,694,021	-	1,997,694,021
Financial Liabilities not measured at Fair value											
Loans and borrowings ***	Other financial liabilities	2,658,177,061	-	2,658,177,061	-	2,658,177,061	-	-	-	-	-
Bank overdraft **	Other financial liabilities	917,513,501	-	917,513,501	-	917,513,501	-	-	-	-	-
Trade and other payables **	Other financial liabilities	4,023,660,697	-	4,023,660,697	-	4,023,660,697	38,787,181	-	38,787,181	-	38,787,181
Amounts due to related parties **	Other financial liabilities	57,537,862	-	57,537,862	-	57,537,862	8,398	-	8,398	-	8,398
		7,656,889,121	-	7,656,889,121	-	7,656,889,121	38,795,579	-	38,795,579	-	38,795,579

** 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.

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.

NOTES TO THE ACCOUNTS

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:

- quoted prices in active markets for similar instruments,
 - quoted prices for identical or similar instruments in markets that are considered to be less active, or
 - 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 2022 and 31 March 2022 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 2022 remain the same as at 31 March 2022.

9. Surcharge Tax

The tax liability arising from the Surcharge Tax Act No: 14 of 2022 has been accounted as recommended by the Statement of Alternative Treatment (SoAT) issued by the Institute of Chartered Accountants of Sri Lanka.

Surcharge Tax Act No. 14 of 2022 was enacted on 8 April 2022 and is applicable to the Sunshine Group as the collective taxable income of companies belonging to the Group, calculated in accordance with the provisions of the Inland Revenue Act No. 24 of 2017, exceeds Rs. 2,000 Mn, for the year of assessment 2020/21. The liability is computed at the rate of 25% on the taxable income of the individual Group companies, net of dividends from subsidiaries.

Surcharge Tax liability has been recognised as an opening adjustment to the 1 April 2021 retained earnings in the statement of Changes in Equity as per the Statement of Alternative Treatment (SoAT) issued by The Institute of Chartered Accountants of Sri Lanka. According to the said Act, the surcharge tax shall be deemed to be an expenditure in the financial statements relating to the year of assessment which commenced on 1 April 2020.

10. Sunshine Wilmar Pvt Ltd (one of the subsidiary of Sunshine Holdings PLC) who is currently holding 150,937,043 shares of Watawala Plantations PLC (74.24% shareholding) has purchased 5,270,000 shares on 09th August 2022. With the aforesaid transactions, the total shareholding of Sunshine Wilmar (Private) Limited has increased by 2.59% which is 76.83% of the total shareholding.

11. 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.

12. Events after the reporting date

There will be an implication on increase in corporate income tax liability from current rate to 30% subject to legal amendment to Inland Revenue Act. However, tax exemption available for Agro farming sector will be remain unchanged. No circumstance has arisen since the reporting date which would require adjustment to the financial statements.

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

No. of shares as at	30th September 2022	31st March 2022
Ordinary shares*	491,973,629	448,662,309

* As resolved in the Extra Ordinary General Meeting held, with effect from May 30, 2022, The Company completed the acquisition of Three Million Eighty Nine Thousand One Hundred and Fifty Nine (3,089,159) shares held by Akbar Brothers (Private) Limited in Sunshine Healthcare Lanka Limited ("SHL"), which amounts to 28% of the total issued shares of SHL, at a total consideration of Sri Lanka Rupees Two Billion Five Hundred and Ninety Eight Million Six Hundred and Seventy Nine Thousand Two Hundred (LKR 2,598,679,200), which was paid to the Selling Shareholder by way of a share swap, through the issue of Forty Three Million Three Hundred Eleven Thousand Three Hundred Twenty (43,311,320) ordinary voting shares of SHP to the Selling Shareholder.

14. Dividend

	Period ended 30th September 2022 2021/22 (Final)	Period ended 31st March 2022 2021/22 (Interim)
Dividend (Rs)	245,986,815	224,331,155
No of ordinary shares	491,973,629	448,662,309
Dividend per share (cash)	0.50	0.50

15. 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 2022.

16. 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.

17. The interim Financial Statements are not audited.

SHAREHOLDER INFORMATION

Market price per share	Period ended		Audited
	30th September 2022	Year ended 31st March 2022	
	Rs.		Rs.
Highest price	54.50		71.40
Lowest price	25.50		35.00
Last traded price	46.40		36.60

TWENTY (20) LARGEST SHAREHOLDERS AS AT

Name	30th September 2022		31st March 2022	
	No of Shares Held	%	No of Shares Held	%
1 Lamurep Investments Limited Account No.04 & 01	271,454,139	55.18%	271,454,139	60.50%
2 Akbar Brothers Pvt Ltd A/C No 1	49,241,855	10.01%	1,261,003	0.28%
3 Deepcar Limited	45,574,076	9.26%	44,866,231	10.00%
4 SBIVEN Holdings PTE LTD	13,752,369	2.80%	-	0.00%
5 Ceylon Property Development Limited	10,915,876	2.22%	10,915,876	2.43%
6 Mr.V.Govindasamy	6,079,500	1.24%	6,079,500	1.36%
7 Hatton National Bank Plc/Subramaniam Vasudevan	4,004,293	0.81%	4,366,918	0.97%
8 Nuwara Eliya Property Developers (Pvt) Ltd	7,774,158	1.58%	4,153,250	0.93%
9 MR. B.W.Kundanmal	2,241,374	0.46%	-	0.00%
10 Rubber Investment Trust Ltd A/C No 01	2,097,307	0.43%	-	0.00%
11 Hatton National Bank Plc/Ratnasabapathy Iyer Shanmugasarma	1,581,326	0.32%	1,851,339	0.41%
12 Perera And Sons Bakers Pvt Limited	1,500,000	0.30%	1,500,000	0.33%
13 Gf Capital Global Limited	1,102,154	0.22%	1,102,154	0.25%
14 Code-Gen International Pvt Ltd	1,100,000	0.22%	1,100,000	0.25%
15 Dfcc Bank Plc/L.C.A. Lankeshwara	1,000,000	0.20%	1,200,000	0.27%
16 Commercial Bank Of Ceylon Plc/Metrocorp (Pvt) Ltd	1,063,400	0.22%	1,150,000	0.26%
17 DFCC Bank PLC A/C NO.02	1,000,000	0.20%	-	0.00%
18 Hatton National Bank PLC/Palanyandy Muralitharan	990,000	0.20%	990,000	0.22%
19 Bank Of Ceylon No.1 Account	949,010	0.19%	-	0.00%
20 Dialog Finance PLC/S.A De Silva and D.R.De silva	859,857	0.17%	-	0.00%
21 Capital Trust Holdings Ltd		0.00%	1,056,532	0.24%
22 Hatton National Bank Plc-Senfin Growth Fund		0.00%	2,019,084	0.45%
23 Sampath Bank Plc/Mr. Gerard Shamil Niranjan Peiris & Mrs. Indrani Roshani Peiris		0.00%	2,919,617	0.65%
24 Mr. K.A.S.R.Nissanka		0.00%	2,501,180	0.56%
25 Citibank Newyork S/A Norges Bank Account 2		0.00%	2,376,134	0.53%
26 Seylan Bank Plc/Capital Trust Holdings Limited		0.00%	2,344,547	0.52%
Sub Total	424,280,694	86.24%	365,207,504	81.40%
Others	67,692,935	13.76%	83,454,805	18.60%
Total	491,973,629	100.00%	448,662,309	100.00%

PUBLIC SHARE HOLDING

	Requirement by CSE	As at 30th September 2022	Requirement by CSE	As at 31st March 2022
Option	3	3	3	3
Float adjusted market capitalization	Above Rs.5,000,000,000/-	7,156,445,197	Above Rs.5,000,000,000/-	5,863,953,566
The percentage of shares held by the public	7.5%	31.35%	7.5%	35.71%
Number of shareholders representing public holding	500	8,122	500	5,331

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

	As at 30th September 2022	As at 31st March 2022
Mr.V. Govindasamy - Group Managing Director	6,079,500	6,079,500
Mr. G. Sathasivam	9,165	9,165
Mr. S. G. Sathasivam	3,054	3,054
Mr. A. D. B. Talwatte	3,054	3,054

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

Mr. G. Sathasivam

Mr. V. Govindasamy -(Group Managing Director)

Mr. S. G. Sathasivam

Mr. H. D. Abeywickrama

Mr. A. Talwatte

Mr. S. Shishoo

Ms. Shalini Ratwatte

Mr. Sudarshan Jain

Ms. Wedage Yasanthi Ruvini Fernando

Mr. S. Renganathan - Appointed w.e.f 27th May 2022

Mr. Tyeabally Akbarally - Appointed w.e.f 18th August 2022

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.