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HLF/SR

Private & Confidential  
The Board of Directors  
Hayleys PLC  
400, Deans Road  
Colombo 10  
Sri Lanka

14 November 2025

## Accountants' Report Hayleys PLC

Dear Sirs:

### Introduction

This report has been prepared for the purpose of inclusion of the prospectus issued in connection with the issuance of fifty million (50,000,000) listed rated unsecured senior redeemable five year (2026/2031) and seven year (2026/2033) debentures at the price of Sri Lankan Rupees hundred (Rs. 100) each to raise capital amounting to Sri Lankan Rupees Five Billion (Rs. 5,000,000,000) with an option to issue up to a further twenty million (20,000,000) of the said debentures at the discretion of the Company in the event of an oversubscription of the initial issue, to raise up to a maximum amount of Sri Lanka Rupees Seven Billion (Rs. 7,000,000,000).

We have examined the financial statements of Hayleys PLC (the "Company") and the consolidated financial statements of the Company and its subsidiaries ("the Group") for the years ended 31 March 2021 to 31 March 2025 and report as follows.

### 1. Incorporation

Hayleys PLC (the 'Company'), is a Public Limited Liability Company incorporated on 31 May 1952 and domiciled in Sri Lanka. The Company had a primary listing on the Colombo Stock Exchange in 1 January 1953.

### 2. Financial Statements

#### 2.1 Five-Year Summary of Audited Financial Statements

A summary of statement of profit or loss, statement of financial position and statement of cash flows of the Company and a summary of consolidated statements of profit or loss, consolidated statements of financial position and consolidated statements of cash flows for the years ended 31 March 2021 to 31 March 2025, based on the audited financial statements are set out in annexure 01 to 06 of the Accountant's Report.

## 2.2 Audited Financial Statements for the Year Ended 31 March 2025

Our audit report on the financial statements of the Company and the consolidated financial statements of the Group for the year ended 31 March 2025 together with such financial statements comprising statements of profit or loss, statements of comprehensive income, statements of financial position, statements of changes in equity and statements cash flow along with the accounting policies and notes thereon is available on the website of Colombo Stock Exchange (CSE), [www.cse.lk](http://www.cse.lk), where the management is responsible for the electronic presentation of the audited financial statements and to ensure the electronic version of the audited financial statements and the auditor's report on the website is identical to the final signed hard copy version.

## 2.3 Audit Reports

We have audited the financial statements of the Company and the Consolidated Financial Statements of the Group for the years ended 31 March 2021 to 31 March 2025. Unmodified audit opinions have been issued for the financial years 31 March 2021 to 31 March 2025 by our reports dated 19 May 2021, 19 May 2022, 19 May 2023, 17 May 2024 and 19 May 2025 respectively.

## 2.4 Accounting Policies

The financial statements of the Company and the Consolidated Financial Statements of the Group for the years ended 31 March 2021 to 31 March 2025 comply with Sri Lanka Accounting Standards.

The accounting policies of the Company and Group are stated in detail in the audited financial statements of Hayleys PLC for the year ended 31 March 2025.

## 2.5 Dividends

Dividend paid and recorded in the respective annual report of the Company for the last five financial years in respect of ordinary voting shares are as follows:

Year	Dividend Paid (Rs.)	Dividend per Share (Rs.)
2020/21	975,000,000	1.30
2021/22	3,000,000,000	4.00
2022/23	4,012,500,000	5.35
2023/24	4,012,500,000	5.35
2024/25	4,500,000,000	6.00

## 2.6 Events after the Reporting Period

### Issue of Listed Rated Unsecured Senior Redeemable Debentures

On 5th May 2025, Hayleys PLC issued 50mn (50,000,000) listed rated unsecured senior redeemable debentures ("Debentures"), at the par value of Rs. 100/- each, to raise Sri Lankan Rupees 05 bn (Rs. 5,000,000,000/-) with an option to issue up to a further 20mn (20,000,000) of the said debentures at the discretion of the company, in the event of an over subscription of the initial issue to raise up to a maximum of Sri Lankan Rupees 07 bn (Rs. 7,000,000,000/-). The issue



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was oversubscribed and 70mn (70,000,000) debentures as captioned above were allocated to investors.

#### Investment in Diesel and Motor Engineering PLC ('DIMO')

On 7th, 8th, and 24th April 2025, Hayleys PLC acquired a total of 1,040,291 shares in Diesel and Motor Engineering PLC ("DIMO") for a total consideration of Rs. 1.10 bn. Subsequently on 9th of October, Hayleys PLC disposed 165,000 ordinary shares for a consideration of Rs. 327.47 mn. Following these transactions, Hayleys PLC holds 9.48% of the issued share capital of DIMO.

#### Purchase of Shares in Harischandra Mills PLC ('HMP')

Hayleys PLC purchased Seven Hundred and Seventy eight Thousand Nine Hundred and Forty Six (778,946) Ordinary Shares of Harischandra Mills PLC (40.58%) at a consideration of Rs. 3,300 per share, amounting to a total consideration of Rs. 2.57 bn.

Consequently, Hayleys PLC became obliged in terms of Rule 31 (1)(a) of the Company Takeovers and Mergers Code 1995 (as amended in 2003) ('the Code') to make an offer to the remaining shareholders, to purchase the balance ordinary voting shares in issue amounting to One Million One Hundred and Forty Thousand Six Hundred and Fifty Four (1,140,654) ordinary voting shares constituting 59.42% of shares at a price of Rupees Three Thousand Three Hundred (Rs. 3,300/-) per share.

### 3. Restriction on Use

This report is made solely for the purpose of the Board of Directors of Hayleys PLC in usage in the application for the purpose of issuance up to 70,000,000 debentures at the price of Rupees hundred (Rs. 100) to raise capital amounting up to Rupees Seven Billion (Rs. 7,000,000,000). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the addressee, for this report we have formed. This report should not to be used, circulated, quoted or otherwise referred to for any other purpose.

Yours faithfully

**Accountant's Report for the Debenture Issue - Hayleys PLC**  
**Annexure 01**  
**Five year Summary**  
**Statement of Profit or Loss - Group**

<i>For the year ended March 31,</i>	<b>2025</b> Rs. '000	<b>2024</b> Rs. '000	<b>2023</b> Rs. '000	<b>2022</b> Rs. '000	<b>2021</b> Rs. '000
<b>Revenue</b>	492,201,092	436,833,270	487,430,881	338,009,580	241,275,661
Cost of sales	(369,711,417)	(322,614,872)	(363,772,324)	(258,715,354)	(178,244,709)
Direct interest cost	(4,177,595)	(4,792,620)	(4,424,524)	(1,920,345)	(1,872,405)
<b>Gross profit</b>	<b>118,312,080</b>	<b>109,425,778</b>	<b>119,234,033</b>	<b>77,373,881</b>	<b>61,158,547</b>
Other income	5,063,926	3,394,296	4,279,601	1,997,601	1,467,771
Distribution expenses	(17,925,158)	(15,376,598)	(13,764,885)	(12,514,847)	(10,949,210)
Administrative expenses	(56,613,478)	(54,378,179)	(47,498,694)	(32,842,133)	(25,561,250)
Other expenses	(1,070,435)	(342,437)	(1,177,308)	(420,743)	(162,060)
<b>Results from operating activities</b>	<b>47,766,935</b>	<b>42,722,860</b>	<b>61,072,747</b>	<b>33,593,759</b>	<b>25,953,798</b>
Finance income	6,962,801	9,907,736	20,720,866	16,831,989	3,175,954
Finance cost	(19,106,258)	(27,150,052)	(39,538,267)	(14,882,770)	(10,051,725)
<b>Net finance cost</b>	<b>(12,143,457)</b>	<b>(17,242,316)</b>	<b>(18,817,401)</b>	<b>1,949,219</b>	<b>(6,875,771)</b>
Change in fair value of investment properties	112,999	92,813	347,457	328,543	195,638
Share of profit of equity accounted investees	237,074	159,205	540,978	226,794	252,611
Value added tax on financial services	(600,530)	(396,855)	(394,713)	(381,570)	(292,487)
<b>Profit before tax for the period</b>	<b>35,373,021</b>	<b>25,335,707</b>	<b>42,749,068</b>	<b>35,716,745</b>	<b>19,233,789</b>
Tax expense	(12,860,429)	(10,488,984)	(15,076,768)	(7,617,844)	(5,187,582)
<b>Profit for the period</b>	<b>22,512,592</b>	<b>14,846,723</b>	<b>27,672,300</b>	<b>28,098,901</b>	<b>14,046,207</b>
<b>Profit for the period attributable to:</b>					
Owners of the parent	13,449,129	6,888,770	16,351,845	18,256,527	7,637,231
Non-controlling interest	9,063,463	7,957,953	11,320,455	9,842,374	6,408,976
<b>Profit for the period</b>	<b>22,512,592</b>	<b>14,846,723</b>	<b>27,672,300</b>	<b>28,098,901</b>	<b>14,046,207</b>

Above financial information and its extractions from the audited financial statements, signed for and on behalf of the management by;

  
 Sarath Ganegoda  
 Director

  
 Milinda Hewagama  
 Group Chief Financial Officer



## Accountant's Report for the Debenture Issue - Hayleys PLC

### Annexure 02

#### Five year Summary

#### Statement of Financial Position - Group

As at March 31,	2025 Rs. '000	2024 Rs. '000	2023 Rs. '000	2022 Rs. '000	2021 Rs. '000
<b>ASSETS</b>					
<b>Non - current assets</b>					
Property, plant & equipment	153,768,783	133,789,861	126,472,089	111,189,851	89,685,742
Right-of- use assets	15,147,537	11,733,876	12,190,393	11,389,087	9,934,309
Investment Properties	2,192,662	2,041,561	1,948,326	2,601,101	2,824,180
Biological assets	1,651,025	1,506,271	1,313,069	599,064	530,543
Intangible assets	16,219,878	16,165,508	16,210,947	15,544,031	13,272,669
Investments in equity accounted investees	2,747,620	2,718,502	3,364,373	2,164,377	2,097,766
Other non-current financial assets	462,204	395,960	941,292	91,199	248,805
Non - current trade and other receivables	19,288,757	12,052,092	8,359,072	12,331,710	11,912,418
Other non-current assets	1,042,556	952,191	951,608	983,043	1,007,322
Deferred tax assets	4,037,389	3,362,617	3,411,813	2,803,644	2,311,501
<b>Total non-current assets</b>	<b>216,558,411</b>	<b>184,718,439</b>	<b>175,162,982</b>	<b>159,697,107</b>	<b>133,825,255</b>
<b>Current assets</b>					
Inventories	91,940,308	85,202,934	87,502,323	82,397,947	53,100,096
Amounts due from equity accounted investees	147,999	169,803	159,463	142,891	318,905
Trade and other receivables	139,429,685	117,124,113	98,651,672	107,082,528	67,226,195
Other current assets	8,125,669	6,269,054	5,508,223	4,179,463	2,893,143
Income tax recoverable	1,336,907	1,144,362	944,281	837,838	764,443
Other current financial assets	1,502,311	2,176,135	855,239	1,400,423	463,524
Short-term deposits	27,358,471	21,356,037	19,780,454	19,927,939	7,876,500
Cash in hand and at bank	24,292,764	28,175,378	24,177,336	27,409,656	12,912,378
Assets classified as held for sale	-	-	-	-	3,021
<b>Total current assets</b>	<b>294,134,114</b>	<b>261,617,816</b>	<b>237,578,991</b>	<b>243,378,685</b>	<b>145,558,205</b>
<b>Total assets</b>	<b>510,692,525</b>	<b>446,336,255</b>	<b>412,741,973</b>	<b>403,075,792</b>	<b>279,383,460</b>
<b>EQUITY AND LIABILITIES</b>					
Stated capital	1,575,000	1,575,000	1,575,000	1,575,000	1,575,000
Capital reserves	975,906	870,062	760,344	711,396	688,411
Other components of equity	34,166,542	29,821,606	31,464,513	30,077,359	24,734,483
Revenue reserves	56,424,777	47,896,325	45,130,447	35,026,096	20,620,432
<b>Total equity attributable to equity holders of the company</b>	<b>93,142,225</b>	<b>80,162,993</b>	<b>78,930,304</b>	<b>67,389,851</b>	<b>47,618,326</b>
Non- controlling interest	50,950,117	45,367,092	43,776,353	37,896,875	27,580,255
<b>Total Equity</b>	<b>144,092,342</b>	<b>125,530,085</b>	<b>122,706,657</b>	<b>105,286,726</b>	<b>75,198,581</b>
<b>Non - current liabilities</b>					
Interest bearing borrowings	71,659,099	56,654,168	59,158,207	63,540,193	51,503,754
Grants	874,113	913,021	924,138	838,161	836,618
Deferred tax liabilities	14,079,676	11,458,489	12,602,194	7,433,449	5,357,821
Security deposits	1,894,630	1,560,728	1,468,392	1,462,347	1,366,565
Other Non-current Liabilities	1,705,052	1,750,010	2,083,838	1,637,526	1,666,017
Other non-current financial liabilities	6,406,999	3,252,235	5,844,248	2,317,848	2,091,132
Employee benefit obligations	16,103,974	15,262,465	12,845,248	11,208,145	9,777,004
<b>Total non-current liabilities</b>	<b>112,723,543</b>	<b>90,851,116</b>	<b>94,926,265</b>	<b>88,437,669</b>	<b>72,598,911</b>
<b>Current liabilities</b>					
Trade and other payables	84,357,278	76,689,226	66,405,057	79,256,611	52,983,547
Other current liabilities	7,815,062	11,419,890	7,815,736	7,725,691	3,897,687
Other current financial liabilities	21,907,141	18,927,276	13,355,662	9,828,666	8,374,066
Amounts due to equity accounted investees	21,068	465	456	322	8,036
Deferred Revenue	2,122,739	3,625,769	954,310	618,787	492,080
Income tax payable	4,902,222	4,063,743	6,040,416	3,527,178	2,871,625
Current portion of long term interest bearing borrowings	30,924,584	27,160,079	31,573,389	27,568,587	24,677,856
Short-term interest bearing borrowings	101,826,546	88,068,606	68,964,025	80,825,555	38,280,739
Liabilities associated with assets classified as held for sale	-	-	-	-	332
<b>Total current liabilities</b>	<b>253,876,640</b>	<b>229,955,054</b>	<b>195,109,051</b>	<b>209,351,397</b>	<b>131,585,968</b>
<b>Total liabilities</b>	<b>366,600,183</b>	<b>320,806,170</b>	<b>290,035,316</b>	<b>297,789,066</b>	<b>204,184,879</b>
<b>Total equity and liabilities</b>	<b>510,692,525</b>	<b>446,336,255</b>	<b>412,741,973</b>	<b>403,075,792</b>	<b>279,383,460</b>

Above financial information and its extractions from the audited financial statements, signed for and on behalf of the management by;

Sarath Ganegoda  
Director



Milinda Hewagama  
Group Chief Financial Officer

## Accountant's Report for the Debenture Issue - Hayleys PLC

### Annexure 03

#### Five year Summary

#### Statement of Cash Flow- Group

For the year ended March 31,

	2025 Rs. '000	2024 Rs. '000	2023 Rs. '000	2022 Rs. '000	2021 Rs. '000
<b>Cash flows from operating activities</b>					
Cash generated from operations	25,306,118	44,133,786	70,708,044	17,183,289	36,719,920
Employee benefit paid	(2,499,011)	(1,698,780)	(1,481,118)	(1,011,913)	(851,217)
Income tax paid	(10,951,263)	(12,008,482)	(9,963,868)	(6,635,021)	(2,940,271)
Surcharge tax paid	-	-	(2,469,380)	-	-
<b>Net cash inflow from operating activities</b>	<b>11,855,844</b>	<b>30,426,524</b>	<b>56,793,678</b>	<b>9,536,355</b>	<b>32,928,432</b>
<b>Cash flows from investing activities</b>					
Purchase and construction of Property, plant & equipment	(20,774,250)	(19,919,469)	(17,128,378)	(14,040,140)	(5,768,264)
Investments in Other non- current assets	(363,521)	(265,708)	(275,472)	(178,458)	(79,263)
Investments in Other current financial assets	(3,291,340)	(6,345,368)	(9,665,751)	(10,594,939)	(2,569,859)
Investments in other non -current financial assets	(51,757)	-	(841,495)	(1,200)	-
Decrease due to harvest/(Development of Biological assets)	22,452	8,707	16,168	1,059	(15,192)
Grants received - capital	24,715	36,551	19,110	38,950	82,779
Improvements to Investment property	(38,102)	(422)	(94,768)	-	(2,282)
Proceeds from disposal of Property, plant & equipment	489,296	1,085,564	663,580	166,971	280,672
Proceeds from insurance claims	450,000	500,991	1,662,991	-	-
Proceeds from disposal of Intangible assets	1,483	2,523	2,181	49,722	93,984
Proceeds from disposal of Current financial assets	4,086,599	5,263,812	10,382,342	9,731,452	2,567,831
Proceed from sale of investment properties	-	-	-	400,000	93,000
Proceeds from disposal of subsidiaries	-	-	-	30,592	-
Purchase of intangible assets	(364,979)	(380,026)	(608,281)	(487,147)	(270,932)
Long term investments in group companies and others	(1,158,351)	76,302	(1,171,650)	(4,608,960)	94,678
Investment in equity accounted investees	-	(182,175)	-	-	-
Proceeds from sale of non-current financial assets	74,669	651,527	-	245,611	170,056
Interest received	2,492,906	4,722,907	4,531,247	1,301,488	579,391
Net movement in Deferred revenue	(1,503,030)	2,671,459	335,523	126,707	108,864
Dividends received from Equity accounted investees	225,568	610,402	113,321	137,500	137,500
Dividends received from non-group companies	5,199	1,888	3,851	6,413	4,417
<b>Net cash used in investing activities</b>	<b>(19,672,443)</b>	<b>(11,460,535)</b>	<b>(12,055,481)</b>	<b>(17,674,379)</b>	<b>(4,492,620)</b>
<b>Net cash inflow before financing</b>	<b>(7,816,599)</b>	<b>18,965,989</b>	<b>44,738,197</b>	<b>(8,138,024)</b>	<b>28,435,812</b>
<b>Cash flows from financing activities</b>					
Payment on lease	(3,389,638)	(1,574,914)	(2,514,676)	(2,446,418)	(2,121,159)
Interest paid (including interest capitalized)	(13,919,883)	(20,762,565)	(27,219,377)	(9,955,142)	(7,664,020)
Dividend paid to Non-controlling interest	(4,207,056)	(4,218,460)	(6,361,116)	(3,656,018)	(3,103,476)
Debenture redemption net of issue expenses	(3,093,661)	(4,747,644)	-	-	-
Proceeds from Interest-bearing borrowings	43,830,495	24,208,036	21,159,381	37,806,769	37,333,408
Repayment of Interest-bearing borrowings net of issue costs	(25,390,562)	(24,441,873)	(27,604,264)	(28,099,956)	(41,086,784)
Net movement in Financial liabilities	6,134,629	2,979,601	7,053,396	1,681,316	3,450,153
Net movement in Security deposits	333,902	92,336	6,045	95,782	(28,046)
Acquisition of Non-controlling interest	(145,524)	(46,862)	(179,756)	(152,815)	150,995
Dividends paid to equity holders of parent	(3,974,223)	(3,984,600)	(596,105)	(3,132,708)	(225,000)
<b>Net cash outflow from financing activities</b>	<b>(3,821,521)</b>	<b>(32,496,945)</b>	<b>(36,256,472)</b>	<b>(7,859,190)</b>	<b>(13,293,929)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(11,638,120)</b>	<b>(13,530,956)</b>	<b>8,481,725</b>	<b>(15,997,214)</b>	<b>15,141,883</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>(38,537,191)</b>	<b>(25,006,235)</b>	<b>(33,487,960)</b>	<b>(17,490,746)</b>	<b>(32,632,629)</b>
<b>Cash and cash equivalents at end of the year</b>	<b>(50,175,311)</b>	<b>(38,537,191)</b>	<b>(25,006,235)</b>	<b>(33,487,960)</b>	<b>(17,490,746)</b>



## Accountant's Report for the Debenture Issue - Hayleys PLC

### Annexure 03

#### Five year Summary

#### Statement of Cash Flow- Group

For the year ended March 31,

	2025 Rs. '000	2024 Rs. '000	2023 Rs. '000	2022 Rs. '000	2021 Rs. '000
<b>A. Cash generated from operations</b>					
Profit before tax	35,373,021	25,335,707	42,749,068	35,716,745	19,233,789
<b>Adjustments for:</b>					
Net finance costs	12,143,457	17,242,316	18,817,401	(1,949,219)	6,875,771
Share of profits from Equity accounted investees	(237,074)	(159,205)	(540,978)	(226,794)	(252,611)
Depreciation on Property, plant & equipment	9,577,696	8,531,775	8,052,642	6,407,181	5,330,155
Impairment of Property, plant & equipment	9,180	22,832	1,448	97,620	5,000
Amortisation of Right-of-use assets	2,345,527	1,858,575	1,639,893	1,752,023	1,715,456
Derecognition of Property, plant & equipment	-	-	-	-	-
Change in fair value of Investment properties	(112,999)	(92,813)	(347,457)	(328,543)	(195,638)
Change in fair value of agricultural produce on bearer biologicala	(26,418)	(3,376)	(17,173)	(2,511)	(21,897)
Change in fair value of Biological assets	(142,455)	(206,128)	(138,628)	(67,692)	(10,111)
(Gain)/loss on the disposal of Property, plant & equipment	(21,832)	(275,287)	(57,808)	(37,258)	(55,645)
Gain on disposal of Non-current financial assets	-	-	-	-	(35,075)
Insurance claims and Loss on fire damages	(595,604)	(500,991)	(673,025)	-	-
Write off of property, plant and equipment	-	612	8,082	-	-
Loss on the disposal of Intangible assets	-	123	173	-	-
Gain on disposal of subsidiary/subsidiary shares	-	-	-	(6,592)	-
Gain on the disposal of Investment properties	-	-	-	(7,378)	-
Amortisation of Intangible assets	328,467	393,279	317,937	259,642	205,984
Impairment of Goodwill	-	-	-	137,864	-
Net loss on translation of foreign currency	(374,635)	(3,151,685)	8,559,783	12,456,930	2,165,334
Impairment of Trade & other receivables	90,598	379,381	154,503	925,057	902,758
Provision for unrealised profit and write-down of inventories	904,019	388,726	1,923,455	1,915,933	442,703
Impairment/ amortisation of other non-current assets	278,536	34,078	100,386	95,904	33,798
Write-back of trade creditors	(135,817)	(155,561)	-	-	-
Gain on bargain purchase	(370,271)	(13,629)	(209,690)	(12,305)	-
Provision for post employee benefit obligations	2,734,169	3,153,900	2,215,028	1,514,224	1,511,196
Grants amortised	(63,623)	(47,668)	(39,608)	(37,407)	(34,154)
	<b>61,703,942</b>	<b>52,734,961</b>	<b>82,515,432</b>	<b>58,603,424</b>	<b>37,816,813</b>
(Increase)/decrease in Trade and other receivables and other c	(34,671,666)	(19,847,258)	11,564,451	(40,063,552)	(10,384,252)
(Increase)/decrease in Inventories	(7,755,956)	1,914,040	(7,045,587)	(29,456,558)	(11,218,090)
Increase/(decrease) in Trade and other payables	6,029,798	9,332,043	(16,326,252)	28,099,975	20,505,449
	<b>25,306,118</b>	<b>44,133,786</b>	<b>70,708,044</b>	<b>17,183,289</b>	<b>36,719,920</b>
<b>B. Analysis of cash and cash equivalents</b>					
Cash in hand and at bank *	24,292,764	28,175,378	24,177,336	27,409,656	12,913,493
Short-term deposits	27,358,471	21,356,037	19,780,454	19,927,939	7,876,500
	<b>51,651,235</b>	<b>49,531,415</b>	<b>43,957,790</b>	<b>47,337,595</b>	<b>20,789,993</b>
Short-term interest bearing borrowings	(101,826,546)	(88,068,606)	(68,964,025)	(80,825,555)	(38,280,739)
<b>Cash and cash equivalents</b>	<b>(50,175,311)</b>	<b>(38,537,191)</b>	<b>(25,006,235)</b>	<b>(33,487,960)</b>	<b>(17,490,746)</b>



## Accountant's Report for the Debenture Issue - Hayleys PLC

### Annexure 04

#### Five year Summary

#### Statement of Profit or Loss - Company

For the year ended March 31,	2025 Rs. '000	2024 Rs. '000	2023 Rs. '000	2022 Rs. '000	2021 Rs. '000
Revenue	637,020	619,987	608,270	497,642	422,634
Cost of sales	(576,521)	(559,029)	(467,357)	(379,217)	(368,700)
<b>Gross profit</b>	<b>60,499</b>	<b>60,958</b>	<b>140,913</b>	<b>118,425</b>	<b>53,934</b>
Group dividend	5,749,182	5,398,957	5,897,496	5,145,509	3,618,236
Other income	846	640	-	13,111	153,209
Administrative expenses	1,662,769	770,121	721,291	257,512	132,199
Other expenses	-	(365)	(306)	(6,089)	-
<b>Results from operating activities</b>	<b>7,473,296</b>	<b>6,230,311</b>	<b>6,759,394</b>	<b>5,528,468</b>	<b>3,957,578</b>
Finance income	124,169	119,362	609,056	188,410	32,755
Finance cost	(3,288,357)	(4,738,806)	(5,276,184)	(2,219,372)	(2,587,774)
<b>Net finance cost</b>	<b>(3,164,188)</b>	<b>(4,619,444)</b>	<b>(4,667,128)</b>	<b>(2,030,962)</b>	<b>(2,555,019)</b>
Change in fair value of investment properties	550	3,700	5,900	9,250	3,700
<b>Profit before tax for the period</b>	<b>4,309,658</b>	<b>1,614,567</b>	<b>2,098,166</b>	<b>3,506,756</b>	<b>1,406,259</b>
Tax expense	(318,098)	(280,662)	(197,146)	139,979	(207,625)
<b>Profit for the period</b>	<b>3,991,560</b>	<b>1,333,905</b>	<b>1,901,020</b>	<b>3,646,735</b>	<b>1,198,634</b>

Above financial information and its extractions from the audited financial statements, signed for and on behalf of the management by;

  
.....  
Sarath Ganegoda  
Director

  
.....  
Milinda Hewagama  
Group Chief Financial Officer



## Accountant's Report for the Debenture Issue - Hayleys PLC

### Annexure 05

#### Five year Summary

#### Statement of Financial Position - Company

As at March 31,	2025 Rs. '000	2024 Rs. '000	2023 Rs. '000	2022 Rs. '000	2021 Rs. '000
<b>ASSETS</b>					
<b>Non - current assets</b>					
Property, plant & equipment	912,325	572,936	202,883	100,095	137,225
Right-of- use assets	-	63,832	127,664	191,497	255,329
Investment Properties	99,000	98,450	94,750	88,850	79,600
Intangible assets	69,306	56,108	65,245	74,310	58,698
Investments in subsidiaries	41,379,421	39,743,166	39,630,538	38,903,712	39,070,361
Investments in equity accounted investees	1,504,863	1,504,863	1,504,863	1,504,863	1,504,863
Other non-current financial assets	42,000	42,000	49,563	57,125	64,687
Non - current trade and other receivables	-	808,000	-	-	-
Deferred tax assets	21,497	66,335	68,643	14,771	24,525
Amounts due from subsidiaries	1,283,847	-	-	610,000	610,000
<b>Total non-current assets</b>	<b>45,312,259</b>	<b>42,955,690</b>	<b>41,744,149</b>	<b>41,545,223</b>	<b>41,805,288</b>
<b>Current assets</b>					
Inventories	32,756	36,423	36,535	7,493	1,739
Amounts due from subsidiaries	4,778,305	5,379,688	4,264,131	3,897,840	2,509,908
Amounts due from equity accounted investees	43,596	7,585	986	1,190	90,985
Trade and other receivables	61,757	55,038	36,558	32,907	39,391
Other current assets	35,790	70,297	56,203	31,555	19,716
Income tax recoverable	-	-	-	68,645	-
Other current financial assets	26,152	19,960	14,891	7,706	8,002
Short-term deposits	1,864,684	505,529	1,489,160	254,515	241,719
Cash in hand and at bank	1,115,433	328,528	1,144,208	697,773	85,613
<b>Total current assets</b>	<b>7,958,473</b>	<b>6,403,048</b>	<b>7,042,672</b>	<b>4,999,624</b>	<b>2,997,073</b>
<b>Total assets</b>	<b>53,270,732</b>	<b>49,358,738</b>	<b>48,786,821</b>	<b>46,544,847</b>	<b>44,802,361</b>
<b>EQUITY AND LIABILITIES</b>					
Stated capital	1,575,000	1,575,000	1,575,000	1,575,000	1,575,000
Capital reserves	13,226	13,226	13,226	13,226	13,226
Revenue reserves	9,546,882	10,179,300	12,871,201	15,027,783	14,518,971
<b>Total equity</b>	<b>11,135,108</b>	<b>11,767,526</b>	<b>14,459,427</b>	<b>16,616,009</b>	<b>16,107,197</b>
<b>Non - current liabilities</b>					
Interest bearing borrowings	19,313,834	14,375,000	13,185,518	18,265,278	19,205,466
Employee benefit obligations	1,222,508	1,896,112	1,560,016	1,298,429	1,055,971
<b>Total non-current liabilities</b>	<b>20,536,342</b>	<b>16,271,112</b>	<b>14,745,534</b>	<b>19,563,707</b>	<b>20,261,437</b>
<b>Current liabilities</b>					
Trade and other payables	4,810,007	4,877,641	4,843,225	1,268,500	1,147,119
Other current liabilities	85,680	89,090	67,602	29,704	17,185
Amounts due to subsidiaries	619,622	388,352	305,479	672,807	224,881
Amounts due to equity accounted investees	-	385	385	322	3,152
Income tax payable	113,218	112,102	118,116	-	84,485
Current portion of long term interest bearing borrowings	6,899,333	10,005,604	9,080,337	5,361,853	4,945,176
Short-term interest bearing borrowings	9,071,422	5,846,926	5,166,716	3,031,945	2,011,729
<b>Total current liabilities</b>	<b>21,599,282</b>	<b>21,320,100</b>	<b>19,581,860</b>	<b>10,365,131</b>	<b>8,433,727</b>
<b>Total liabilities</b>	<b>42,135,624</b>	<b>37,591,212</b>	<b>34,327,394</b>	<b>29,928,838</b>	<b>28,695,164</b>
<b>Total equity and liabilities</b>	<b>53,270,732</b>	<b>49,358,738</b>	<b>48,786,821</b>	<b>46,544,847</b>	<b>44,802,361</b>

Above financial information and its extractions from the audited financial statements, signed for and on behalf of the management by;

  
 Sarath Ganegoda  
 Director



  
 Milinda Hewagama  
 Group Chief Financial Officer

## Accountant's Report for the Debenture Issue - Hayleys PLC

### Annexure 06

#### Five year Summary

#### Statement of Cash Flow- Company

For the year ended March 31,

	2025 Rs. '000	2024 Rs. '000	2023 Rs. '000	2022 Rs. '000	2021 Rs. '000
<b>Cash flows from operating activities</b>					
Cash generated from operations	6,729,906	5,648,296	6,562,379	5,147,092	4,093,091
Employee benefit paid	(1,077,680)	(29,351)	(34,640)	(34,924)	(47,443)
Income tax paid	(264,453)	(283,741)	(62,132)	(667)	(15,104)
<b>Net cash inflow from operating activities</b>	<b>5,387,773</b>	<b>5,335,204</b>	<b>6,465,607</b>	<b>5,111,501</b>	<b>4,030,544</b>
<b>Cash flows from investing activities</b>					
Purchase and construction of Property, plant & equipment	(430,848)	(420,888)	(151,959)	(19,908)	(44,957)
Investments in Other current financial assets	-	-	(1,450,168)	(7,278,000)	(227)
Proceeds from disposal of Property, plant & equipment	1,575	806	245	30	356
Proceeds from disposal of Current financial assets	-	-	1,450,000	7,308,563	-
Purchase of intangible assets	(26,222)	(3,086)	(4,095)	(15,885)	-
Long term investments in group companies and others	(753,255)	(920,628)	(116,775)	(70,161)	(23,667)
Proceeds from disposal of subsidiary shares	-	-	-	249,921	215,989
Proceeds from sale of non-current financial assets	-	-	-	-	39,420
Interest received	71,971	103,805	554,193	99,828	19,086
Dividends received from non-group companies	322	227	1,323	249	319
<b>Net cash used in investing activities</b>	<b>(1,136,457)</b>	<b>(1,239,764)</b>	<b>282,764</b>	<b>274,637</b>	<b>206,319</b>
<b>Net cash inflow before financing</b>	<b>4,251,316</b>	<b>4,095,440</b>	<b>6,748,371</b>	<b>5,386,138</b>	<b>4,236,863</b>
<b>Cash flows from financing activities</b>					
Payment on lease	(86,166)	(86,166)	(86,170)	-	-
Interest paid (including interest capitalized)	(3,182,530)	(4,682,688)	(5,213,789)	(2,173,690)	(2,525,448)
Debenture redemption net of issue expenses	(3,000,000)	(3,521,507)	-	-	-
Proceeds from Interest-bearing borrowings	12,713,167	11,600,000	4,000,000	5,800,000	11,200,000
Repayment of Interest-bearing borrowings net of issue costs	(7,800,000)	(5,900,000)	(5,305,998)	(6,275,000)	(9,153,000)
Dividends paid to equity holders of parent	(3,974,223)	(3,984,600)	(596,105)	(3,132,708)	(225,000)
<b>Net cash outflow from financing activities</b>	<b>(5,329,752)</b>	<b>(6,574,961)</b>	<b>(7,202,062)</b>	<b>(5,781,398)</b>	<b>(703,448)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(1,078,436)</b>	<b>(2,479,521)</b>	<b>(453,691)</b>	<b>(395,260)</b>	<b>3,533,415</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>(5,012,869)</b>	<b>(2,533,348)</b>	<b>(2,079,657)</b>	<b>(1,684,397)</b>	<b>(5,217,812)</b>
<b>Cash and cash equivalents at end of the year</b>	<b>(6,091,305)</b>	<b>(5,012,869)</b>	<b>(2,533,348)</b>	<b>(2,079,657)</b>	<b>(1,684,397)</b>



**Accountant's Report for the Debenture Issue - Hayleys PLC**  
**Annexure 06**  
**Five year Summary**  
**Statement of Cash Flow- Company**

For the year ended March 31,

	2025 Rs. '000	2024 Rs. '000	2023 Rs. '000	2022 Rs. '000	2021 Rs. '000
<b>A. Cash generated from operations</b>					
Profit before tax	4,309,658	1,614,567	2,098,166	3,506,756	1,406,259
<b>Adjustments for:</b>					
Net finance costs	3,164,188	4,619,444	4,667,128	2,030,962	2,555,019
Depreciation on Property, plant & equipment	90,731	50,303	48,623	48,585	62,978
Amortisation of Right-of-use assets	63,832	63,832	63,833	63,832	63,832
Change in fair value of Investment properties	(550)	(3,700)	(5,900)	(9,250)	(3,700)
(Gain)/loss on the disposal of Property, plant & equipment	(846)	(275)	306	6,089	(141)
Gain on disposal of Non-current financial assets	-	-	-	-	(35,075)
Gain on disposal of subsidiary/subsidiary shares	-	-	-	(13,111)	(117,993)
Amortisation of Intangible assets	13,024	12,223	13,160	2,606	-
Net loss on translation of foreign currency	(54,579)	(15,870)	22,578	-	-
Reversal of impairment of investments in subsidiaries	(75,000)	-	-	-	-
Provision for post employee benefit obligations	228,920	349,809	250,533	137,836	138,045
	<b>7,739,378</b>	<b>6,690,333</b>	<b>7,158,427</b>	<b>5,774,305</b>	<b>4,069,224</b>
(Increase)/decrease in Trade and other receivables and other	(690,687)	(1,154,730)	(394,438)	(1,247,436)	19,432
(Increase)/decrease in Inventories	3,668	112	(29,042)	(5,754)	36
Increase/(decrease) in Trade and other payables	(322,453)	112,581	(172,568)	625,977	4,399
	<b>6,729,906</b>	<b>5,648,296</b>	<b>6,562,379</b>	<b>5,147,092</b>	<b>4,093,091</b>
<b>B. Analysis of cash and cash equivalents</b>					
Cash in hand and at bank *	1,115,433	328,528	1,144,208	697,773	85,613
Short - term deposits	1,864,684	505,529	1,489,160	254,515	241,719
	<b>2,980,117</b>	<b>834,057</b>	<b>2,633,368</b>	<b>952,288</b>	<b>327,332</b>
Short-term interest bearing borrowings	(9,071,422)	(5,846,926)	(5,166,716)	(3,031,945)	(2,011,729)
<b>Cash and cash equivalents</b>	<b>(6,091,305)</b>	<b>(5,012,869)</b>	<b>(2,533,348)</b>	<b>(2,079,657)</b>	<b>(1,684,397)</b>
Effect of exchange rate change					
Cash and cash equivalents as restated					

