



CEYLON TEA BROKERS PLC

PB 1280 PQ

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30TH SEPTEMBER 2022

CEYLON TEA BROKERS PLC
Statement of Profit or Loss and Other Comprehensive Income for the Period Ended 30th September

	GROUP						COMPANY					
	For the Quarter Ended		Variance %	For the Six months ended		Variance %	For the Quarter Ended		Variance %	For the Six months ended		Variance %
	30.09.2022	30.09.2021		30.09.2022	30.09.2021		30.09.2022	30.09.2021		30.09.2022	30.09.2021	
	Rs.	Rs.		Rs.	Rs.		Rs.	Rs.		Rs.	Rs.	
Revenue	438,668,578	216,276,882	103%	832,516,794	407,709,669	104.19%	300,466,968	141,814,391	112%	553,616,780	287,422,433	92.61%
Operating Expenses	(150,550,541)	(79,769,004)	89%	(292,541,830)	(136,540,065)	114.25%	(35,263,755)	(17,765,368)	98%	(61,389,750)	(30,890,065)	98.74%
Gross Profit	288,118,037	136,507,878	111%	539,974,964	271,169,604	99.13%	265,203,213	124,049,023	114%	492,227,030	256,532,369	91.88%
Marketing Expenses	(25,522,433)	(13,975,659)	83%	(58,172,697)	(26,823,326)	116.87%	(24,331,468)	(12,607,682)	93%	(55,105,420)	(24,368,620)	126.13%
Administration Expenses	(102,946,941)	(75,613,781)	36%	(200,336,322)	(148,688,037)	34.74%	(83,759,206)	(60,794,139)	38%	(160,836,905)	(120,775,290)	33.17%
Net Finance Expenses	(55,976,546)	(28,917,734)	94%	(104,412,582)	(58,793,344)	77.59%	(41,567,515)	(14,000,442)	197%	(74,528,894)	(30,499,198)	144.36%
Profit Before Taxation	103,672,117	18,000,704	476%	177,053,363	36,864,898	380.28%	115,545,024	36,646,760	215%	201,755,811	80,889,261	149.42%
Taxation	(39,285,308)	(10,994,028)	257%	(67,848,235)	(24,041,779)	182.21%	(39,285,308)	(10,994,028)	257%	(67,848,235)	(24,041,779)	182.21%
Profit After Taxation	64,386,809	7,006,676	819%	109,205,128	12,823,119	752%	76,259,716	25,652,732	197%	133,907,576	56,847,482	135.56%
Other Comprehensive Income/(Loss)	-	-		-	-		-	-		-	-	
Profit for the Period	64,386,809	7,006,676	-819%	109,205,128	12,823,119	-752%	76,259,716	25,652,732	197%	133,907,576	56,847,482	135.56%
Basic Earnings Per Share	0.35	0.04		0.60	0.07		0.42	0.14		0.73	0.31	

figures in brackets indicate deductions.

CEYLON TEA BROKERS PLC
Statement of Financial Position

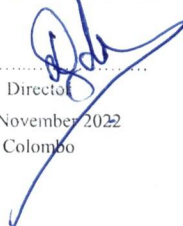
As at	<u>GROUP</u>		<u>COMPANY</u>	
	<u>Unaudited</u> 30.09.2022 Rs.	<u>Audited</u> 31.03.2022 Rs.	<u>Unaudited</u> 30.09.2022 Rs.	<u>Audited</u> 31.03.2022 Rs.
ASSETS				
Non-Current Assets				
Property, Plant & Equipment	898,757,613	922,447,846	9,752,332	9,758,683
Right of Use Asset	197,375,889	219,964,231	14,435,744	24,059,578
Intangible Assets	67,625,037	72,667,410	3,333,891	4,220,085
Deffered Tax Asset	-	-	14,561,932	14,561,932
Loans & Advances to Tea Suppliers	4,207,374	34,592,759	4,207,374	34,592,759
Refundable Deposit on Lease Permisses	14,770,238	4,472,279	4,711,838	4,472,279
	<u>1,182,736,151</u>	<u>1,254,144,525</u>	<u>51,003,110</u>	<u>91,665,316</u>
Investment in Logicare (Pvt) Ltd	-	-	633,000,000	633,000,000
Current Assets				
Trade and Other Receivables	936,027,356	861,953,667	820,998,384	763,465,364
Loans & Advances to Tea Suppliers	1,129,342,797	724,903,358	1,129,342,797	724,903,358
Investment in Unit trusts	100,091,446	-	100,091,446	-
Cash and Cash Equivalents	145,079,070	67,854,077	134,139,242	63,781,601
	<u>2,310,540,669</u>	<u>1,654,711,102</u>	<u>2,184,571,869</u>	<u>1,552,150,323</u>
Total Assets	<u>3,493,276,820</u>	<u>2,908,855,627</u>	<u>2,868,574,979</u>	<u>2,276,815,639</u>
EQUITY AND LIABILITIES				
Capital and Reserves				
Stated Capital	333,200,000	333,200,000	333,200,000	333,200,000
Retained Earnings	90,932,207	47,391,079	410,047,597	341,804,020
Revaluation Reserve	129,759,524	129,759,524	-	-
Total Equity	<u>553,891,731</u>	<u>510,350,603</u>	<u>743,247,597</u>	<u>675,004,020</u>
Non-Current Liabilities				
Deffered Tax Liability	26,414,760	26,414,761	-	-
Interest Bearing Borrowings	906,746,508	977,514,966	248,540,460	345,890,742
Lease Payables	2,123,795	15,487,821	-	5,804,378
Retirement Benefit Obligation	46,372,804	43,520,681	38,077,538	35,445,540
	<u>981,657,866</u>	<u>1,062,938,229</u>	<u>286,617,998</u>	<u>387,140,660</u>
Current Liabilities				
Trade and Other Payables	1,029,605,981	653,455,741	963,476,246	618,166,672
Lease Payables	34,958,639	42,242,071	16,926,567	21,752,648
Interest Bearing Borrowings	660,656,132	556,658,318	655,256,132	496,775,949
Amount due to Related Party	-	-	515,459	-
Tax Payable	58,068,565	13,470,268	58,068,565	13,470,268
Bank Overdrafts	174,437,906	69,740,397	144,466,416	64,505,422
	<u>1,957,727,223</u>	<u>1,335,566,795</u>	<u>1,838,709,385</u>	<u>1,214,670,959</u>
Total Liabilities	<u>2,939,385,089</u>	<u>2,398,505,024</u>	<u>2,125,327,382</u>	<u>1,601,811,619</u>
Total Equity and Liabilities	<u>3,493,276,820</u>	<u>2,908,855,627</u>	<u>2,868,574,979</u>	<u>2,276,815,639</u>
Net Asset Value Per Share	3.04	2.80	4.07	3.70

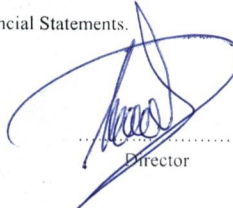
I certify that the above financial statements have been prepared in compliance with the requirements of Companies Act No 7 of 2007.


Financial Controller

The Board of Directors are responsible for the preparation and presentation of these Financial Statements.

Signed for and on behalf of the board by:


Director
10th November 2022
Colombo


Director

CEYLON TEA BROKERS PLC
Statement of Changes in Equity
For the Period Ended 30th September

<u>GROUP</u>	Stated Capital Rs.	Revaluation Reserve Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 01.04.2021	333,200,000	-	97,824,452	431,024,452
Profit for the period ended 30.09.2021	-	-	12,823,119	12,823,119
Other Comprehensive Income	-	-	-	-
Dividend Paid	-	-	(63,840,000)	(63,840,000)
Balance as at 30.09.2021	<u>333,200,000</u>	<u>-</u>	<u>46,807,571</u>	<u>380,007,571</u>
Balance as at 01.04.2022	333,200,000	129,759,524	47,391,079	510,350,603
Profit for the period ended 30.09.2022	-	-	109,205,128	109,205,128
Other Comprehensive Income	-	-	-	-
Dividend Paid	-	-	(65,664,000)	(65,664,000)
Balance as at 30.09.2022	<u>333,200,000</u>	<u>129,759,524</u>	<u>90,932,207</u>	<u>553,891,731</u>
		Stated Capital Rs.	Retained Earnings Rs.	Total Rs.
<u>COMPANY</u>				
Balance as at 01.04.2021		333,200,000	300,243,668	633,443,668
Profit for the period ended 30.09.2021		-	56,847,482	56,847,482
Other Comprehensive Income		-	-	-
Dividend Paid		-	(63,840,000)	(63,840,000)
Balance as at 30.09.2021		<u>333,200,000</u>	<u>293,251,150</u>	<u>626,451,150</u>
Balance as at 01.04.2022		333,200,000	341,804,020	675,004,020
Profit for the period ended 30.09.2022		-	133,907,576	133,907,576
Other Comprehensive Income		-	-	-
Dividend Paid		-	(65,664,000)	(65,664,000)
Balance as at 30.09.2022		<u>333,200,000</u>	<u>410,047,597</u>	<u>743,247,597</u>

figures in brackets indicate deductions.

CEYLON TEA BROKERS PLC
Statement of Cash Flows
For the Period Ended 30th September 2022

	GROUP		COMPANY	
	30.09.2022 Rs.	30.09.2021 Rs.	30.09.2022 Rs.	30.09.2021 Rs.
<u>Cash Flow From Operating Activities</u>				
Profit Before Taxation	177,053,363	36,864,898	201,755,811	80,889,261
<i>Adjustments for ;</i>				
Depreciation	32,526,597	23,230,757	3,142,135	3,259,997
Amortization	21,680,553	18,212,822	9,623,835	8,250,995
Interest/Investment Income	(31,723,474)	(1,985,426)	(31,723,474)	(1,688,602)
Interest Expense	111,402,599	64,120,025	106,252,369	34,233,006
Provision for Retirement Benefit Obligation	3,600,000	3,600,000	3,000,000	3,000,000
Provision for Bad and Doubtful Debt	9,350,000	12,500,000	9,000,000	12,500,000
Disposal (Profit)/Loss on Property, Plant and Equipment	(42,120)	-	(42,120)	-
Operating Profit Before Working Capital Changes	323,847,516	156,543,076	301,008,554	140,444,657
<u>Increase/Decrease in Working Capital</u>				
(Increase)/ Decrease in Trade and Other Receivables	(74,073,892)	123,281,831	(57,533,020)	140,237,415
Loans (Disbursements)/Recoveries From (To) Tea Suppliers	(383,404,054)	72,827,022	(383,054,054)	72,827,023
Increase/(Decrease) in Trade and Other Payables	376,150,240	(95,042,186)	345,309,574	(81,302,429)
(Increase)/Decrease in Related Party Receivable	-	-	515,459	(70,901,036)
Cash Generated from Operating Activities	242,519,811	257,609,743	206,246,514	201,305,630
Tax Paid	(23,249,937)	(30,586,132)	(23,249,937)	(30,586,132)
Gratuity Paid	(747,875)	(120,375)	(368,000)	(120,375)
Net Generated from Operating Activities	218,521,999	226,903,236	182,628,576	170,599,123
<u>Cash Flow From Investing Activities</u>				
Interest Received	31,392,469	1,643,028	31,392,469	1,472,783
Proceeds from sale of Assets	42,120	389,721	42,120	99,341
Refundable Deposit	(10,058,400)	(10,000,000)	-	-
Disposal of Commercial Papers	-	-	-	-
Investment made during the year	(600,000,000)	-	(600,000,000)	-
Investment redeemed during the year	500,000,000	-	500,000,000	-
Purchase of Property, Plant & Equipment	(2,886,000)	(91,153,540)	(2,249,600)	(2,157,699)
Net cash flow from (Used in) Investing Activities	(81,509,811)	(99,120,791)	(70,815,011)	(585,575)
<u>Cash Flow From Financing Activities</u>				
Interest Paid	(109,323,634)	(59,513,994)	(105,036,298)	(32,187,799)
Payment of Lease Liabilities	(22,726,425)	(18,929,788)	(11,846,530)	(10,867,689)
Dividend Paid	(65,664,000)	(63,840,000)	(65,664,000)	(63,840,000)
<u>Movement in Interest Bearing Borrowings</u>				
Loan repayment made during the period	(861,770,645)	(1,866,478,323)	(833,870,091)	(1,745,791,183)
Loan obtained during the period	545,000,000	1,846,071,008	545,000,000	1,643,571,011
Commercial papers issued	350,000,000	-	350,000,000	-
Net cash flow from Financing Activities	(164,484,704)	(162,691,097)	(121,416,919)	(209,115,660)
Net Increase/ (Decrease) in Cash and Cash Equivalents	(27,472,516)	(34,908,653)	(9,603,353)	(39,102,112)
Cash and Cash Equivalents at the Beginning of the Period	(1,886,320)	20,968,907	(723,821)	57,776,716
Cash and Cash Equivalents at the End of the Period	(29,358,836)	(13,939,746)	(10,327,174)	18,674,604

figures in brackets indicate deductions.

Notes to the Financial Statements:

1. Figures for the period ended as at 30th September 2022 are unaudited.
2. The Company is required to prepare Interim Financial Statements in accordance with LKAS 34 – Interim Financial Reporting issued by the Institute of Chartered Accountants of Sri Lanka.

3. **Significant Accounting Policies**

-The same accounting policies and methods of computation are followed in the interim financial statements as compared with audited annual financial statements as at 31st March 2022.

-Staff loans granted have been recognised at fair value at the time of granting and resultant adjustments were accounted as prepaid staff cost and amortised over the tenure of the loan on a straight line basis. Interest income was recognised using effective interest rate method.

-Loans granted to customers were recognised at fair value plus directly attributable transaction costs and fee income, initially. Subsequent measurement of loans were recognised at amortised cost using effective interest rate.

-Storage & Storage Related Income were recognised on accrual basis for the period of service provided by the group instead of the date of auction.

4. The nature of related party transactions in the current period is similar to those reported in the Audited Financial Statements – 2021/2022.
5. There were no significant events that occurred subsequent to the end of the interim period which require disclosure or adjustments in the interim financial statements.
6. There were no contingent liabilities identified in the foreseeable future which require disclosure in the financial statements.
7. To facilitate comparison and where relevant, balances pertaining to the previous period have been reclassified.
8. Ceylon Tea Brokers Group consists of Logicare (Pvt) Ltd which is a fully owned subsidiary of Ceylon Tea Brokers PLC.

Tea handling operations were transferred back to Ceylon Tea Brokers PLC from Logicare (Pvt) Ltd w.e.f 1st April 2021. The relevant income and expenses were recognized accordingly.

Logicare (Pvt) Ltd has commenced its commercial operations during the Quarter ended 30th June 2019.

Logicare (Pvt) Ltd has entered into a 39 year lease agreement commencing 29/07/2016 with the Sri Lanka Land Reclamation and Development Corporation to lease a land in Muthurajawela.

Notes to the Financial Statements:

9. SEGMENTAL INFORMATION

As at 30th September 2022

The group has the following two strategic business segments, which are its reportable segments. These two segments offer different services to the customers and separate financial information are available. These two segments are managed separately because they require different technology and marketing strategy.

Information related to each reportable segment is set out below. Segment profit (loss) before tax is used to measure performance. The management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

	Segments		
	Tea Broking 2022/23	Warehousing 2022/23	Total 2022/23
Segment Revenue			
External Sales	553,616,780	278,900,014	832,516,794
Total Segment Revenue	<u>553,616,780</u>	<u>278,900,014</u>	<u>832,516,794</u>
Segment Profit/ (Loss) Before Tax	201,755,811	(24,702,448)	177,053,363
Depreciation and Amortization	12,765,970	41,441,180	54,207,150
Interest Expense	106,252,369	5,150,230	111,402,599
Impairment/Write off on Financial Assets	-	-	-
Segmental Assets	2,235,574,979	1,214,168,486	3,449,743,465
Unallocated Assets			43,533,355
Total Segmental Asset			<u>3,493,276,820</u>
Segmental Liabilities	2,125,327,382	1,367,949,437	3,493,276,819

10. Market prices recorded during the period ended 30th September 2022.

<u>2022/23 -2nd Quarter</u>				<u>2021/22 -2nd Quarter</u>			
Highest	Rs.6.30	Date:	23.09.2022	Highest	Rs.4.70	Date:	19.08.2021
Lowest	Rs.2.90	Date:	11.07.2022	Lowest	Rs.3.60	Date:	06.07.2021
Closing	Rs.5.20	Date:	30.09.2022	Closing	Rs.4.00	Date:	30.09.2021

11. The float adjusted market capitalization as at 30th September 2022 - Rs. 144,988,828.40

12. Percentage of public holding as at 30th September 2022 was 15.286% comprising 2760 shareholders.

13. The float adjusted market capitalization of the company falls under option 2 of Rule 7.13.1 (b) of the Listing rules of the Colombo Stock Exchange and the company has complied with the minimum public holding requirement applicable under the said option.

14. Directors' holding in shares as at 30th September 2022

Director's Name	Shareholding (No. of Shares)	%
Mr. R J N De Mel (Chairman)	80,000	0.044%
Mr. C P R Perera	3,500,000	1.919%
Mr. W A T Fernando (Managing Director)	48,837,837	26.775%
Mr. K H S Deshapriya	250,000	0.137%
Mr. B R L Fernando	22,640	0.012%
Mr. D.G.W De Silva (Director/Chief Executive Officer)	-	-
Ms. N T M S Cooray	10,908,751	5.981%
Ms. H M S Perera	1,390,492	0.762%
Mr. Dhayan H Madawala	3,425	0.002%
Mr. Z Mohamed	-	-
Mr. K A D Fernando (Director/Chief Operating Officer)	-	-
Mr. H T D Nonis	10,000	0.005%

Notes to the Financial Statements (Continued):

15. 25 major shareholders as at 30th September 2022

Shareholder's Name	As At 30th September 2022	
	No. of Shares	%
1 ASHTHI HOLDINGS (PRIVATE) LIMITED	55,434,267	30.392%
2 MR. W A T FERNANDO	48,837,837	26.775%
3 JETWING TRAVELS (PVT) LTD	34,080,571	18.685%
4 MISS N T M S COORAY	10,908,751	5.981%
5 MR C P R PERERA & MRS D. PERERA	3,500,000	1.919%
6 MR A.D. EDUSSURIYA	2,000,000	1.096%
7 HATTON NATIONAL BANK PLC/KANDIAIAH KANAPATHIPILLAI SHUJEEVAN	1,850,523	1.015%
8 MS H M S PERERA	1,390,492	0.762%
9 MR.P.G.PIYASIRI	957,447	0.525%
10 PEOPLES LEASING & FINANCE PLC/MR.M.I.SAMSUDEEN	604,914	0.332%
11 ASSETLINE LEASING COMPANY LTD/D.B.N.SAMARATHUNGA	504,755	0.277%
12 MR.K.S.M.RODRIGO	500,000	0.274%
13 MR.R.A.J.C. MADUSHAN	400,000	0.219%
14 MR.H.R.A.TISSERA	371,401	0.204%
15 MR.M.H.A.KAMIL	342,062	0.188%
16 MR. Y.L.NANDASENA	309,323	0.170%
17 DIALOG FINANCE PLC/MR.A.S.M.SHIYAM	300,000	0.164%
18 MR.H.M.WIJERATHNA	300,000	0.164%
19 MRS.M.G.H.I.SUJEEWANI	300,000	0.164%
20 MR. V.SIVAKUMAR	254,605	0.140%
21 SINBAD(PRIVATE)LIMITED	250,000	0.137%
22 MR.K.H.S.DESHAPRIYA	250,000	0.137%
23 CITIZENS DEVELOPMENT BUSINESS FINANCE PLC/A.M.A.P.K. DISSANAYAKE	225,882	0.124%
24 PEOPLES LEASING & FINANCE PLC/ DR.H.S.D.SOYSA & MRS.G.SOYSA	210,400	0.115%
25 MR.N.A.WITHANA	208,000	0.114%
	<u>164,291,230</u>	<u>90.072%</u>
Others	<u>18,108,770</u>	<u>9.928%</u>
	<u><u>182,400,000</u></u>	<u><u>100.00%</u></u>