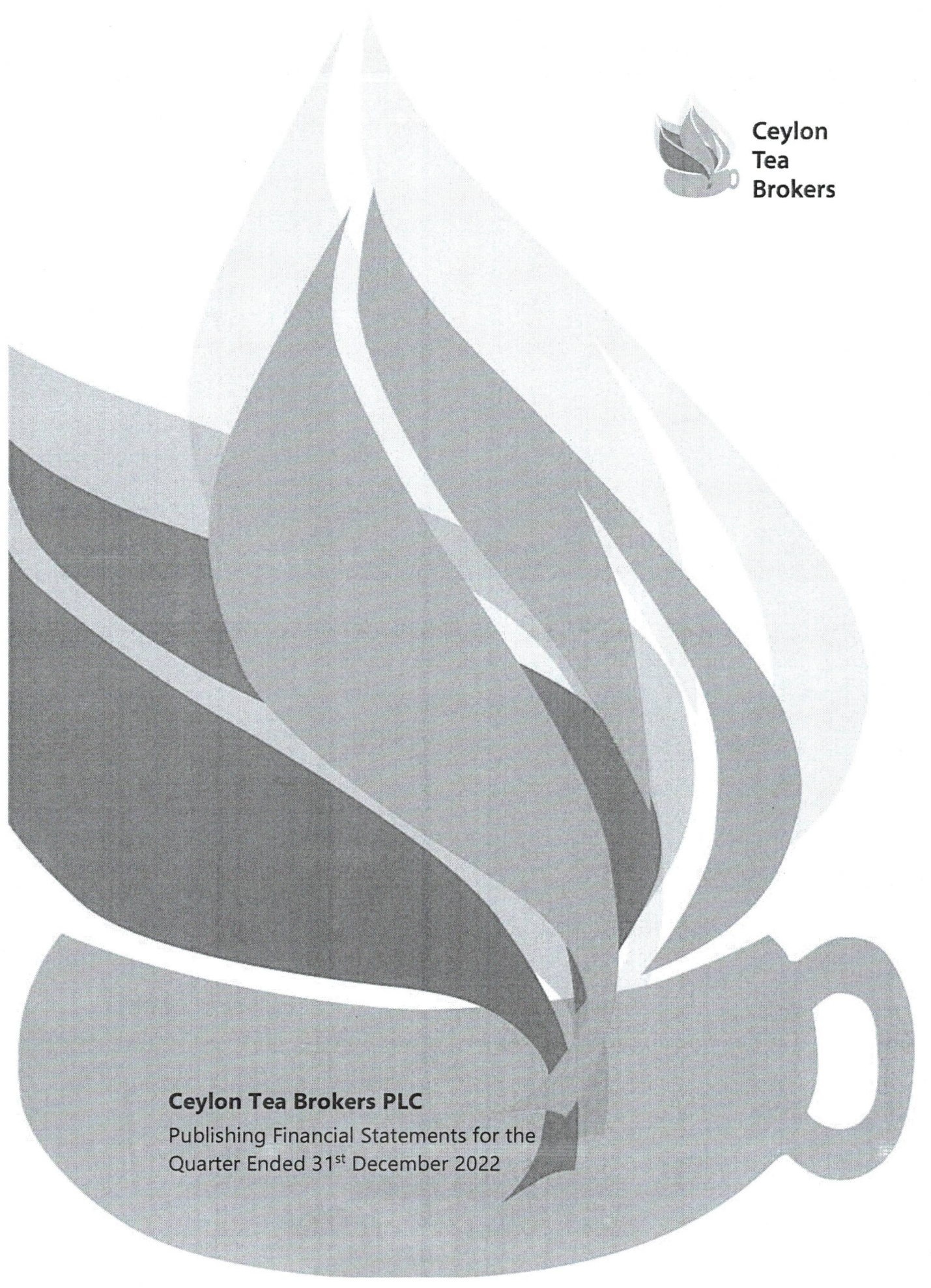




**Ceylon
Tea
Brokers**



Ceylon Tea Brokers PLC
Publishing Financial Statements for the
Quarter Ended 31st December 2022

CEYLON TEA BROKERS PLC

Statement of Profit or Loss and Other Comprehensive Income for the Period Ended 31st December

	GROUP						COMPANY					
	For the Quarter Ended		Variance %	For the Nine months ended		Variance %	For the Quarter Ended		Variance %	For the Nine months ended		Variance %
	31.12.2022	31.12.2021		31.12.2022	31.12.2021		31.12.2022	31.12.2021		31.12.2022	31.12.2021	
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		
Revenue	438,603,993	210,432,215	108%	1,271,078,666	618,141,884	106%	289,010,291	130,816,079	121%	842,584,950	418,238,512	101%
Operating Expenses	(153,104,823)	(82,622,026)	85%	(445,646,652)	(217,637,397)	105%	(36,673,563)	(21,515,126)	70%	(98,063,312)	(52,405,190)	87%
Gross Profit	285,499,170	127,810,189	123%	825,432,014	400,504,487	106%	252,336,728	109,300,953	131%	744,521,638	365,833,322	104%
Marketing Expenses	(13,739,881)	(13,724,443)	0%	(31,598,142)	(33,047,769)	-4%	(12,389,118)	(12,671,874)	-2%	(27,494,539)	(29,540,495)	-7%
Administration Expenses	(139,846,779)	(78,754,372)	78%	(381,713,607)	(236,467,102)	61%	(119,876,229)	(63,626,257)	88%	(321,929,204)	(191,901,547)	68%
Net Finance Expenses	(77,847,354)	(32,432,019)	140%	(181,001,745)	(91,225,363)	98%	(61,521,433)	(14,346,121)	329%	(134,792,136)	(44,845,318)	201%
Profit Before Taxation	54,065,156	2,899,355	1765%	231,118,520	39,764,253	481%	58,549,948	18,656,701	214%	260,305,759	99,545,962	161%
Taxation	(19,906,982)	(5,597,010)	256%	(87,755,217)	(29,638,789)	196%	(19,906,982)	(5,597,010)	256%	(87,755,217)	(29,638,789)	196%
Profit / (Loss) After Taxation	34,158,174	(2,697,655)	1366%	143,363,303	10,125,464	1316%	38,642,966	13,059,691	196%	172,550,542	69,907,173	147%
Other Comprehensive Income/(Loss)	-	-		-	-		-	-		-	-	
Profit/(Loss) for the Period	34,158,174	(2,697,655)	-1366%	143,363,303	10,125,464	1316%	38,642,966	13,059,691	196%	172,550,542	69,907,173	147%
Basic Earnings/(Loss) Per Share	0.19	(0.01)		0.79	0.06		0.21	0.07		0.95	0.38	

figures in brackets indicate deductions.

CEYLON TEA BROKERS PLC
Statement of Financial Position

As at	GROUP		COMPANY	
	Unaudited	Audited	Unaudited	Audited
	31.12.2022	31.03.2022	31.12.2022	31.03.2022
	Rs.	Rs.	Rs.	Rs.
ASSETS				
Non-Current Assets				
Property, Plant & Equipment	893,557,277	922,447,846	11,880,672	9,758,683
Right of Use Asset	186,074,975	219,964,231	9,623,826	24,059,578
Intangible Assets	65,105,318	72,667,410	2,892,258	4,220,085
Deffered Tax Asset	-	-	14,561,932	14,561,932
Loans & Advances to Tea Suppliers	11,775,450	34,592,759	11,775,450	34,592,759
Refundable Deposit on Lease Permisses	4,836,388	4,472,279	4,836,388	4,472,279
	<u>1,161,349,407</u>	<u>1,254,144,525</u>	<u>55,570,525</u>	<u>91,665,316</u>
Investment in Logicare (Pvt) Ltd	-	-	633,000,000	633,000,000
Current Assets				
Trade and Other Receivables	210,336,741	861,953,667	68,501,286	763,465,364
Amount due from Related Party	-	-	15,693,477	-
Loans & Advances to Tea Suppliers	1,702,560,927	724,903,358	1,702,560,927	724,903,358
Cash and Cash Equivalents	69,868,488	67,854,077	62,823,126	63,781,601
	<u>1,982,766,156</u>	<u>1,654,711,102</u>	<u>1,849,578,816</u>	<u>1,552,150,323</u>
Total Assets	<u>3,144,115,564</u>	<u>2,908,855,627</u>	<u>2,538,149,342</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	125,090,382	47,391,079	448,690,563	341,804,020
Revaluation Reserve	129,759,524	129,759,524	-	-
Total Equity	<u>588,049,906</u>	<u>510,350,603</u>	<u>781,890,563</u>	<u>675,004,020</u>
Non-Current Liabilities				
Deffered Tax Liability	26,414,761	26,414,761	-	-
Interest Bearing Borrowings	1,036,447,109	977,514,966	391,531,973	345,890,742
Lease Payables	1,639,813	15,487,821	-	5,804,378
Retirement Benefit Obligation	47,960,304	43,520,681	39,365,038	35,445,540
	<u>1,112,461,987</u>	<u>1,062,938,229</u>	<u>430,897,011</u>	<u>387,140,660</u>
Current Liabilities				
Trade and Other Payables	110,322,977	653,455,741	45,377,800	618,166,672
Lease Payables	24,783,082	42,242,071	11,445,026	21,752,648
Interest Bearing Borrowings	438,122,806	556,658,318	416,922,806	496,775,949
Tax Payable	68,375,547	13,470,268	68,375,547	13,470,268
Bank Overdrafts	801,999,258	69,740,397	783,240,581	64,505,422
	<u>1,443,603,670</u>	<u>1,335,566,795</u>	<u>1,325,361,760</u>	<u>1,214,670,959</u>
Total Liabilities	<u>2,556,065,657</u>	<u>2,398,505,024</u>	<u>1,756,258,771</u>	<u>1,601,811,619</u>
Total Equity and Liabilities	<u>3,144,115,564</u>	<u>2,908,855,627</u>	<u>2,538,149,342</u>	<u>2,276,815,639</u>
Net Asset Value Per Share	3.22	2.80	4.29	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


Director

26th January 2023
Colombo

CEYLON TEA BROKERS PLC
Statement of Changes in Equity
For the Period Ended 31st December

	Stated Capital Rs.	Retained Earnings Rs.	Revaluation Reserve Rs.	Total Rs.
<u>GROUP</u>				
Balance as at 01.04.2021	333,200,000	97,824,452	-	431,024,452
Profit for the period ended 31.12.2021	-	10,125,464	-	10,125,464
Dividend Paid	-	(63,840,000)	-	(63,840,000)
Balance as at 31.12.2021	<u>333,200,000</u>	<u>44,109,916</u>	<u>-</u>	<u>377,309,916</u>
Balance as at 01.04.2022	333,200,000	47,391,079	129,759,524	510,350,603
Profit for the period ended 31.12.2022	-	143,363,303	-	143,363,303
Dividend Paid	-	(65,664,000)	-	(65,664,000)
Balance as at 31.12.2022	<u>333,200,000</u>	<u>125,090,382</u>	<u>129,759,524</u>	<u>588,049,906</u>
<u>COMPANY</u>				
Balance as at 01.04.2021	333,200,000	300,243,668	-	633,443,668
Profit for the period ended 31.12.2021	-	69,907,173	-	69,907,173
Dividend Paid	-	(63,840,000)	-	(63,840,000)
Balance as at 31.12.2021	<u>333,200,000</u>	<u>306,310,841</u>	<u>-</u>	<u>639,510,841</u>
Balance as at 01.04.2022	333,200,000	341,804,020	-	675,004,020
Profit for the period ended 31.12.2022	-	172,550,542	-	172,550,542
Dividend Paid	-	(65,664,000)	-	(65,664,000)
Balance as at 31.12.2022	<u>333,200,000</u>	<u>448,690,563</u>	<u>-</u>	<u>781,890,563</u>

figures in brackets indicate deductions.

CEYLON TEA BROKERS PLC
Statement of Cash Flows
For the Period Ended 31st December 2022

	GROUP		COMPANY	
	31.12.2022 Rs.	31.12.2021 Rs.	31.12.2022 Rs.	31.12.2021 Rs.
Cash Flow From Operating Activities				
Profit Before Taxation	231,118,520	39,764,253	260,305,759	99,545,962
<i>Adjustments for ;</i>				
Depreciation/Amortisation	81,632,859	66,169,275	19,306,069	17,136,805
Interest /Investment Income	(46,638,582)	(3,221,164)	(46,061,293)	(2,901,133)
Interest Expense	228,657,393	91,275,748	182,447,784	47,746,451
Provision for Retirement Benefit Obligation	5,400,000	5,400,000	4,500,000	4,500,000
Provision for Bad and Doubtful Debt	13,950,000	20,000,000	13,500,000	20,000,000
Profit on PPE Disposal	(42,120)	(38,705)	(42,120)	-
Operating Profit Before Working Capital Changes	514,078,070	219,349,407	433,956,199	186,028,085
Increase/Decrease in Working Capital				
(Increase)/ Decrease in Trade and Other Receivables	651,616,926	495,803,495	694,964,078	533,133,175
Loans (Disbursements)/Recoveries From (To) Tea Suppliers	(968,790,260)	(148,532,446)	(968,340,260)	(148,532,446)
Increase/(Decrease) in Trade and Other Payables	(543,132,764)	(412,578,257)	(572,788,872)	(409,578,110)
(Increase)/Decrease in Related Party Receivable	-	-	(15,693,477)	(79,881,098)
Cash Generated from/ (Used in) Operating Activities	(346,228,028)	154,042,199	(427,902,332)	81,169,606
Tax Paid	(32,849,937)	(38,086,132)	(32,849,937)	(38,086,132)
Gratuity Paid	(960,375)	(360,375)	(580,500)	(360,375)
Net Cash Generated / (Used in) from Operating Activities	(380,038,340)	115,595,692	(461,332,769)	42,723,099
Cash Flow From Investing Activities				
Interest Received	46,274,473	2,893,138	45,697,184	2,573,107
Investment of Unit Trusts	(700,000,000)	-	(700,000,000)	-
Unit Trust Investment Redeemed	700,000,000	-	700,000,000	-
Proceeds from Disposal of PPE	42,120	835,897	42,120	397,635
Acquisition of Intangible Assets	-	(2,754,571)	-	(2,754,571)
Payment of Lease Liabilities	(34,044,959)	(29,981,002)	(17,706,355)	(16,428,420)
Purchase of Property, Plant & Equipment	(11,290,942)	(97,793,770)	(5,664,490)	(2,507,904)
Net cash flow from / (Used in) Investing Activities	980,692	(126,800,308)	22,368,460	(18,720,153)
Cash Flow From Financing Activities				
Interest Paid	(225,919,432)	(86,526,592)	(180,853,429)	(44,749,321)
Dividend Paid	(65,664,000)	(63,840,000)	(65,664,000)	(63,840,000)
Movement in Interest Bearing Borrowings				
Commercial Paper Issued	350,000,000	-	350,000,000	-
Commercial Paper Settled	(350,000,000)	-	(350,000,000)	-
Loan repayment made during the period	(1,119,603,370)	(2,673,431,026)	(1,074,211,895)	(2,494,652,979)
Loan obtained during the period	1,060,000,000	2,656,961,642	1,040,000,000	2,389,661,642
Net cash flow from / (Used in) Financing Activities	(351,186,802)	(166,835,976)	(280,729,324)	(213,580,658)
Net Increase in Cash and Cash Equivalents	(730,244,450)	(178,040,592)	(719,693,634)	(189,577,712)
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	(732,130,770)	(157,071,685)	(720,417,455)	(131,800,996)

figures in brackets indicate deductions.

Notes to the Financial Statements:

1. Figures for the period ended as at 31st December 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.

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 31st December 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	842,584,950	428,493,716	1,271,078,666
Total Segment Revenue	<u>842,584,950</u>	<u>428,493,716</u>	<u>1,271,078,666</u>
Segment Profit/ (Loss) Before Tax	260,305,759	(29,187,239)	231,118,520
Depreciation and Amortization	19,306,069	62,326,790	81,632,859
Interest Expense	182,447,784	46,209,609	228,657,393
Impairment/Write off on Financial Assets	-	-	-
Segmental Assets	1,905,149,342	1,195,432,867	3,100,582,209
Unallocated Assets			<u>43,533,355</u>
Total Segmental Asset			<u>3,144,115,564</u>
Segmental Liabilities	1,756,258,771	799,806,886	2,556,065,657

10. Market prices recorded during the period ended 31st December 2022.

<u>2022/23 -3rd Quarter</u>			<u>2021/22 -3rd Quarter</u>		
Highest	Rs. 5.50	Date: 03.10.2022	Highest	Rs. 4.70	Date: 28.12.2021
Lowest	Rs. 3.80	Date: 25.11.2022	Lowest	Rs. 3.90	Date: 23.12.2021
Closing	Rs. 4.20	Date: 30.12.2022	Closing	Rs. 4.20	Date: 31.12.2021

11. The float adjusted market capitalization as at 31st December 2022 - Rs. 117,104,471.40

12. Percentage of public holding as at 31st December 2022 was 15.286% comprising 2754 shareholders.

13. The float adjusted market capitalization of the company falls under option 2 of Rule 7.14.1 (i) (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 31st December 2022

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

Notes to the Financial Statements (Continued):

15. 21 major shareholders as at 31st December 2022

Shareholder's Name	As At 31st December 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/KANDAIAH 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 PEOPLE'S LEASING & FINANCE PLC/MR.M.I.SAMSUDEEN	674,914	0.370%
11 Dr. A.R.,MOHAMED	542,281	0.297%
12 ASSETLINE LEASING COMPANY LTD/D.B.N.SAMARATHUNGA	504,755	0.277%
13 MR.W.D.N.H.PERERA	500,356	0.274%
14 MR.K.S.M.RODRIGO	500,000	0.274%
15 MASKELIYA TEA EXPORTS PRIVATE LIMITED	471,691	0.259%
16 MR. Y.L.NANDASENA	454,004	0.249%
17 MR.H.R.A.THISERA	393,145	0.216%
18 MR.M.H.A.KAMIL	342,062	0.188%
19 MR.H.M.WIJERATHNA	305,000	0.167%
20 DIALOG FINANCE PLC/A.S.M.SHIYAM	300,000	0.164%
21 HATTON NATIONAL BANK PLC/JAYASINGHE CHANDANA DESHANTHA DE ALWIS	300,000	0.164%
Others	164,248,096	90.048%
	<u>18,151,904</u>	<u>9.952%</u>
	<u>182,400,000</u>	<u>100.00%</u>