



CEYLON TEA BROKERS PLC

PB 1280 PQ

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30TH JUNE 2023

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

	GROUP			COMPANY		
	For the Quarter Ended		Variance %	For the Quarter Ended		Variance %
	30.06.2023	30.06.2022		30.06.2023	30.06.2022	
	Rs.	Rs.		Rs.	Rs.	
Revenue	424,360,764	391,355,172	8%	299,026,930	253,153,562	18%
Operating Expenses	(136,983,388)	(141,353,173)	-3%	(38,677,511)	(26,125,995)	48%
Gross Profit	287,377,377	250,001,999	15%	260,349,420	227,027,567	15%
Marketing Expenses	(10,637,834)	(8,148,251)	31%	(8,786,619)	(7,107,286)	24%
Administration Expenses	(127,681,649)	(121,207,449)	5%	(106,358,602)	(101,960,436)	4%
Net Finance Expenses	(101,798,758)	(46,308,089)	120%	(83,986,076)	(31,749,058)	165%
Profit Before Tax	47,259,135	74,338,210	-36%	61,218,122	86,210,787	-29%
Income Tax Expenses	(20,814,162)	(28,562,927)	-27%	(20,814,162)	(28,562,927)	-27%
Profit After Tax	26,444,973	45,775,283	-42%	40,403,960	57,647,860	-30%
Other Comprehensive Income/(Loss)	-	-		-	-	
Profit for the Period	26,444,973	45,775,283	-42%	40,403,960	57,647,860	-30%
Earnings Per Share	0.14	0.25		0.22	0.32	

figures in brackets indicate deductions.

CEYLON TEA BROKERS PLC
Statement of Financial Position

As at	GROUP		COMPANY	
	Unaudited 30.06.2023 Rs.	Audited 31.03.2023 Rs.	Unaudited 30.06.2023 Rs.	Audited 31.03.2023 Rs.
ASSETS				
Non-Current Assets				
Property, Plant & Equipment	882,330,514	881,086,854	23,668,592	11,113,847
Right of Use Assets	163,513,599	174,801,015	-	4,811,908
Intangible Assets	60,097,359	62,585,596	2,040,476	2,450,624
Deferred Tax Asset	-	-	20,981,085	20,981,086
Refundable Deposit on Lease Premises	5,051,329	4,964,230	5,051,329	4,964,230
Loans & Advances to Tea Suppliers	19,979,927	6,450,608	19,979,927	6,450,608
	<u>1,130,972,728</u>	<u>1,129,888,303</u>	<u>71,721,409</u>	<u>50,772,303</u>
Investment in Logicare (Pvt) Ltd	-	-	633,000,000	633,000,000
Current Assets				
Trade and Other Receivables	905,929,881	812,660,711	737,958,888	683,615,424
Amount due from Related Party	-	-	15,632,799	-
Short Term Investment	257,524,734	-	257,524,734	-
Loans & Advances to Tea Suppliers	1,464,686,247	1,346,118,906	1,464,686,247	1,346,118,906
Cash and Cash Equivalents	43,289,064	71,395,884	35,413,197	64,157,125
	<u>2,671,429,926</u>	<u>2,230,175,501</u>	<u>2,511,215,865</u>	<u>2,093,891,455</u>
Total Assets	<u>3,802,402,654</u>	<u>3,360,063,804</u>	<u>3,215,937,274</u>	<u>2,777,663,758</u>
EQUITY AND LIABILITIES				
Capital and Reserves				
Stated Capital	333,200,000	333,200,000	333,200,000	333,200,000
Retained Earnings	193,843,611	167,398,638	557,290,413	516,886,453
Revaluation Reserve	119,515,351	119,515,351	-	-
Total Equity	<u>646,558,962</u>	<u>620,113,989</u>	<u>890,490,413</u>	<u>850,086,453</u>
Non-Current Liabilities				
Interest Bearing Borrowings	1,015,555,542	880,717,404	397,222,230	317,856,828
Lease Payable	627,409	868,095	-	-
Deferred Tax Liability	30,239,780	30,239,780	-	-
Retirement Benefit Obligation	52,461,502	52,697,754	42,287,975	42,824,227
	<u>1,098,884,233</u>	<u>964,523,033</u>	<u>439,510,205</u>	<u>360,681,055</u>
Current Liabilities				
Trade and Other Payables	594,936,797	604,094,478	526,491,934	539,035,582
Interest Bearing Borrowings	1,077,522,929	749,419,591	1,031,660,045	644,793,047
Lease Payable	3,642,536	14,619,723	-	5,804,376
Tax Payable	81,397,941	70,183,780	81,397,942	70,183,780
Bank Overdrafts	299,459,256	337,109,210	246,386,735	307,079,465
	<u>2,056,959,459</u>	<u>1,775,426,782</u>	<u>1,885,936,656</u>	<u>1,566,896,250</u>
Total Liabilities	<u>3,155,843,692</u>	<u>2,739,949,815</u>	<u>2,325,446,861</u>	<u>1,927,577,305</u>
Total Equity and Liabilities	<u>3,802,402,654</u>	<u>3,360,063,804</u>	<u>3,215,937,274</u>	<u>2,777,663,758</u>
Net Asset Value Per Share	3.54	3.40	4.88	4.66


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

11th August 2023
Colombo

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

	Stated Capital Rs.	Revaluation Reserve Rs.	Retained Earnings Rs.	Total Rs.
GROUP				
Balance as at 01.04.2022	333,200,000	129,759,524	47,391,079	510,350,603
Profit for the period ended 30.06.2022	-	-	45,775,283	45,775,283
Dividend Paid	-	-	(65,664,000)	(65,664,000)
Balance as at 30.06.2022	<u>333,200,000</u>	<u>129,759,524</u>	<u>27,502,362</u>	<u>490,461,886</u>
Balance as at 01.04.2023	333,200,000	119,515,351	167,398,638	620,113,989
Profit for the period ended 30.06.2023	-	-	26,444,973	26,444,973
Balance as at 30.06.2023	<u>333,200,000</u>	<u>119,515,351</u>	<u>193,843,611</u>	<u>646,558,962</u>
COMPANY				
Balance as at 01.04.2022	333,200,000	-	341,804,020	675,004,020
Profit for the period ended 30.06.2022	-	-	57,647,860	57,647,860
Dividend Paid	-	-	(65,664,000)	(65,664,000)
Balance as at 30.06.2022	<u>333,200,000</u>	<u>-</u>	<u>333,787,880</u>	<u>666,987,880</u>
Balance as at 01.04.2023	333,200,000	-	516,886,453	850,086,453
Profit for the period ended 30.06.2023	-	-	40,403,960	40,403,960
Balance as at 30.06.2023	<u>333,200,000</u>	<u>-</u>	<u>557,290,413</u>	<u>890,490,413</u>

figures in brackets indicate deductions.

CEYLON TEA BROKERS PLC

Statement of Cash Flows

For the Period Ended 30th June

	GROUP		COMPANY	
	30.06.2023 Rs.	30.06.2022 Rs.	30.06.2023 Rs.	30.06.2022 Rs.
<u>Cash Flow From Operating Activities</u>				
Profit Before Taxation	47,259,135	74,338,210	61,218,122	86,210,787
<i>Adjustments for ;</i>				
Depreciation/Amortisation	27,476,644	27,557,992	6,571,381	6,371,292
Interest Income	(8,886,043)	(7,578,693)	(8,886,043)	(7,399,402)
Interest Expense	103,215,514	54,015,262	85,402,832	39,831,625
Disposal (Profit)/Loss on Property, Plant and Equipment	-	(42,120)	-	(42,120)
Provision for Retirement Benefit Obligation	1,800,000	1,800,000	1,500,000	1,500,000
Provision for Bad and Doubtful Debt	4,650,000	4,500,000	4,500,000	4,500,000
Cash Generated from Operating Activities Before Working Capital Changes	175,515,250	154,590,651	150,306,292	130,972,182
<u>Increase/Decrease in Working Capital</u>				
(Increase)/ Decrease in Trade and Other Receivables	(93,269,170)	(189,383,755)	(54,343,464)	(157,189,633)
Loans & Advances (Disbursements to)/Recoveries From Tea Suppliers	(136,746,660)	(29,632,587)	(136,596,660)	(29,632,587)
Increase/(Decrease) in Trade and Other Payables	(9,157,681)	222,542,499	(12,543,648)	202,381,159
(Increase)/Decrease in Related Party Receivable	-	-	(15,632,799)	565,942
Cash Generated from/(Used In) Operating Activities	(63,658,262)	158,116,808	(68,810,277)	147,097,063
Tax Paid	(9,600,000)	(7,500,000)	(9,600,000)	(7,500,000)
Gratuity Paid	(2,036,250)	(164,000)	(2,036,250)	(164,000)
Net Cash Generated from/(Used In) Operating Activities	(75,294,512)	150,452,808	(80,446,527)	139,433,063
<u>Cash Flow From Investing Activities</u>				
Interest Received	1,274,210	7,460,476	1,274,210	7,281,185
Proceeds from sale of Assets	-	42,120	-	42,120
Investment made during the year	(250,000,000)	(506,315,093)	(250,000,000)	(506,315,093)
Purchase of Property, Plant & Equipment	(14,944,658)	(2,524,489)	(13,904,080)	(2,094,589)
Net Cash Generated from/(Used In) Investing Activities	(263,670,448)	(501,336,986)	(262,629,870)	(501,086,377)
<u>Cash Flow From Financing Activities</u>				
Interest Paid	(103,058,449)	(53,332,104)	(85,347,385)	(39,148,460)
Lease Payments	(11,374,926)	(11,420,522)	(5,859,808)	(5,986,705)
<u>Movement in Interest Bearing Borrowings</u>				
Loan repayment made during the period	(1,022,058,526)	(310,971,262)	(973,767,609)	(296,961,635)
Loan obtained during the period	1,485,000,000	290,000,000	1,440,000,000	290,000,000
Net Cash Generated from/(Used In) Financing Activities	348,508,099	(85,723,888)	375,025,198	(52,096,800)
Net Decrease in Cash and Cash Equivalents	9,543,138	(436,608,069)	31,948,803	(413,750,110)
Cash and Cash Equivalents at the Beginning of the Period	(265,713,326)	(1,886,320)	(242,922,340)	(723,821)
Cash and Cash Equivalents at the End of the Period	(256,170,191)	(438,494,391)	(210,973,537)	(414,473,931)

figures in brackets indicate deductions.

Notes to the Financial Statements:

1. Figures for the period ended as at 30th June 2023 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 2023.

-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 – 2022/2023
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 30th June 2023

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.

	Business Segments		
	Tea Broking & Related Services	Warehousing & Logistics	Total
	2023/24	2023/24	2023/24
Segment Revenue			
External Sales	299,026,930	125,106,259	424,133,189
Internal Sales	-	227,575	-
Total Segment Revenue	<u>299,026,930</u>	<u>125,333,834</u>	<u>424,133,189</u>
Segment Profit/ (Loss) Before Tax	61,218,122	(13,958,987)	47,259,135
Depreciation and Amortization	6,571,381	20,905,263	27,476,644
Interest Income	8,886,043	-	8,886,043
Interest Expense	85,402,832	17,812,682	103,215,514
Impairment/Write off on Financial Assets	4,500,000	150,000	4,650,000
Segmental Assets	2,546,323,391	1,212,545,909	3,758,869,300
Unallocated Assets			<u>43,533,355</u>
Total Segmental Asset			<u><u>3,802,402,655</u></u>
Segmental Liabilities	2,325,446,854	830,396,846	3,155,843,700

10. Market prices recorded during the period ended 30th June 2023

2023/24-1st Quarter

Highest	Rs. 4.80	Date:	14.06.2023
Lowest	Rs. 3.90	Date:	30.05.2023
Last Traded	Rs. 4.60	Date:	28.06.2023

11. The float adjusted market capitalization as at 30th June 2023 - Rs. 129,423,033.20

12. Percentage of public holding as at 30th June 2023 was 15.425% comprising 2,660 shareholders.

13. The float adjusted market capitalization of the company falls under option 2 of Rule 7.13.1 (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 30th June 2023

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. H T D Nonis	10,000	0.005%
Mr. Z Mohamed	-	-
Ms. N T M S Cooray	10,908,751	5.981%
Ms. H M S Perera	1,390,492	0.762%
Mr. C P R Perera	3,500,000	1.919%
Mr. B R L Fernando	22,640	0.012%
Mr. K H S Deshapriya	-	-

Notes to the Financial Statements (Continued):

15. 30 major shareholders as at 30th June 2023

Shareholder's Name	As At 30th June 2023	
	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 MS 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 W.D.N.H. PERERA	3,158,555	1.732%
7 MR A.D. EDUSSURIYA	2,000,000	1.096%
8 HATTON NATIONAL BANK PLC/KANDAI AH KANAPATHIPILLAI SHUJEEVAN	1,850,523	1.015%
9 MS H.M.S. PERERA	1,390,492	0.762%
10 MR P.G. PIYASIRI	957,447	0.525%
11 PEOPLE'S LEASING & FINANCE PLC/MR.M.I.SAMSUDEEN	693,630	0.380%
12 MR S.YUSOOF	500,000	0.274%
13 MASKELIYA TEA EXPORTS PVT LTD	471,691	0.259%
14 MR H.R.A. TISSERA	388,145	0.213%
15 MR Y.L. NANDASENA	383,999	0.211%
16 MR M.H.A. KAMIL	342,062	0.188%
17 MR U.L.A.P.RUKSHAN	300,000	0.164%
18 MR K.S.M. RODRIGO	300,000	0.164%
19 DIALOG FINANCE PLC/A.S.M.SHIYAM	300,000	0.164%
20 MR V. SIVAKUMAR	254,605	0.140%
21 SINDBAD (PRIVATE) LIMITED	250,000	0.137%
22 DR A.A.M. DHARMADASA	235,457	0.129%
23 CITIZENS DEVELOPMENT BUSINESS FINANCE PLC/A.M.A.P.K. DISSANAYAKE	225,882	0.124%
24 PEOPLE'S LEASING & FINANCE PLC/DR.H.S.D.SOYSA & MRS.G.SOYSA	210,400	0.115%
25 MR R.V.D. PIYATHILAKE & MR R.V.D.C.G. RAJAPAKSE	210,020	0.115%
26 MR N.A. WITHANA	208,000	0.114%
27 DR A.R. MOHAMED	204,571	0.112%
28 MR W.A.S. CHATHUMADHURA	200,000	0.001096
29 MR M. DAYANANDA	200,000	0.001096
30 MR K.T.KARUNANAYAKE /MRS D.U.KOKU HANNEDIGE	200,000	0.001096
	168,196,905	92.213%
OTHERS	14,203,095	7.787%
	182,400,000	100.00%