



**Ceylon
Tea
Brokers**

Ceylon Tea Brokers PLC

Interim Financial Statement for the
Quarter Ended 30th September 2023

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 %
	30.09.2023	30.09.2022		30.09.2023	30.09.2022		30.09.2023	30.09.2022		30.09.2023	30.09.2022	
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		
Revenue	457,515,328	438,668,578	4%	874,383,608	832,516,794	5.03%	289,488,632	300,466,968	-4%	581,023,078	553,616,780	4.95%
Operating Expenses	(175,709,133)	(150,550,541)	17%	(312,525,617)	(292,541,830)	6.83%	(42,934,736)	(35,263,755)	22%	(81,612,247)	(61,389,750)	32.94%
Gross Profit	281,806,195	288,118,037	-2%	561,857,991	539,974,964	4.05%	246,553,896	265,203,213	-7%	499,410,831	492,227,030	1.46%
Marketing Expenses	(26,806,882)	(25,522,433)	5%	(48,611,622)	(58,172,697)	-16.44%	(23,917,326)	(24,331,468)	-2%	(43,703,946)	(55,105,420)	-20.69%
Administration Expenses	(118,070,525)	(102,946,941)	15%	(234,752,173)	(200,336,322)	17.18%	(94,131,150)	(83,759,206)	12%	(189,489,751)	(160,836,905)	17.81%
Net Finance Expenses	(81,544,568)	(55,976,546)	46%	(175,850,841)	(104,412,582)	68.42%	(63,609,088)	(41,567,515)	53%	(140,102,680)	(74,528,894)	87.98%
Profit Before Taxation	55,384,220	103,672,117	-47%	102,643,356	177,053,363	-42.03%	64,896,332	115,545,024	-44%	126,114,455	201,755,811	-37.49%
Taxation	(22,064,753)	(39,285,308)	-44%	(42,878,915)	(67,848,235)	-36.80%	(22,064,753)	(39,285,308)	-44%	(42,878,915)	(67,848,235)	-36.80%
Profit After Taxation	33,319,467	64,386,809	-48%	59,764,441	109,205,128	-45%	42,831,579	76,259,716	-44%	83,235,540	133,907,576	-37.84%
Other Comprehensive Income/(Loss)	-	-		-	-		-	-		-	-	
Profit for the Period	33,319,467	64,386,809	-48%	59,764,441	109,205,128	-45%	42,831,579	76,259,716	-44%	83,235,540	133,907,576	-37.84%
Basic Earnings Per Share	0.18	0.35		0.33	0.60		0.23	0.42		0.46	0.73	

figures in brackets indicate deductions.

CEYLON TEA BROKERS PLC
Statement of Financial Position

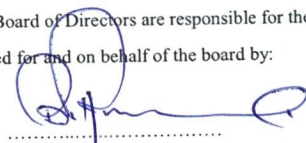
As at	GROUP		COMPANY	
	Unaudited 30.09.2023 Rs.	Audited 31.03.2023 Rs.	Unaudited 30.09.2023 Rs.	Audited 31.03.2023 Rs.
ASSETS				
Non-Current Assets				
Property, Plant & Equipment	870,028,443	881,086,854	19,155,346	11,113,847
Right of Use Asset	205,415,009	174,801,015	-	4,811,908
Intangible Assets	60,780,005	62,585,596	1,684,226	2,450,624
Deferred Tax Asset	-	-	20,981,085	20,981,086
Loans & Advances to Tea Suppliers	37,247,387	6,450,608	37,247,387	6,450,608
Refundable Deposit on Lease Permisses	10,766,876	4,964,230	6,595,660	4,964,230
	1,184,237,720	1,129,888,303	85,663,704	50,772,303
Investment in Logicare (Pvt) Ltd	-	-	633,000,000	633,000,000
Current Assets				
Trade and Other Receivables	835,381,130	812,660,711	655,889,162	683,615,424
Amount due from Related Party			16,339,606	
Loans & Advances to Tea Suppliers	1,136,002,442	1,346,118,906	1,136,002,442	1,346,118,906
Investment in Unit trusts	422,161,973	-	422,161,973	-
Cash and Cash Equivalents	71,752,423	71,395,884	64,168,439	64,157,125
	2,465,297,968	2,230,175,501	2,294,561,622	2,093,891,455
Total Assets	3,649,535,689	3,360,063,804	3,013,225,326	2,777,663,758
EQUITY AND LIABILITIES				
Capital and Reserves				
Stated Capital	333,200,000	333,200,000	333,200,000	333,200,000
Retained Earnings	103,131,079	167,398,638	476,089,994	516,886,453
Revaluation Reserve	119,515,351	119,515,351	-	-
Total Equity	555,846,430	620,113,989	809,289,994	850,086,453
Non-Current Liabilities				
Deffered Tax Liability	30,239,780	30,239,780		
Interest Bearing Borrowings	1,153,931,297	880,717,404	548,888,897	317,856,828
Lease Payables	18,688,051	868,095	-	-
Retirement Benefit Obligation	51,541,502	52,697,754	34,519,225	42,824,227
	1,254,400,630	964,523,033	583,408,122	360,681,055
Current Liabilities				
Trade and Other Payables	590,000,902	604,094,478	490,046,093	539,035,582
Lease Payables	29,756,162	14,619,723		5,804,376
Interest Bearing Borrowings	1,001,606,463	749,419,591	955,743,566	644,793,047
Tax Payable	31,460,395	70,183,780	31,460,395	70,183,780
Bank Overdrafts	186,464,706	337,109,210	143,277,155	307,079,465
	1,839,288,629	1,775,426,782	1,620,527,210	1,566,896,250
Total Liabilities	3,093,689,259	2,739,949,815	2,203,935,332	1,927,577,305
Total Equity and Liabilities	3,649,535,689	3,360,063,804	3,013,225,326	2,777,663,758
Net Asset Value Per Share	3.05	3.40	4.44	4.66


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


Director-Finance

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
09th November 2023
Colombo


Director

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

	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 30.09.2022	-	-	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>-</u>	<u>90,932,207</u>	<u>553,891,731</u>
Balance as at 01.04.2023	333,200,000	119,515,351	167,398,638	620,113,989
Profit for the period ended 30.09.2023	-	-	59,764,441	59,764,441
Other Comprehensive Income	-	-	-	-
Dividend Paid	-	-	(124,032,000)	(124,032,000)
Balance as at 30.09.2023	<u>333,200,000</u>	<u>119,515,351</u>	<u>103,131,079</u>	<u>555,846,430</u>
		Stated Capital Rs.	Retained Earnings Rs.	Total Rs.
COMPANY				
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>410,047,596</u>	<u>743,247,596</u>
Balance as at 01.04.2023		333,200,000	516,886,453	850,086,453
Profit for the period ended 30.09.2023		-	83,235,540	83,235,540
Other Comprehensive Income		-	-	-
Dividend Paid		-	(124,032,000)	(124,032,000)
Balance as at 30.09.2023		<u>333,200,000</u>	<u>476,089,994</u>	<u>809,289,994</u>

figures in brackets indicate deductions.

CEYLON TEA BROKERS PLC
Statement of Cash Flows
For the Period Ended 30th September 2023

	GROUP		COMPANY	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
	Rs.	Rs.	Rs.	Rs.
Cash Flow From Operating Activities				
Profit Before Taxation	102,643,356	177,053,363	126,114,455	201,755,811
<i>Adjustments for ;</i>				
Depreciation	33,078,905	32,526,597	4,031,767	3,142,135
Amortization	19,067,750	21,680,553	4,811,909	9,623,835
Interest/Investment Income	(25,362,090)	(31,723,474)	(24,724,001)	(31,723,474)
Interest Expense	199,659,803	111,402,599	164,695,460	106,252,369
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	9,350,000	9,000,000	9,000,000
Disposal (Profit)/Loss on Property, Plant and Equipment	(9,871,900)	(42,120)	(9,871,900)	(42,120)
Operating Profit Before Working Capital Changes	332,165,824	323,847,518	277,057,690	301,008,556
Increase/Decrease in Working Capital				
(Increase)/ Decrease in Trade and Other Receivables	(22,720,622)	(74,073,892)	27,726,262	(57,533,020)
Loans (Disbursements)/Recoveries From (To) Tea Suppliers	169,969,685	(383,404,054)	170,319,685	(383,054,054)
Increase/(Decrease) in Trade and Other Payables	(14,093,576)	376,150,240	(48,989,489)	345,309,574
(Increase)/Decrease in Related Party Receivable	-	-	(16,339,606)	515,459
Cash Generated from Operating Activities	465,321,311	242,519,812	409,774,542	206,246,515
Tax Paid	(81,602,300)	(23,249,937)	(81,602,300)	(23,249,937)
Gratuity Paid	(4,756,250)	(747,875)	(11,305,000)	(368,000)
Net Generated from Operating Activities	378,962,761	218,522,000	316,867,242	182,628,578
Cash Flow From Investing Activities				
Interest Received	3,068,897	31,392,469	2,430,808	31,392,469
Proceeds from sale of Assets	12,706,857	42,120	12,706,857	42,120
Refundable Deposit	(5,671,426)	(10,058,400)	(1,500,210)	-
Investment made during the year	(400,000,000)	(600,000,000)	(400,000,000)	(600,000,000)
Investment redeemed during the year	-	500,000,000	-	500,000,000
Purchase of Property, Plant & Equipment	(23,049,869)	(2,886,000)	(14,141,835)	(2,249,600)
Net cash flow from (Used in) Investing Activities	(412,945,542)	(81,509,811)	(400,504,381)	(70,815,011)
Cash Flow From Financing Activities				
Interest Paid	(198,353,788)	(109,323,634)	(164,640,013)	(105,036,298)
Payment of Lease Liabilities	(18,031,353)	(22,726,425)	(5,859,823)	(11,846,530)
Dividend Paid	(124,032,000)	(65,664,000)	(124,032,000)	(65,664,000)
Movement in Interest Bearing Borrowings				
Loan repayment made during the period	(2,522,774,378)	(861,770,645)	(2,461,192,744)	(833,870,091)
Loan obtained during the period	2,935,000,000	545,000,000	2,890,000,000	545,000,000
Commercial papers issued	113,175,342	350,000,000	113,175,342	350,000,000
Net cash flow from Financing Activities	184,983,823	(164,484,704)	247,450,762	(121,416,919)
Net Increase/ (Decrease) in Cash and Cash Equivalents	151,001,043	(27,472,515)	163,813,624	(9,603,352)
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	(114,712,283)	(29,358,835)	(79,108,716)	(10,327,173)

figures in brackets indicate deductions.

Notes to the Financial Statements:

1. Figures for the period ended as at 30th September 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.

Tea handling operations were transferred back to Logicare (Pvt) Ltd from Ceylon Tea Brokers PLC w.e.f 1st September 2023. 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 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.

	Segments		Total 2023/24
	Tea Brokering 2023/24	Warehousing 2023/24	
Segment Revenue			
External Sales	581,023,078	293,360,530	874,383,608
Total Segment Revenue	<u>581,023,078</u>	<u>293,360,530</u>	<u>874,383,608</u>
Segment Profit/ (Loss) Before Tax	126,114,455	(23,471,099)	102,643,356
Depreciation and Amortization	8,843,676	43,302,980	52,146,655
Interest Expense	164,695,460	34,964,343	199,659,803
Impairment/Write off on Financial Assets	-	-	-
Segmental Assets	2,380,225,326	1,225,777,007	3,606,002,333
Unallocated Assets			<u>43,533,355</u>
Total Segmental Asset			<u><u>3,649,535,688</u></u>
Segmental Liabilities	2,203,935,332	889,753,927	3,093,689,259

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

<u>2023/24 -2nd Quarter</u>			<u>2022/23 -2nd Quarter</u>		
Highest	Rs.6.00	Date: 31.07.2023	Highest	Rs.6.30	Date: 23.09.2022
Lowest	Rs.4.50	Date: 22.08.2023	Lowest	Rs.2.90	Date: 11.07.2022
Closing	Rs.4.80	Date: 27.09.2023	Closing	Rs.5.20	Date: 30.09.2022

11. The float adjusted market capitalization as at 30th September 2023 - Rs. 135,050,121.60

12. Percentage of public holding as at 30th September 2023 was 15.425% 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 2023

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	-	-
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. 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 2023

Shareholder's Name	As At 30th September 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 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	1,563,170	0.857%
8 MS H M S PERERA	1,390,492	0.762%
9 MR.S.YUSOOF	1,000,000	0.548%
10 MR.P.G.PIYASIRI	613,000	0.336%
11 PEOPLES LEASING & FINANCE PLC/MR.M.I.SAMSUDEEN	580,068	0.318%
12 MR.K.T.KARUNANAYAKE & MRS.D.U.KOKU HANNEDIGE	530,000	0.291%
13 MR.S.S.SITHAMBARANATHAN	505,446	0.277%
14 MR.G.G.M.A.A.JAMEEL	475,000	0.260%
15 MR.E.N.WEERAKOON	400,000	0.219%
16 MR.H.R.A.TISSERA	373,871	0.205%
17 MR.M.H.A.KAMIL	342,062	0.188%
18 MR.Y.L.NANDASENA	339,318	0.186%
19 ACUITY PARTNERS(PVT) LTD/MR.HENRY ANTHONY ROHAN PIERIS	310,000	0.170%
20 DIALOG FINANCE PLC/MR.A.S.M.SHIYAM	300,000	0.164%
21 MR.P.K.D.T.H.SOMADASA	300,000	0.164%
22 MR.V.SIVAKUMAR	254,605	0.140%
23 MR.V.R.A.PERERA	250,000	0.137%
24 MR.M.RAMAKRISHNAN	250,000	0.137%
25 DR.A.A.M.DHARMADASA	235,457	0.129%
	<u>164,773,915</u>	<u>90.337%</u>
Others	<u>17,626,085</u>	<u>9.663%</u>
	<u>182,400,000</u>	<u>100.00%</u>