



CEYLON TEA BROKERS PLC

PB 1280 PQ

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31ST DECEMBER 2023

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 %
	31.12.2023	31.12.2022		31.12.2023	31.12.2022		31.12.2023	31.12.2022		31.12.2023	31.12.2022	
	Rs.	Rs.		Rs.	Rs.		Rs.	Rs.		Rs.	Rs.	
Revenue	438,851,179	438,603,993	0%	1,309,908,659	1,271,078,666	3%	230,230,012	289,010,291	-20%	807,926,962	842,584,950	-4%
Operating Expenses	(211,551,898)	(153,104,823)	38%	(523,614,565)	(445,646,652)	17%	(47,309,392)	(36,673,563)	29%	(128,921,639)	(98,063,312)	31%
Gross Profit	227,299,282	285,499,170	-20%	786,294,094	825,432,014	-5%	182,920,621	252,336,728	-28%	679,005,323	744,521,638	-9%
Marketing Expenses	(15,941,163)	(13,739,881)	16%	(40,015,734)	(31,598,142)	27%	(12,706,188)	(12,389,118)	3%	(31,410,133)	(27,494,539)	14%
Administration Expenses	(128,635,560)	(139,846,779)	-8%	(388,332,286)	(381,713,607)	2%	(102,719,164)	(119,876,229)	-14%	(317,153,468)	(321,929,204)	-1%
Net Finance Expenses	(54,207,969)	(77,847,354)	-30%	(226,788,129)	(181,001,745)	25%	(37,876,863)	(61,521,433)	-38%	(174,708,862)	(134,792,136)	30%
Profit Before Taxation	28,514,590	54,065,156	-47%	131,157,945	231,118,520	-43%	29,618,406	58,549,948	-49%	155,732,860	260,305,759	-40%
Taxation	(10,238,646)	(19,906,982)	-49%	(53,117,561)	(87,755,217)	-39%	(10,238,646)	(19,906,982)	-49%	(53,117,561)	(87,755,217)	-39%
Profit / (Loss) After Taxation	18,275,944	34,158,174	-46%	78,040,384	143,363,303	-46%	19,379,760	38,642,966	-50%	102,615,299	172,550,542	-41%
Other Comprehensive Income/(Loss)	-	-		-	-		-	-		-	-	
Profit / (Loss) for the Period	18,275,944	34,158,174	-46%	78,040,384	143,363,303	-46%	19,379,760	38,642,966	-50%	102,615,299	172,550,542	-41%
Basic Earnings /(Loss) Per Share	0.10	0.19		0.43	0.79		0.11	0.21		0.56	0.95	

figures in brackets indicate deductions.

CEYLON TEA BROKERS PLC
Statement of Financial Position

As at	GROUP		COMPANY	
	Unaudited	Audited	Unaudited	Audited
	31.12.2023	31.03.2023	31.12.2023	31.03.2023
	Rs.	Rs.	Rs.	Rs.
ASSETS				
Non-Current Assets				
Property, Plant & Equipment	856,617,634	881,086,854	17,942,443	11,113,847
Right of Use Asset	196,989,019	174,801,015	-	4,811,908
Intangible Assets	59,369,850	62,585,596	2,076,683	2,450,624
Deferred Tax Asset	-	-	20,981,086	20,981,086
Loans & Advances to Tea Suppliers	18,210,526	6,450,608	18,210,526	6,450,608
Refundable Deposit on Lease Permisses	9,266,666	4,964,230	5,095,450	4,964,230
	<u>1,140,453,696</u>	<u>1,129,888,303</u>	<u>64,306,189</u>	<u>50,772,303</u>
Investment in Logicare (Pvt) Ltd	-	-	633,000,000	633,000,000
Current Assets				
Trade and Other Receivables	217,388,194	812,660,711	19,960,795	683,615,424
Amount due from Related Party	-	-	34,458,276	-
Loans & Advances to Tea Suppliers	1,707,631,338	1,346,118,906	1,707,631,338	1,346,118,906
Investment in Unit trusts	439,961,918	-	439,961,918	-
Cash and Cash Equivalents	51,280,827	71,395,884	33,203,930	64,157,125
	<u>2,416,262,278</u>	<u>2,230,175,501</u>	<u>2,235,216,258</u>	<u>2,093,891,455</u>
Total Assets	<u>3,556,715,974</u>	<u>3,360,063,804</u>	<u>2,932,522,447</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	121,407,022	167,398,638	495,469,753	516,886,453
Revaluation Reserve	119,515,351	119,515,351	-	-
Total Equity	<u>574,122,373</u>	<u>620,113,989</u>	<u>828,669,753</u>	<u>850,086,453</u>
Non-Current Liabilities				
Deferred Tax Liability	30,239,780	30,239,780	-	-
Interest Bearing Borrowings	1,034,507,052	880,717,404	450,555,564	317,856,828
Lease Payables	12,653,344	868,095	-	-
Retirement Benefit Obligation	48,901,502	52,697,754	31,579,225	42,824,227
	<u>1,126,301,678</u>	<u>964,523,033</u>	<u>482,134,789</u>	<u>360,681,055</u>
Current Liabilities				
Trade and Other Payables	197,082,521	604,094,478	92,202,900	539,035,582
Lease Payables	30,103,688	14,619,723	-	5,804,376
Interest Bearing Borrowings	1,246,651,754	749,419,591	1,201,651,754	644,793,047
Tax Payable	29,549,041	70,183,780	29,549,041	70,183,780
Bank Overdrafts	352,904,917	337,109,210	298,314,200	307,079,465
	<u>1,856,291,922</u>	<u>1,775,426,782</u>	<u>1,621,717,896</u>	<u>1,566,896,250</u>
Total Liabilities	<u>2,982,593,600</u>	<u>2,739,949,815</u>	<u>2,103,852,685</u>	<u>1,927,577,305</u>
Total Equity and Liabilities	<u>3,556,715,974</u>	<u>3,360,063,804</u>	<u>2,932,522,447</u>	<u>2,777,663,758</u>
Net Asset Value Per Share	3.15	3.40	4.54	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


Director

13th February 2024
Colombo

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

<u>GROUP</u>	Stated Capital Rs.	Retained Earnings Rs.	Revaluation Reserve Rs.	Total Rs.
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>
Balance as at 01.04.2023	333,200,000	167,398,638	119,515,351	620,113,989
Profit for the period ended 31.12.2023	-	78,040,384	-	78,040,384
Dividend Paid	-	(124,032,000)	-	(124,032,000)
Balance as at 31.12.2023	<u>333,200,000</u>	<u>121,407,022</u>	<u>119,515,351</u>	<u>574,122,373</u>
<u>COMPANY</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>448,690,562</u>	<u>-</u>	<u>781,890,562</u>
Balance as at 01.04.2023	333,200,000	516,886,453	-	850,086,453
Profit for the period ended 31.12.2023	-	102,615,299	-	102,615,299
Dividend Paid	-	(124,032,000)	-	(124,032,000)
Balance as at 31.12.2023	<u>333,200,000</u>	<u>495,469,753</u>	<u>-</u>	<u>828,669,753</u>

figures in brackets indicate deductions.

CEYLON TEA BROKERS PLC
Statement of Cash Flows
For the Period Ended 31st December 2023

	GROUP		COMPANY	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	Rs.	Rs.	Rs.	Rs.
Cash Flow From Operating Activities				
Profit Before Taxation	131,157,945	231,118,520	155,732,860	260,305,759
<i>Adjustments for ;</i>				
Depreciation/Amortisation	77,326,851	81,632,859	10,844,069	19,306,069
Interest /Investment Income	(53,554,482)	(46,638,582)	(53,359,747)	(46,061,293)
Interest Expense	278,881,344	228,657,393	228,068,608	182,447,784
Provision for Retirement Benefit Obligation	5,400,000	5,400,000	4,500,000	4,500,000
Provision for Bad and Doubtful Debt	14,150,000	13,950,000	13,500,000	13,500,000
Profit on PPE Disposal	(9,871,900)	(42,120)	(9,871,900)	(42,120)
Operating Profit Before Working Capital Changes	443,489,759	514,078,070	349,413,891	433,956,199
Increase/Decrease in Working Capital				
(Increase)/ Decrease in Trade and Other Receivables	595,272,520	651,616,926	663,654,632	694,964,078
Loans (Disbursements)/Recoveries From (To) Tea Suppliers	(387,422,350)	(968,790,260)	(386,772,350)	(968,340,260)
Increase/(Decrease) in Trade and Other Payables	(407,011,957)	(543,132,764)	(446,832,682)	(572,788,872)
(Increase)/Decrease in Related Party Receivable	-	-	(34,458,276)	(15,693,477)
Cash Generated from/ (Used in) Operating Activities	244,327,972	(346,228,028)	145,005,215	(427,902,332)
Tax Paid	(93,752,300)	(32,849,937)	(93,752,300)	(32,849,937)
Gratuity Paid	(9,196,250)	(960,375)	(15,745,000)	(580,500)
Net Cash Generated / (Used in) from Operating Activities	141,379,422	(380,038,340)	35,507,915	(461,332,769)
Cash Flow From Investing Activities				
Interest Received	13,461,344	46,274,473	13,266,609	45,697,184
Investment of Unit Trusts	(400,000,000)	(700,000,000)	(400,000,000)	(700,000,000)
Unit Trust Investment Redeemed		700,000,000	-	700,000,000
Proceeds from Disposal of PPE	12,706,856	42,120	12,706,856	42,120
Refundable Deposit	(4,171,216)	-	-	-
Acquisition of Intangible Assets	(1,234,965)	-	(746,323)	-
Payment of Lease Liabilities	(25,325,712)	(34,044,959)	(5,859,823)	(17,706,355)
Purchase of Property, Plant & Equipment	(23,748,144)	(11,290,942)	(14,575,460)	(5,664,490)
Net cash flow from / (Used in) Investing Activities	(428,311,837)	980,692	(395,208,141)	22,368,459
Cash Flow From Financing Activities				
Interest Paid	(275,968,455)	(225,919,432)	(228,013,143)	(180,853,429)
Dividend Paid	(124,032,000)	(65,664,000)	(124,032,000)	(65,664,000)
Movement in Interest Bearing Borrowings				
Commercial Paper Issued	113,175,342	350,000,000	113,175,342	350,000,000
Commercial Paper Settled		(350,000,000)	-	(350,000,000)
Loan repayment made during the period	(4,412,153,235)	(1,119,603,370)	(4,193,617,902)	(1,074,211,895)
Loan obtained during the period	4,950,000,000	1,060,000,000	4,770,000,000	1,040,000,000
Net cash flow from /(Used in) Financing Activities	251,021,652	(351,186,802)	337,512,297	(280,729,324)
Net Increase in Cash and Cash Equivalents	(35,910,764)	(730,244,450)	(22,187,930)	(719,693,634)
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	(301,624,090)	(732,130,770)	(265,110,270)	(720,417,455)

figures in brackets indicate deductions.

Notes to the Financial Statements:

1. Figures for the period ended as at 31st December 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 31st December 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		
	Tea Broking 2023/24	Warehousing 2023/24	Total 2023/24
Segment Revenue			
Total Revenue	807,926,962	501,981,697	1,309,908,659
Total Segment Revenue	<u>807,926,962</u>	<u>501,981,697</u>	<u>1,309,908,659</u>
Segment Profit/ (Loss) Before Tax	155,732,860	(24,574,915)	131,157,945
Depreciation and Amortization	10,844,069	66,482,782	77,326,851
Interest Expense	228,068,608	50,812,736	278,881,344
Impairment/Write off on Financial Assets	-	-	-
Segmental Assets	2,299,522,447	1,213,660,172	3,513,182,619
Unallocated Assets			<u>43,533,355</u>
Total Segmental Asset			<u>3,556,715,974</u>
Segmental Liabilities	2,103,852,685	878,740,917	2,982,593,602

10. Market prices recorded during the period ended 31st December 2023.

<u>2023/24 -3rd Quarter</u>				<u>2022/23 -3rd Quarter</u>			
Highest	Rs.4.70	Date:	14.10.2023	Highest	Rs.5.50	Date:	03.10.2022
Lowest	Rs.3.90	Date:	18.10.2023	Lowest	Rs.3.80	Date:	25.11.2022
Closing	Rs.4.20	Date:	29.12.2023	Closing	Rs.4.20	Date:	30.12.2022

11. The float adjusted market capitalization as at 31st December 2023 - Rs. 118,168,856.40

12. Percentage of public holding as at 31st December 2023 was 15.425% comprising 2835 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 31st December 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. C P R Perera	3,500,000	1.919%
Mr. K H S Deshapriya	-	-
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. H T D Nonis	10,000	0.005%
Mr. Z Mohamed	-	-

Notes to the Financial Statements (Continued):

15. 30 major shareholders as at 31st December 2023

Shareholder's Name	As At 31st December 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	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/SEYLAN BANK PLC	1,390,392	0.762%
9 MR.S.YUSOOF	1,050,000	0.576%
10 MR.P.G.PIYASIRI	613,000	0.336%
11 MR.K.T.KARUNANAYAKE	610,000	0.334%
12 PEOPLE'S LEASING & FINANCE PLC/MR.M.I.SAMSUDEEN	551,866	0.303%
13 MR.S.S.SITHAMBARANATHAN	505,345	0.277%
14 MR.D.D.M.A.A.JAMEEL	475,000	0.260%
15 MR.Y.L.NANDASENA	404,224	0.222%
16 MR.H.R.A.THISERA	353,946	0.194%
17 ACUITY PARTNERS (PVT) LTD/HENRY ANTHONY ROHAN PEIRIS	350,000	0.192%
18 MR M.H.A.KAMIL	342,062	0.188%
19 DIALOG FINANCE PLC/A.S.M.SHIYAM	300,000	0.164%
20 MR..V.SIVAKUMAR	254,605	0.140%
21 MR.V.R.A.PERERA	250,000	0.137%
22 DR.A.A.M.DHARMADASA	235,457	0.129%
23 CITIZENS DEVELOPMENT BUSINESS FINANCE PLC/A.M.P.K.DISSANAYAKE	225,882	0.124%
24 MR.S.NEERANJAN	225,073	0.123%
25 MS.S.V.T.FERNANDO	225,000	0.123%
26 MR.P.K.D.T.H.SOMADASA	221,598	0.121%
27 ASSETLINE LEASING LIMITED/J.A.S.PRIYANTHA	221,000	0.121%
28 MR.W.A.S.CHATHUMADHURA	212,518	0.117%
29 PEOPLES LEASING & FINANCE PLC/DR.H.S.D.SOYSA/MS.G.SOYSA	210,400	0.115%
30 MR.N.A.WITHANA	208,000	0.114%
	165,759,964	90.877%
Others	16,640,036	9.123%
	<u>182,400,000</u>	<u>100.00%</u>