Ceylon Tea Brokers PLC

Interim Financial Statement for the Quarter Ended 30th September 2024

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
	30.09.2024 Rs.	30.09.2023 Rs.	%	30.09.2024 Rs.	30.09.2023 Rs.	%	30.09.2024 Rs.	30.09.2023 Rs.	%	30.09.2024 Rs.	30.09.2023 Rs.	%
Revenue	387,460,541	457,515,328	-15%	754,260,099	874,383,608	-13.74%	254,153,920	289,488,632	-12%	499,911,909	581,023,078	-13.96%
Operating Expenses	(162,366,096)	(175,709,133)	-8%	(316,474,679)	(312,525,617)	1.26%	(48,703,563)	(42,934,736)	13%	(95,635,694)	(81,612,247)	17.18%
Gross Profit	225,094,445	281,806,195	-20%	437,785,420	561,857,991	-22.08%	205,450,357	246,553,896	-17%	404,276,215	499,410,831	-19.05%
Marketing Expenses	(15,769,373)	(26,806,882)	-41%	(30,791,310)	(48,611,622)	-36.66%	(13,323,347)	(23,917,326)	-44%	(26,150,839)	(43,703,946)	-40.16%
Administration Expenses	(135,907,241)	(118,070,525)	15%	(263,769,053)	(234,752,173)	12.36%	(107,346,464)	(94,131,150)	14%	(208,549,718)	(189,489,751)	10.06%
Net Finance Expenses	(42,249,314)	(81,544,568)	-48%	(94,117,648)	(175,850,841)	-46.48%	(23,918,844)	(63,609,088)	-62%	(58,664,995)	(140,102,680)	-58.13%
Profit Before Taxation	31,168,517	55,384,220	-44%	49,107,409	102,643,356	-52.16%	60,861,702	64,896,332	-6%	110,910,663	126,114,455	-12.06%
Taxation	(20,856,621)	(22,064,753)	-5%	(37,873,267)	(42,878,915)	-11.67%	(20,856,621)	(22,064,753)	-5%	(37,873,267)	(42,878,915)	-11.67%
Profit After Taxation	10,311,896	33,319,467	-69%	11,234,142	59,764,441	-81%	40,005,081	42,831,579	-7%	73,037,396	83,235,540	-12.25%
Other Comprehensive Income/(Loss)	-	-		-	-		-	-		-	-	
Profit for the Period	10,311,896	33,319,467	-69%	11,234,142	59,764,441	-81%	40,005,081	42,831,579	-7%	73,037,396	83,235,540	-12.25%
Basic Earnings Per Share	0.06	0.18		0.06	0.33		0.22	0.23		0.40	0.46	

figures in brackets indicate deductions.

CEYLON TEA BROKERS PLC

Statement of Financial Position

As at	GROUP Unaudited 30.09.2024 Rs.	GROUP Audited 31.03.2024 Rs.	COMPANY Unaudited 30.09.2024 Rs.	COMPANY Audited 31.03.2024 Rs.
ASSETS				
Non-Current Assets				
Property, Plant & Equipment	947,764,270	974,354,721	14,632,562	17,224,294
Right of Use Asset	175,909,230	192,747,728	-	-
Intangible Assets	51,769,248	56,830,095	1,410,929	1,848,544
Refundable Deposit on Lease Permises	12,159,786	12,159,786	-	-
Defferred Tax Asset	-	-	18,478,410	18,478,411
Loans & Advances to Tea Suppliers	10,991,656	8,476,931	10,991,656	8,476,931
	1,198,594,189	1,244,569,261	45,513,556	46,028,180
Investment in Logicare (Pvt) Ltd	-	-	633,000,000	633,000,000
Current Assets				
Inventories	129,827	1,317,056	-	-
Trade and Other Receivables	1,024,177,616	997,197,519	895,612,069	838,484,164
Amount due from Related Party	-	-	52,347,521	-
Refundable Deposit on Lease Permises	6,595,710	6,595,710	6,595,710	6,595,710
Loans & Advances to Tea Suppliers	1,087,271,065	1,287,679,377	1,087,271,065	1,287,679,377
Investment in Unit trusts	734,713,010	-	734,713,010	-
Cash and Cash Equivalents	169,824,831	96,650,389	145,216,980	89,447,976
	3,022,712,059	2,389,440,051	2,921,756,355	2,222,207,227
Total Assets	4,221,306,248	3,634,009,312	3,600,269,911	2,901,235,407
EQUITY AND LIABILITIES				
Capital and Reserves				
Stated Capital	333,200,000	333,200,000	333,200,000	333,200,000
Retained Earnings	41,338,427	110,360,285	525,590,389	532,808,992
Revaluation Reserve	210,726,204	210,726,204	-	-
Total Equity	585,264,631	654,286,489	858,790,389	866,008,992
Non-Current Liabilities				
Defferred Tax Liability	84,081,198	84,081,198		
Interest Bearing Borrowings	724,466,672	796,216,663	191,666,672	290,416,663
Lease Payables	-	6,272,186	-	-
Retirement Benefit Obligation	66,692,215	63,092,215	45,803,582	42,803,582
	875,240,085	949,662,262	237,470,254	333,220,245
Current Liabilities				
Trade and Other Payables	758,354,519	713,591,349	689,960,371	618,985,385
Lease Payables	23,884,360	30,591,296		-
Amount due to Related Party	-	-	-	7,557,430
Interest Bearing Borrowings	1,602,222,216	924,451,185	1,522,222,216	796,212,027
Tax Payable	27,383,000	30,405,073	27,383,000	30,405,073
Bank Overdrafts	348,957,437	331,021,658	264,443,681	248,846,255
	2,760,801,533	2,030,060,561	2,504,009,269	1,702,006,170
Total Liabilities	3,636,041,617	2,979,722,823	2,741,479,522	2,035,226,415
Total Equity and Liabilities	4,221,306,248	3,634,009,312	3,600,269,911	2,901,235,407
Net Asset Value Per Share	3.21	3.59	4.71	4.75

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

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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

31st October 2024
Colombo

....
Director

CEYLON TEA BROKERS PLC

Statement of Changes in Equity

For the Period Ended 30th September

GROUP	**Stated Capital Rs.**	**Revaluation Reserve Rs.**	**Retained Earnings Rs.**	**Total Rs.**
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	333,200,000	-	103,131,079	555,846,430
Balance as at 01.04.2024	333,200,000	210,726,204	110,360,285	654,286,489
Profit for the period ended 30.09.2024	-	-	11,234,142	11,234,142
Other Comprehensive Income	-	-	-	-
Dividend Paid	-	-	(80,256,000)	(80,256,000)
Balance as at 30.09.2024	333,200,000	210,726,204	41,338,427	585,264,631

COMPANY	**Stated Capital Rs.**	**Retained Earnings Rs.**	**Total Rs.**
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	333,200,000	476,089,993	809,289,993
Balance as at 01.04.2024	333,200,000	532,808,992	866,008,992
Profit for the period ended 30.09.2024	-	73,037,396	73,037,396
Other Comprehensive Income	-	-	-
Dividend Paid	-	(80,256,000)	(80,256,000)
Balance as at 30.09.2024	333,200,000	525,590,389	858,790,388

figures in brackets indicate deductions.

CEYLON TEA BROKERS PLC

Statement of Cash Flows

For the Period Ended 30th September 2024

	GROUP		COMPANY	
	30.09.2024	**30.09.2023**	**30.09.2024**	**30.09.2023**
	Rs.	**Rs.**	**Rs.**	**Rs.**
Cash Flow From Operating Activities				
Profit Before Taxation	49,107,409	102,643,356	110,910,663	126,114,455
Adjustments for ;				
Depreciation	34,968,235	33,078,905	3,403,718	4,031,767
Amortization	16,838,497	19,067,750	-	4,811,909
Interest/Investment Income	(44,147,500)	(25,362,090)	(44,147,500)	(24,724,001)
Interest Expense	138,265,148	199,659,803	102,812,495	164,695,460
Provision for Retirement Benefit Obligation	3,600,000	3,600,000	3,000,000	3,000,000
Provision for Bad and Doubtful Debt	9,600,000	9,350,000	9,000,000	9,000,000
Disposal (Profit)/Loss on Property,Plant and Equipment	(539,595)	(9,871,900)	(539,595)	(9,871,900)
Operating Profit Before Working Capital Changes	207,692,194	332,165,824	184,439,781	277,057,690
Increase/Decrease in Working Capital				
(Increase)/ Decrease in Trade and Other Receivables	(27,580,097)	(22,720,622)	(57,127,905)	27,726,262
(Increase)/ Decrease in Inventories	1,187,229	-	-	-
Loans (Disburstments)/Recoveries From (To) Tea Suppliers	188,893,587	169,969,685	188,893,587	170,319,685
Increase/(Decrease) in Trade and Other Payables	44,763,170	(14,093,576)	70,974,986	(48,989,489)
(Increase)/Decrease in Related Party Receivable	-	-	(59,904,951)	(16,339,606)
Cash Generated from Operating Activities	414,956,083	465,321,311	327,275,499	409,774,542
Tax Paid	(40,895,340)	(81,602,300)	(40,895,340)	(81,602,300)
Gratuity Paid	-	(4,756,250)	-	(11,305,000)
Net Generated from Operating Activities	374,060,743	378,962,761	286,380,159	316,867,242
Cash Flow From Investing Activities				
Interest Received	9,434,502	3,068,897	9,434,502	2,430,808
Proceeds from sale of Assets	1,315,500	12,706,857	1,315,500	12,706,857
Refundable Deposit	-	(5,671,426)	-	(1,500,210)
Investment made during the year	(800,000,000)	(400,000,000)	(800,000,000)	(400,000,000)
Investment redeemed during the year	100,000,000	-	100,000,000	-
Purchase of Property, Plant & Equipment	(4,092,848)	(23,049,869)	(1,150,285)	(14,141,835)
Net cash flow from (Used in) Investing Activities	(693,342,846)	(412,945,542)	(690,400,283)	(400,504,381)
Cash Flow From Financing Activities				
Interest Paid	(136,042,823)	(198,353,788)	(102,812,495)	(164,640,013)
Payment of Lease Liabilities	(15,201,448)	(18,031,353)	-	(5,859,823)
Dividend Paid	(80,256,000)	(124,032,000)	(80,256,000)	(124,032,000)
Movement in Interest Bearing Borrowings				
Loan repayment made during the period	(5,943,978,963)	(2,522,774,378)	(5,912,739,802)	(2,461,192,744)
Loan obtained during the period	6,450,000,000	2,935,000,000	6,440,000,000	2,890,000,000
Commercial papers issued	100,000,000	113,175,342	100,000,000	113,175,342
Net cash flow from Financing Activities	374,520,766	184,983,823	444,191,703	247,450,762
Net Increase/ (Decrease) in Cash and Cash Equivalents	55,238,664	151,001,043	40,171,579	163,813,623
Cash and Cash Equivalents at the Beginning of the Period	(234,371,269)	(265,713,326)	(159,398,279)	(242,922,340)
Cash and Cash Equivalents at the End of the Period	(179,132,605)	(114,712,283)	(119,226,700)	(79,108,717)

figures in brackets indicate deductions.

Notes to the Financial Statements:

1. Figures for the period ended as at 30th September 2024 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 2024.

   -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 – 2023/2024.

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 it's 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 2024

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 Brokering 2024/25	Warehousing 2024/25	Total 2024/25
Segment Revenue			
External Sales	499,911,909	254,348,190	754,260,099
Total Segment Revenue	499,911,909	254,348,190	754,260,099
Segment Profit/ (Loss) Before Tax	110,910,663	(61,803,254)	49,107,409
Depreciation and Amortization	3,403,718	48,403,014	51,806,732
Interest Expense	102,812,495	35,452,653	138,265,148
Impairment/Write off on Financial Assets	-	-	-
Segmental Assets	2,967,269,911	1,210,502,982	4,177,772,893
Unallocated Assets			43,533,355
Total Segmental Asset			4,221,306,248
Segmental Liabilities	2,741,479,522	894,562,095	3,636,041,617

10. Market prices recorded during the period ended 30th September 2024

2024/25 -2nd Quarter				2023/24 -2nd Quarter			
Highest	Rs.5.30	Date:	27.08.2024	Highest	Rs.6.00	Date:	31.07.2023
Lowest	Rs.4.30	Date:	11.09.2024	Lowest	Rs.4.50	Date:	22.08.2023
Closing	Rs.5.00	Date:	30.09.2024	Closing	Rs.4.80	Date:	27.09.2023
Last Traded	Rs.5.00	Date:	30.09.2024	Last Traded	Rs.4.80	Date:	27.09.2023

11. The float adjusted market capitalization as at 30th September 2024 - Rs. 140,790,410.00

12. Precentage of public holding as at 30th September 2024 was 15.4375% comprising 2841 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 2024

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(Mr C.P.R.Perera & Mrs.D.Perera)	3,500,000	1.919%
Ms. N T M S Cooray	10,908,751	5.981%
Ms. H M S Perera (Seylan Bank PLC/Ms.H.M.S.Perera)	1,390,492	0.762%
Mr. Z Mohamed	-	-
Mr. H T D Nonis	10,000	0.005%
Mr. K.B.G.B.R.Kulapala	-	-
Ms.M De Zoysa	-	-
Ms.A.Akbar	-	-

Notes to the Financial Statements (Continued):

15. 30 major shareholders as at 30th September 2024

	Shareholder's Name	As At 30th September 2024 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	MR. S. YUSOOF	1,900,000	1.042%
8	HATTON NATIONAL BANK PLC/KANDAIAH KANAPATHIPILLAI SHUJEEVAN	1,560,166	0.855%
9	SEYLAN BANK PLC/H.M.S.PERERA	1,390,392	0.762%
10	LOLC FINANCE PLC/C.B.R. FERNANDO	1,160,000	0.636%
11	MR. W.D.N.H. PERERA	1,000,000	0.548%
12	MR. Y.L. NANDASENA	646,591	0.354%
13	MR K.T. KARUNANAYAKE & MRS D.U. KOKU HANNEDIGE	632,550	0.347%
14	MR. P.G. PIYASIRI	613,000	0.336%
15	PEOPLE'S LEASING & FINANCE PLC/MR.M.I.SAMSUDEEN	495,820	0.272%
16	MR. G.G.M.A.A. JAMEEL	493,154	0.270%
17	ACUITY PARTNERS (PVT) LTD/MR. HENRY ANTHONY ROHAN PIERIS	355,000	0.195%
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.R.A. PERERA	265,000	0.145%
21	MR. S. NEERAJAN	252,000	0.138%
22	MR. D.M.A.J. WEERASINGHE	247,534	0.136%
23	DR. A.A.M. DHARMADASA	235,457	0.129%
24	DR. A.R. MOHAMED	227,578	0.125%
25	MISS S.V.T. FERNANDO	225,000	0.123%
26	ASSETLINE FINANCE LIMITED/J.A.S.PRIYANTHA	221,000	0.121%
27	CITIZENS DEVELOPMENT BUSINESS FINANCE PLC/A.M.A.P.K. DISSANAYAKE	220,575	0.121%
28	MR. W.A.S CHATHUMADHURA	212,518	0.117%
29	PEOPLE'S LEASING & FINANCE PLC/DR.H.S.D.SOYSA & MRS.G.SOYSA	210,400	0.115%
30	MR. N.A. WITHANA	208,000	0.114%
		168,175,223	92.201%
	Others	14,224,777	7.799%
		182,400,000	100.00%