

# **KELANI TYRES PLC**

**(Reg: No. PQ 123)**

**INTERIM FINANCIAL STATEMENTS**

**FOR NINE MONTHS ENDED DECEMBER 31, 2023**



*Corporate Office*  
203, Union Place  
Colombo 02.

**KELANI TYRES PLC AND ITS GROUP**

**CONSOLIDATED STATEMENT OF  
COMPREHENSIVE INCOME**

(all amounts in Sri Lankan Rupees thousands)

	Group		Company		Group		Company	
	Apr. -Dec		Apr. - Dec.		Oct. -Dec		Oct. - Dec.	
	2023 (Un audited)	2022 (Audited)	2023 (Un audited)	2022 (Audited)	2023	2022	2023	2022
Revenue	-	640	-	-	-	212	-	-
Direct costs	-	(292)	-	-	-	-	-	-
Gross margin	-	348	-	-	-	212	-	-
Other operating income	69,658	5,165	569,658	865,165	33,091	(21,394)	33,091	(21,394)
Administrative costs	(51,649)	(69,014)	(51,501)	(68,912)	(8,137)	(9,882)	(8,063)	(9,791)
Management Expenses	(72,395)	(41,667)	(72,395)	(41,667)	(43,435)	(18,311)	(43,435)	(18,311)
Depreciation	(829)	(13,404)	(829)	(13,404)	(281)	(4,551)	(281)	(4,551)
Operating profit	(55,214)	(118,572)	444,934	741,181	(18,762)	(53,926)	(18,688)	(54,048)
Finance Income	119,545	79,401	119,545	79,401	15,162	74,814	15,162	74,814
Finance costs	(2,439)	(14,904)	(2,439)	(14,904)	(469)	(5,051)	(469)	(5,051)
Profit/(Loss) before tax	61,892	(54,075)	562,040	805,678	(4,069)	15,837	(3,995)	15,716
Tax	-	-	-	-	-	-	-	-
Profit/(Loss) after tax	<b>61,892</b>	<b>(54,075)</b>	<b>562,040</b>	<b>805,678</b>	<b>(4,069)</b>	<b>15,837</b>	<b>(3,995)</b>	<b>15,716</b>
<b>Share of results of JV</b>	514,300	116,578	-	-	309,427	(229,936)	-	-
<b>Profit/(Loss) for the period</b>	<b>576,192</b>	<b>62,503</b>	<b>562,040</b>	<b>805,678</b>	<b>305,358</b>	<b>(214,099)</b>	<b>(3,995)</b>	<b>15,716</b>
<b>Other comprehensive income:</b>								
Items that will not be reclassified to profit or (loss)								
Share of other comprehensive - -Income/expenses from Joint Venture	(12,979)	(8,194)	-	-	29,106	(1,997)	-	-
<b>Total comprehensive income - -for the period, net of tax</b>	<b>563,213</b>	<b>54,309</b>	<b>562,040</b>	<b>805,678</b>	<b>334,463</b>	<b>(216,097)</b>	<b>(3,995)</b>	<b>15,716</b>
<b>Earning per share (for the period)</b>	<b>7.17</b>	<b>0.78</b>	<b>6.99</b>	<b>10.02</b>	<b>3.80</b>	<b>(2.66)</b>	<b>(0.05)</b>	<b>0.20</b>

**KELANI TYRES PLC AND ITS GROUP**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(all amounts in Sri Lankan Rupees thousands)

	Group		Company	
	31-12-2023 (un-audited)	31-03-2023 (audited)	31-12-2023 (un-audited)	31-03-2023 (audited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	32,988	31,816	32,988	31,816
Investment Property	646,712	642,221	646,712	642,221
Investments in subsidiaries	-	-	10	10
Investment in JV	4,910,922	4,909,603	139,607	139,607
	5,590,622	5,583,640	819,317	813,654
<b>Current assets</b>				
Trade and other receivables	11,763	3,893	11,763	3,893
Amounts due from related parties	45,450	36,412	45,450	36,412
Income Tax Refund	4,315	4,315	3,712	3,712
Other Investments	1,129,337	848,695	1,129,337	848,695
Cash and cash equivalents	14,880	233,405	10,962	229,239
	1,205,745	1,126,720	1,201,224	1,121,951
<b>Total assets</b>	<b>6,796,367</b>	<b>6,710,360</b>	<b>2,020,541</b>	<b>1,935,605</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity attributable to equity holders</b>				
Stated capital	402,000	402,000	402,000	402,000
Revaluation reserves	753,289	753,290	22,049	22,049
Retained earnings	5,502,421	5,341,208	1,457,835	1,297,794
<b>Total equity</b>	<b>6,657,710</b>	<b>6,496,498</b>	<b>1,881,883</b>	<b>1,721,843</b>
<b>Non - current liabilities</b>				
Retirement benefit obligations	7,920	7,920	7,920	7,920
Deferred tax liability	40,480	40,480	40,480	40,480
	48,401	48,400	48,400	48,400
<b>Current liabilities</b>				
Trade and other payables	67,258	65,057	67,258	64,957
Borrowings	-	833	-	833
Bank Overdraft	22,999	99,572	22,999	99,572
	90,257	165,462	90,257	165,362
<b>Total liabilities</b>	<b>138,658</b>	<b>213,862</b>	<b>138,657</b>	<b>213,762</b>
<b>Total equity and liabilities</b>	<b>6,796,367</b>	<b>6,710,360</b>	<b>2,020,541</b>	<b>1,935,605</b>
Net Asset Value Per share	82.81	80.80	23.41	21.42

I certify that these financial statements have been prepared in compliance with requirements of the Companies Act, No. 07 of 2007.

Sgd

P. R. Mann

Finance Officer

The Board of Directors is responsible for the preparation and presentation of these Financial statements.

Sgd

Rohan T. Fernando

Managing Director

30th Jan 2024

Sgd

(Mrs.) S. S. Jayatilaka

Director

**KELANI TYRES PL AND ITS GROUP****CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

(all amounts in Sri Lanka Rupees Thousands)

**Company**

	<b>Stated capital</b>	<b>Revaluation Reserve</b>	<b>Retained Earnings</b>	<b>Total</b>
<b>Balance at 1 April 2022 (audited)</b>	<b>402,000</b>	<b>24,691</b>	<b>829,759</b>	<b>1,256,450</b>
Profit for the Period	-	-	805,678	805,678
Other comprehensive income	-	-	-	-
Dividend paid	-	-	(402,000)	(402,000)
<b>Balance at 31st Dec. 2022 (audited)</b>	<b>402,000</b>	<b>24,691</b>	<b>1,233,437</b>	<b>1,660,129</b>
<b>Balance at 1 April 2023 (audited)</b>	<b>402,000</b>	<b>22,049</b>	<b>1,297,794</b>	<b>1,721,843</b>
Profit for the Period	-	-	562,040	562,040
Other comprehensive income	-	-	-	-
Dividend paid	-	-	(402,000)	(402,000)
<b>Balance at 31st Dec. 2023 (Un-audited)</b>	<b>402,000</b>	<b>22,049</b>	<b>1,457,835</b>	<b>1,881,883</b>

**KELANI TYRES PL AND ITS GROUP****CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

(all amounts in Sri Lanka Rupees Thousands)

**Group**

	<b>Stated capital</b>	<b>Revaluation Reserve</b>	<b>Retained Earnings</b>	<b>Total</b>
<b>Balance at 1 April 2022 (audited)</b>	<b>402,000</b>	<b>825,819</b>	<b>5,181,906</b>	<b>6,409,725</b>
Profit for the Period	-	-	62,503	62,503
Other comprehensive income	-	-	(8,194)	(8,194)
Dividend paid	-	-	(402,000)	(402,000)
<b>Balance at 31st Dec. 2022 (audited)</b>	<b>402,000</b>	<b>825,819</b>	<b>4,834,215</b>	<b>6,062,033</b>
<b>Balance at 1 April 2023 (audited)</b>	<b>402,000</b>	<b>753,290</b>	<b>5,341,208</b>	<b>6,496,498</b>
Profit for the Period	-	-	576,192	576,192
Other comprehensive income	-	-	(12,979)	(12,979)
Dividend paid	-	-	(402,000)	(402,000)
<b>Balance at 31st Dec. 2023 (Un-audited)</b>	<b>402,000</b>	<b>753,290</b>	<b>5,502,421</b>	<b>6,657,710</b>

## KELANI TYRES PLC AND ITS GROUP

### Cash flow statement

(all amounts in Sri Lankan Rupees thousands)

	Nine months ended 31st Dec. 2023		Nine months ended 31st Dec. 2022	
	Group	Company	Group	Company
<b>Cash flows from operating activities</b>				
Cash generated from (used in) operations	(69,090)	(68,841)	(59,020)	(59,269)
Interest received	119,544	119,544	79,401	79,401
Interest paid	(2,439)	(2,439)	(14,904)	(14,904)
Gratuity paid	-	-	(1,589)	(1,589)
<b>Net cash generated from (used in) operating activities</b>	<b>48,015</b>	<b>48,263</b>	<b>3,888</b>	<b>3,639</b>
<b>Cash flows from investing activities</b>				
Purchases of property, plant and equipment	(6,491)	(6,491)	(5,823)	(5,823)
Dividend received	500,000	500,000	860,000	860,000
Investment in government securities/other investments	(280,643)	(280,643)	(499,535)	(499,535)
<b>Net cash (used in)/generated from investing activities</b>	<b>212,866</b>	<b>212,866</b>	<b>354,641</b>	<b>354,641</b>
<b>Cash flows from financing activities</b>				
Dividend payment	(402,000)	(402,000)	(402,000)	(402,000)
Change in Bank borrowings	(833)	(833)	(7,500)	(7,500)
<b>Net cash (used in)/generated from financing activities</b>	<b>(402,833)</b>	<b>(402,833)</b>	<b>(409,500)</b>	<b>(409,500)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(141,952)</b>	<b>(141,704)</b>	<b>(50,971)</b>	<b>(51,220)</b>
<b>Movement in cash and cash equivalents</b>				
At the start of period	133,833	129,667	13,809	10,532
(Decrease)/increase	(141,952)	(141,704)	(50,971)	(51,220)
<b>At the end of period</b>	<b>(8,119)</b>	<b>(12,037)</b>	<b>(37,161)</b>	<b>(40,688)</b>

**KELANI TYRES PLC AND ITS GROUP****NOTES TO THE INTERIM FINANCIAL STATEMENTS:***(all amounts are in Sri Lanka Rupees thousands)***1 General Information****Company**

The company is a limited liability company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The address of its registered office is P.O.Box 8, Nungamugoda, Kelaniya.

**Group**

Joint Venture (JV):

The JV's principal activity is the manufacture of tyres and tubs locally and its sale thereof locally and internationally.

**Subsidiary company:**

The principal business activity is to hire out motor vehicles.

**2 Basis of preparation**

The Interim Financial Statements have been prepared in compliance with Sri Lanka Accounting Standard (LKAS-34) Interim Financial reporting. These interim financial statements should be read in conjunction with the annual financial statement for the year ended 31 Mar. 2023,

**3 Significant Accounting Policies**

The Company has adopted consistent accounting policies and method applied for the year ended 31st March 2023 and the presentation and classification of the financial statements of the previous year have been amended where relevant for better presentation and to be comparable with those of the current year.

**4 Stated Capital**

Stated Capital represented by issued shares is given below:

	12/31/23	12/31/22	3/31/23
<b>Ordinary shares as at</b>	<b>80,400</b>	<b>80,400</b>	<b>80,400</b>

5 There have been no other events subsequent to the Balance Sheet date, which require disclosure in the Interim Financial Statements.

6 Provision was made for taxation by joint venture CEAT SRI LANKA as follows:

	Rs.
Profit before Tax JV	1,586,240
Less: Provision for Tax	(557,641)
<b>Profit after Tax</b>	<b>1,028,599</b>

7 There were no Contingent Liabilities or Contingent Assets since the Balance Sheet date.

8 There were no Liability towards Management fee or any similar expenditure not provided for in the Interim Financial Statements.

**9 Dividend per share**

	Group		Company	
	12/31/23	12/31/22	12/31/23	12/31/22
Dividend received from the JV	500,000	860,000	500,000	860,000
Dividend declared & paid to shareholders	402,000	402,000	402,000	402,000
Number of shares in issue (thousands)	80,400	80,400	80,400	80,400
Dividend per share - (Rs.)	5.00	5.00	5.00	5.00

10 The figures have been presented in these financial statements are provisional and subject to audit, and also comparative figures have been reclassified where necessary.

11 Market price per share:

for the Nine months ended 31st Dec.

	2023	2022
	Rs.	Rs.
Highest Price (02/10/23 & 19/10/22)	67.00	74.50
Lowest Price (06/11/23 & 21/11/22)	59.80	50.20
Last Traded Price (28/12/23 & 30/12/22)	63.50	58.00

**KELANI TYRES PLC**  
**TOP 20 SHARE HOLDERS LIST**  
**AS AT 31-12-2023**

No.	Name	No of Shares	%
1	SILVERSTOCK LIMITED	38,477,144	47.857
2	BANCK OF CEYLON A/C CEYBANK UNIT TRUST	6,123,886	7.617
3	MR. H. M. UDESHI	5,050,000	6.281
4	EMPLOYEES TRUST FUND BOARD	2,835,639	3.527
5	MR. R. C. D. DE SILVA	2,000,000	2.488
6	EMPLOYEE'S PROVIDENT FUND	1,553,800	1.933
7	BANK OF CEYLON ACCOUNT CEYBANK - CENTURY GROWTH FUND	1,011,585	1.258
8	MRS. T. T. A. DE SILVA WEERASOORIYA	622,612	0.774
9	MOULDEX (PVT) LTD	600,000	0.746
10	MR D.K. A.K WEERATHUNGA	579,050	0.720
11	MR N. PUSPARAJ & MRS K. PUSPARAJ	550,000	0.684
12	ACUITY PARTERS (PVT) LTD/MR SUBRAMANIAM VASUDEVAN	483,392	0.601
13	J. B. COCOSHELL (PVT) LTD	472,482	0.588
14	SAMPATH BANK PLC / ARUNA ENTERPRISES(PVT) LTD	437,600	0.544
15	SANASA LIFE INSURANCE COMPANY PLC	424,966	0.529
16	MR. A.M. WEERASINGHE	400,000	0.498
17	DR. T SENTHILVERL	379,212	0.472
18	MR. B POBRAN	350,240	0.436
19	RANSIRI ENTERPRISES PRIVATE LIMITED	310,000	0.386
20	MRS. N. MULJIE	290,694	0.362

**PUBLIC HOLDING**

The percentage of shares held by the public as at 31st December 2023 is 49.615% comprising of 9,461 shareholders  
*(31st December 2022 - 50.239% comprising of 9658 shareholders)*

**FLOAT ADJUSTED MARKET CAPITALIZATION AS AT 31ST DECEMBER 2023 - RS.2,533,038,050/50**

The Company is in compliance with Option 4 of Section 7.13.1. i (a) of the Listing Rule of the Colombo Stock Exchange pertaining to minimum public holding.

**SHARE HOLDINGS BY THE DIRECTORS AS AT 31ST DECEMBER 2023**

Names of Directors	No of Shares as at 31st Dec. 2023	%
Mr. Chanaka De Silva	2,000,000	2.488%
Mr. Rohan T. Fernando	Nil	Nil
Mr. T. Bevan Perera	1920	0.002%
Mr. D. S. Kamantha Amarasekera	Nil	Nil
Mrs. S. S. Jayatilaka	240	0.000%
Mr. Erāj T. Fernando	24,553	0.031%
Mr. R. P. Weerasooria	Nil	Nil

**KELANI TYRES PLC AND ITS GROUP**

NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont.):

**Joint Venture Performance**

The assets and liabilities and the income and the expenses of the Joint venture as follows:

**Summarised Financial Position**

	31-12-2023	31-12-2022
<b>Non-Current Assets</b>	7,588,832	7,535,867
<b>Current Assets</b>	8,354,060	10,747,512
<b>Total Assets</b>	15,942,892	18,283,379
<b>Capital and Reserves</b>	9,821,845	9,079,177
<b>Non-Current Liabilities</b>	1,027,628	1,768,218
<b>Current Liabilities</b>	5,093,419	7,435,984
<b>Total Equity &amp; Liabilities</b>	15,942,892	18,283,379

**Summarised Income Statement**

	2023 Apr. to Dec.	2022 Apr. to Dec.
<b>Production (MT)</b>	8,460	8,378
<b>Total Sales (MT)</b>	9,296	7,848
<b>Domestic Sales</b>	11,870,344	10,927,981
<b>Export Sales</b>	945,594	911,338
<b>Total Sales</b>	12,815,938	11,839,319
<b>Cost of Sales</b>	(9,667,415)	(8,431,028)
<b>Gross Profit</b>	3,148,523	3,408,292
<b>Distribution/Administrative Cost</b>	(1,573,693)	(2,042,219)
<b>Finance Cost less income</b>	(25,418)	125,523
<b>Other Operating Income</b>	36,828	47,182
<b>Pofit BeforeTax</b>	1,586,240	1,538,778
<b>Taxation</b>	(557,641)	(1,305,622)
<b>Profit for the period</b>	1,028,599	233,156
<b>Other Comprehensive income/(Expenses)</b>	(25,960)	(16,388)
<b>Total Comprehensive income</b>	1,002,639	216,767