

KELANI TYRES PLC

(Reg: No. PQ 123)

INTERIM FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED SEPTEMBER 30, 2024



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. -Sep.		Apr. - Sep.		Jul. -Sep.		Jul. - Sep.	
	2024 (Un audited)	2023 (Audited)	2024 (Un audited)	2023 (Audited)	2024	2023	2024	2023
Revenue	-	-	-	-	-	-	-	-
Direct costs	-	-	-	-	-	-	-	-
Gross margin	-	-	-	-	-	-	-	-
Operating income	26,710	36,567	626,710	536,567	11,060	18,339	611,060	18,339
Administrative costs	26,710	36,567	626,710	536,567	11,060	18,339	611,060	18,339
Management Expenses	(65,804)	(43,512)	(65,791)	(43,437)	(57,443)	(35,633)	(57,437)	(35,565)
Depreciation	(545)	(548)	(545)	(548)	(272)	(276)	(272)	(276)
Operating profit	(77,976)	(36,452)	522,036	463,622	(65,693)	(32,110)	534,312	(32,043)
Finance Income	45,817	104,383	45,817	104,383	29,311	58,201	29,311	58,202
Finance costs	(495)	(1,970)	(495)	(1,970)	(234)	(300)	(234)	(299)
Profit/(Loss) before tax	(32,654)	65,961	567,359	566,036	(36,616)	25,791	563,390	25,860
Tax	-	-	-	-	-	-	-	-
Profit/(Loss) after tax	(32,654)	65,961	567,359	566,036	(36,616)	25,791	563,390	25,860
Share of results of JV	388,065	204,873	-	-	201,422	241,178	-	-
Profit/(Loss) for the period	355,412	270,834	567,359	566,036	164,807	266,970	563,390	25,860
Other comprehensive income:	-	-	-	-	-	-	-	-
Items that may be subsequently reclassified to profit or (loss)								
Share of other comprehensive - -Income/expenses from Joint Venture	(12,430)	(42,085)	-	-	(6,540)	(21,620)	-	-
Total comprehensive income - -for the period, net of tax	342,982	228,749	567,359	566,036	158,266	245,349	563,390	25,860
Earning per share (for the period)	4.42	3.37	7.06	7.04	2.05	3.32	7.01	0.32

KELANI TYRES PLC AND ITS GROUP

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(all amounts in Sri Lankan Rupees thousands)

	Group		Company	
	30-09-2024 (un-audited)	31-03-2024 (audited)	30-09-2024 (un-audited)	31-03-2024 (audited)
ASSETS				
Non-current assets				
Property, plant and equipment	32,442	32,986	32,442	32,986
Investment Property	697,500	697,500	697,500	697,500
Investments in subsidiaries	-	-	10	10
Investment in JV	5,005,085	5,229,450	139,607	139,607
	5,735,027	5,959,936	869,559	870,103
Current assets				
Trade and other receivables	19,212	4,413	19,212	4,413
Amounts due from related parties	40,756	39,600	40,756	39,600
Income Tax Refund	4,315	4,315	3,712	3,712
Other Investments	888,171	874,952	888,171	874,952
Cash and cash equivalents	355,005	279,152	351,156	275,240
	1,307,459	1,202,432	1,303,007	1,197,917
Total assets	7,042,486	7,162,368	2,172,566	2,068,020
EQUITY AND LIABILITIES				
Equity attributable to equity holders				
Stated capital	402,000	402,000	402,000	402,000
Revaluation reserves	753,289	753,290	22,048	22,049
Retained earnings	5,694,317	5,833,735	1,555,637	1,470,678
Total equity	6,849,606	6,989,025	1,979,685	1,894,727
Non - current liabilities				
Retirement benefit obligations	11,156	11,156	11,156	11,156
Deferred tax liability	79,633	79,634	79,634	79,634
	90,789	90,790	90,790	90,790
Current liabilities				
Trade and other payables	94,269	73,097	94,269	73,047
Bank Overdraft	7,822	9,456	7,822	9,456
	102,091	82,553	102,091	82,503
Total liabilities	192,880	173,343	192,881	173,293
Total equity and liabilities	7,042,486	7,162,368	2,172,566	2,068,020
Net Asset Value Per share	85.19	86.93	24.62	23.57

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 October 2024

Sgd
E. T. Fernando
Director

KELANI TYRES PL AND ITS GROUP

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(all amounts in Sri Lanka Rupees Thousands)

Company

	Stated capital	Revaluation Reserve	Retained Earnings	Total
Balance at 1 April 2023 (audited)	402,000	22,048	1,297,796	1,721,845
Profit for the Period	-	-	566,036	566,036
Other comprehensive income	-	-	-	-
Dividend paid	-	-	(402,000)	(402,000)
Balance at 30th Sep. 2023 (audited)	402,000	22,048	1,461,832	1,885,880
Balance at 1 April 2024 (audited)	402,000	22,048	1,470,678	1,894,727
Profit for the Period	-	-	567,359	567,359
Other comprehensive income	-	-	-	-
Dividend paid	-	-	(482,400)	(482,400)
Balance at 30th Sep. 2024 (Un-audited)	402,000	22,048	1,555,637	1,979,685

KELANI TYRES PL AND ITS GROUP

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(all amounts in Sri Lanka Rupees Thousands)

Group

	Stated capital	Revaluation Reserve	Retained Earnings	Total
Balance at 1 April 2023 (audited)	402,000	753,290	5,341,208	6,496,498
Profit for the Period	-	-	270,834	270,834
Other comprehensive income	-	-	(42,085)	(42,085)
Dividend paid	-	-	(402,000)	(402,000)
Balance at 30th Sep. 2023 (audited)	402,000	753,290	5,167,957	6,323,247
Balance at 1 April 2024 (audited)	402,000	753,290	5,833,735	6,989,025
Profit for the Period	-	-	355,412	355,412
Other comprehensive income	-	-	(12,430)	(12,430)
Dividend paid	-	-	(482,400)	(482,400)
Balance at 30th Sep. 2024 (Un-audited)	402,000	753,290	5,694,317	6,849,606

KELANI TYRES PLC AND ITS GROUP

Cash flow statement

(all amounts in Sri Lankan Rupees thousands)

	Six months ended 30th Sep. 2024		Six months ended 30th Sep. 2023	
	Group	Company	Group	Company
Cash flows from operating activities				
Cash generated from (used in) operations	(72,215)	(72,153)	(42,141)	(41,964)
Interest received	45,817	45,817	104,383	104,383
Interest paid	(495)	(495)	(1,970)	(1,970)
Net cash generated from (used in) operating activities	(26,893)	(26,831)	60,272	60,449
Cash flows from investing activities				
Purchases of property, plant and equipment	-	-	(1,775)	(1,775)
Dividend received	600,000	600,000	500,000	500,000
Investment in government securities/other investments	(13,219)	(13,219)	(276,411)	(276,411)
Net cash (used in)/generated from investing activities	586,781	586,781	221,815	221,815
Cash flows from financing activities				
Dividend payment	(482,400)	(482,400)	(402,000)	(402,000)
Change in Bank borrowings	-	-	(833)	(833)
Net cash (used in)/generated from financing activities	(482,400)	(482,400)	(402,833)	(402,833)
Net (decrease)/increase in cash and cash equivalents	77,487	77,550	(120,746)	(120,569)
Movement in cash and cash equivalents				
At the start of period	269,696	265,784	133,833	129,667
(Decrease)/increase	77,487	77,550	(120,746)	(120,569)
At the end of period	347,183	343,334	13,087	9,098

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. 2024.

3 Significant Accounting Policies

The Company has adopted consistent accounting policies and method applied for the year ended 31st March 2024 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:

	9/30/2024	9/30/2023	3/31/2024
Ordinary shares as at	80,400	80,400	80,400

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	1,440,838
Less: Provision for Tax	<u>(664,707)</u>
Profit after Tax	<u>776,131</u>

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	
	9/30/2024	9/30/2023	9/30/2024	9/30/2023
Dividend received from the JV	600,000	500,000	600,000	500,000
Dividend declared & paid to shareholders	482,400	402,000	482,400	402,000
Number of shares in issue (thousands)	80,400	80,400	80,400	80,400
Dividend per share - (Rs.)	6.00	5.00	6.00	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 Six months ended 30th Sep.

	<u>2024</u>	<u>2023</u>
	Rs.	Rs.
Highest Price (23/08/24 & 21/08/23)	81.50	76.40
Lowest Price (03/09/24 & 05/07/23)	70.50	60.00
Closing Price	73.50	67.00

KELANI TYRES PLC
TOP 20 SHARE HOLDERS LIST
AS AT 30-09-2024

No.	Name	No of Shares	%
1	SILVERSTOCK LIMITED	39,994,246	49.744
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. A. M. WEERASINGHE	520,000	0.647
11	MRS. K. PUSPARAJ	472,417	0.588
12	SAMPATH BANK PLC / ARUNA ENTERPRISES(PVT) LTD	437,600	0.544
13	SANASA LIFE INSURANCE COMPANY PLC	424,966	0.529
14	MR. B POBRAN	350,240	0.436
15	MRS. R. J. VIDANAPATHIRANA	314,797	0.392
16	RANSIRI ENTERPRISES (PRIVATE) LIMITED	310,000	0.386
17	COMMERCIAL BANK OF CEYLON PLC A/C NO. 03	305,500	0.380
18	MRS. N. MULJIE	290,694	0.362
19	MONA EXPORTS (PVT) LIMITED	261,396	0.325
20	MR. T. T. T. AL-NAKIB (DECEASED)	250,000	0.311

PUBLIC HOLDING

The percentage of shares held by the public as at 30th September 2024 is 47.731% comprising of 9,537 shareholders
(30th September 2023 - 50.086% comprising of 9,533 shareholders)

FLOAT ADJUSTED MARKET CAPITALIZATION AS AT 30TH SEPTEMBER 2024 - RS. 2,820,593,443/50

The Company is in compliance with Option 4 of Rule 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 30TH SEPTEMBER 2024

Names of Directors	No of Shares	
	as at 30th Sep. 2024	%
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. Eraj 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

	30-09-2024	30-09-2023
Non-Current Assets	7,511,336	7,647,736
Current Assets	8,181,316	6,698,111
Total Assets	15,692,651	14,345,847
Capital and Reserves	10,010,171	9,144,782
Minority Interest	-	-
Non-Current Liabilities	1,257,768	816,897
Current Liabilities	4,424,712	4,384,168
Total Equity & Liabilities	15,692,651	14,345,847

Summarised Income Statement

	2024 Apr. to Sep.	2023 Apr. to Sep.
Production (MT)	7,253	4,772
Total Sales (MT)	7,086	5,478
Domestic Sales	8,502,295	6,874,751
Export Sales	586,177	543,694
Total Sales	9,088,472	7,418,445
Cost of Sales	(6,627,784)	(5,870,517)
Gross Profit	2,460,687	1,547,928
Distribution/Administrative Cost	(1,077,044)	(806,620)
Finance Cost less income	24,974	(48,300)
Other Operating Income	32,220	25,319
Profit Before Tax	1,440,838	718,326
Taxation	(664,707)	(308,580)
Profit for the period	776,131	409,746
Other Comprehensive income/(Expenses)	(24,859)	(84,169)
Total Comprehensive income	751,272	325,577