

# **Ceylon Tobacco Company PLC**

**Interim Financial Statements - 3 months ended 31 March 2023**

## **Ceylon Tobacco Company PLC**

### **Summary of Performance for the 3 months ended 31st March 2023**

---

The Company's sales volume during the three months ended 31st March 2023 was lower in comparison to the same period last year, mainly due to the tax led price increases in line with the Government's revenue proposals.

The cost base of the Company is impacted by the increases in other operating expenses driven by higher inflation and devaluation of the local currency. The Company's profit before income tax for the three months ended 31st March 2023 stood at Rs. 10.1bn, while the Company's profit after tax for the same period was Rs. 6.0bn.

#### Dividends

The Directors recommend a first interim dividend of Rs. 28.80 per share to be paid by the 12th June 2023.

**CEYLON TOBACCO COMPANY PLC**  
**Statement of Profit or Loss and Other Comprehensive Income**  
(all amounts in Sri Lanka Rupees millions)

03 months ended 31 March

	<b>2023</b> Un-audited	<b>2022</b> Un-audited
Turnover	46,935	37,002
Government Levies	(34,226)	(27,845)
<b>Revenue</b>	<b>12,709</b>	<b>9,157</b>
Other operating income	-	3
Raw material used	(893)	(742)
Employee benefit expense	(582)	(350)
Depreciation & amortisation expense	(103)	(92)
Other operating expenses	(1,505)	(1,386)
Net finance income	492	177
<b>Profit before income tax</b>	<b>10,118</b>	<b>6,767</b>
Income tax expenses	(4,119)	(2,581)
<b>Profit for the period</b>	<b>5,999</b>	<b>4,186</b>
<b>Other Comprehensive Income</b>		
Re-measurement of defined benefit obligation	6	87
<b>Total other comprehensive income for the year</b>	<b>6</b>	<b>87</b>
<b>Total comprehensive income</b>	<b>6,005</b>	<b>4,273</b>
<b>Earnings Per Share (basic and diluted)</b>	<b>32.02</b>	<b>22.35</b>

The Notes form an integral part of these Interim Financial Statements.



.....  
Towhid Akbar  
**Finance Director**  
Date : 12th May 2023

# CEYLON TOBACCO COMPANY PLC

## Statement of Financial Position

(all amounts in Sri Lanka Rupees millions)

	31-Mar 2023 Un-audited	31-Dec 2022 Audited
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	5,692	5,552
Intangible assets	-	-
Employee benefit asset	159	158
Other receivables	181	181
<b>Total non-current assets</b>	<b>6,032</b>	<b>5,891</b>
<b>Current assets</b>		
Inventories	7,011	6,303
Trade and other receivables	3,862	5,151
Cash and cash equivalents	24,223	24,217
<b>Total current assets</b>	<b>35,096</b>	<b>35,670</b>
<b>Total assets</b>	<b>41,128</b>	<b>41,561</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
Stated capital	1,873	1,873
Retained earnings	10,386	15,620
<b>Total equity attributable to equity holders</b>	<b>12,259</b>	<b>17,493</b>
<b>Non-current liabilities</b>		
Unfunded retirement benefit obligation	0	0
Deferred tax liabilities	505	375
Lease liabilities	123	58
Long term borrowings	326	367
<b>Total non-current liabilities</b>	<b>954</b>	<b>800</b>
<b>Current liabilities</b>		
Trade and other payables	19,194	9,028
Lease liabilities	177	63
Current taxation	8,229	6,754
Dividends payable	-	7,108
Unclaimed dividends	315	315
<b>Total current liabilities</b>	<b>27,915</b>	<b>23,268</b>
<b>Total liabilities</b>	<b>28,869</b>	<b>24,068</b>
<b>Total equity and liabilities</b>	<b>41,128</b>	<b>41,561</b>
Net Asset Per Share	<b>65.44</b>	<b>93.38</b>

The Notes form an integral part of these Interim Financial Statements.

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



Towhid Akbar

Finance Director

Date : 12th May 2023

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

Approved and signed for and on behalf of the Board of Directors:



Monisha Abraham

Managing Director and CEO

Date : 12th May 2023



Towhid Akbar

Finance Director

Date : 12th May 2023

# CEYLON TOBACCO COMPANY PLC

## Statement of Changes in Equity

(all amounts in Sri Lanka Rupees millions)

	Stated capital	Retained earnings	Total
<b>Balance at 1 January 2022</b>	<b>1,873</b>	<b>7,114</b>	<b>8,987</b>
Adjustment for Surcharge tax levied under Surcharge Act No. 14 of 2022		(6,306)	(6,306)
<b>Adjusted Balance as at 1 January 2022</b>	<b>1,873</b>	<b>808</b>	<b>2,681</b>
Profit for the period		4,186	4,186
Other comprehensive income	-	87	87
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>4,273</b>	<b>4,273</b>
<b>Transactions with owners of the Company, recognised directly in equity</b>			
Write back of unclaimed dividends	-	-	-
Dividends	-	-	-
<b>Total transactions with shareholders</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance at 31 Mar 2022 (Un-audited)</b>	<b>1,873</b>	<b>5,081</b>	<b>6,954</b>
Profit for the period	-	16,281	16,281
Other comprehensive income	-	(317)	(317)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>15,963</b>	<b>15,963</b>
<b>Transactions with owners of the Company, recognised directly in equity</b>			
Write back of unclaimed dividends	-	7	7
Dividends	-	(5,432)	(5,432)
<b>Total transactions with shareholders</b>	<b>-</b>	<b>(5,425)</b>	<b>(5,425)</b>
<b>Balance at 31 December 2022 (Audited)</b>	<b>1,873</b>	<b>15,620</b>	<b>17,493</b>
<b>Balance at 1 January 2023</b>	<b>1,873</b>	<b>15,620</b>	<b>17,493</b>
Profit for the period	-	5,999	5,999
Other comprehensive income	-	6	6
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>6,005</b>	<b>6,005</b>
<b>Transactions with owners of the Company, recognised directly in equity</b>			
Write back of unclaimed dividends	-	-	-
Dividends	-	(11,239)	(11,239)
<b>Total transactions with shareholders</b>	<b>-</b>	<b>(11,239)</b>	<b>(11,239)</b>
<b>Balance at 31 March 2023 (Un-audited)</b>	<b>1,873</b>	<b>10,386</b>	<b>12,259</b>

# CEYLON TOBACCO COMPANY PLC

## Statement of Cash Flows

(all amounts in Sri Lanka Rupees millions)

	03 months ended 31 March	
	2023 Un-audited	2022 Un-audited
<b>Cash flows from operating activities</b>		
Profit before Tax	10,118	6,767
<i>Adjustments for:</i>		
Depreciation & amortisation expense	103	92
Interest expense	7	6
Interest income	(458)	(183)
Write off of property, plant & equipment	0	0
Net interest on retirement benefit obligations	6	(5)
Provision for obsolete inventories and doubtful Debts	20	64
Exchange gain from long term borrowings	(41)	-
<b>Operating profit before working capital changes</b>	<b>9,755</b>	<b>6,741</b>
<i>Changes in working capital</i>		
Inventories	(727)	(1,131)
Trade & other receivables	1,286	404
Trade & other payables	10,166	6,181
<b>Cash generated from operations</b>	<b>20,480</b>	<b>12,195</b>
Interest received	458	183
Interest paid	(7)	(6)
Gratuity paid - unfunded scheme	-	-
Income tax paid	(2,512)	(1,118)
WHT paid	(1,931)	-
<b>Net cash generated from operating activities</b>	<b>16,488</b>	<b>11,254</b>
<b>Cash flows from investing activities</b>		
Purchase and construction of property, plant & equipment	(27)	(28)
Purchase of intangible assets	-	-
<b>Net cash used in investing activities</b>	<b>(27)</b>	<b>(28)</b>
<b>Cash flows from financing activities</b>		
Proceeds from long term borrowings	-	-
Dividends paid	(16,416)	(544)
Unclaimed dividends paid	-	-
Payment of finance lease liabilities	(38)	(36)
<b>Net cash outflow from financing activities</b>	<b>(16,454)</b>	<b>(580)</b>
<b>Net increase/ (decrease) in cash &amp; cash equivalents</b>	<b>7</b>	<b>10,646</b>
Cash & cash equivalents at the beginning of year	24,217	8,593
Increase/ (Decrease) in cash	7	10,646
<b>Cash &amp; cash equivalents at the end of the period</b>	<b>24,224</b>	<b>19,239</b>
<b>Analysis of cash &amp; cash equivalents at the end of the period</b>		
Cash in hand & bank balances	17,530	8,239
Short term investments	6,694	11,000
<b>Total cash &amp; cash equivalents</b>	<b>24,224</b>	<b>19,239</b>

# CEYLON TOBACCO COMPANY PLC

## Notes to the interim financial statements

### 1 General information

Ceylon Tobacco Company PLC is a public limited liability Company domiciled in Sri Lanka. The principal operations of the Company are manufacturing, marketing and selling cigarettes. The registered office of business is 178, Srimath Ramanathan Mawatha, Colombo 15. The ultimate holding company of Ceylon Tobacco Company PLC is British American Tobacco PLC through British American Tobacco International Holdings BV.

### 2 Basis of preparation

The condensed interim financial statements of Ceylon Tobacco Company PLC are for the twelve months ended 31 March 2023. They have been prepared in accordance with LKAS 34 - Interim Financial Reporting. These interim financial statements have been prepared in accordance with the SLFRS standards and IFRIC interpretations issued and effective as at the time of preparing these statements. The condensed interim financial statements do not include all of the information required for full annual financial statements and have not been audited.

### 3 Comparatives

Comparatives are provided for the same period last year and for the statement of financial position at the date 31 March 2022. Where necessary comparative figures have been reclassified to conform with the current year's presentation.

### 4 Contingent Liabilities

There have been no material changes to the contingent assets or contingent liabilities since the last annual reporting period.

### 5 Events occurring after the reporting period

No material events have occurred since the end of the reporting date which would require adjustments to, or disclosure in the financial statements.

The directors recommend a first interim dividend of Rs. 28.80 per share for 2023 and will be payable on 12th June 2023.

### 6 Market Price Per share

For the 3 months ending 31 March,

	<b>2023</b>	<b>2022</b>
	<b>Rs</b>	<b>Rs</b>
Highest	708.25	939.50
Lowest	598.00	570.00
Last Traded	680.75	576.25

## 7 20 Largest Shareholders of the Company

Name of Shareholder	No. of Shares	% Holding
<b>31 March 2023</b>		
British American Tobacco International Holdings B.V.	157,590,931	84.13
Philip Morris Brand SARL	15,585,910	8.32
CB NY S/A Allan Gray Frontier Markets Equity Fund Limited	3,267,374	1.74
J.B.Cocoshell (Pvt) Ltd	868,002	0.46
Rubber Investment Trust Ltd A/C 01	317,698	0.17
Mrs Singh	306,802	0.16
Deutsche Bank AG as Trustee to Capital Alliance Quantitative Equity Fund	255,697	0.14
Deutsche Bank AG AS Trustee For JB vantage Value Equity Fund	219,831	0.12
Miss N. Harnam	211,030	0.11
Mr.Jayawardena Sanjeeva Praneeth	195,566	0.10
Deutsche Bank AG Singapore A/C 02	175,600	0.09
Union Assurance PLC-Universal Life Fund	161,634	0.09
Harnam Holdings SDN BHD	150,000	0.08
Bank of Ceylon No 1 Account	143,175	0.08
BNYM RE- GHI Holdings Mauritius	129,687	0.07
Galle Face Capital Partners PLC	125,000	0.07
Mr.A.M.Weerasinghe	103,500	0.06
Mr. J.D. Bandaranayake	103,062	0.06
Askold (Private) Limited	101,468	0.05
Mr. O. Senanayake	100,000	0.05
<b>Sub Total</b>	<b>180,111,967</b>	<b>96.15</b>
Others	7,211,784	3.85
<b>Total Shares</b>	<b>187,323,751</b>	<b>100.00</b>

## 8 Computation of % of Public Shareholding

	<b>31 March 2023</b>
	<b>No of Shares</b>
<b><u>Parent Company</u></b>	
British American Tobacco International (Holdings) BV	157,590,931
	<hr/>
	157,590,931
<b><u>Directors shareholding (including spouses &amp; children)</u></b>	
Mr. S.K. Shah	-
Mrs. M. Abraham	-
Mr. K.D'Alwis	-
Mr. Y. Kanagasabai	-
Mr. S.M.A.Abrar	-
Mr. U. Zahur	-
Mrs. R. Rahman	-
Mr. S.R. Kidd	-
Mr. Towhid Akbar	-
	<hr/>
	-
Parent Company	157,590,931
Subsidiaries or Associate Companies of Parent	-
Subsidiaries or Associate Companies	-
10% or more holding	-
Directors shareholding (including spouses & children)	-
Public Holding	29,732,820
	<hr/>
	187,323,751
Public Holding as a % of Issued Share Capital	15.87%
Number of shareholders holding the Public Holding	4,663
Market Capitalisation of Public Holding (Rs. Million)	20,241

The Company complies with option 1 of the Listing Rules 7.14.1(a) - Float Adjusted Market Capitalisation of Rs. 10.0Bn which requires no minimum public holding percentage.