

INTERIM FINANCIAL STATEMENTS

***FOR THE SIX MONTHS PERIOD
ENDED
30TH SEPTEMBER 2023***



***MULLER & PHIPPS (CEYLON) PLC
98,SRI SANGARAJA MAWATHA
COLOMBO-10
COMPANY NO .PQ177***

MULLER & PHIPPS (CEYLON) PLC
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - GROUP

For the Period Ended 30th September 2023	Quarter Ended			Six Months Ended		
	2023 Rs,000	2022 Rs,000	Variance	2023 Rs,000	2022 Rs,000	Variance
Revenue	279,406	112,331	149%	418,911	377,411	11%
Cost of Sales	(180,183)	(40,940)	-340%	(284,971)	(343,541)	17%
Gross Profit	99,223	71,391	39%	133,940	33,870	295%
Other Operating Income	447	5,219	-91%	448	5,220	-91%
Administrative Expenses	(19,311)	(16,581)	-16%	(36,954)	(29,466)	-25%
Distribution Expenses	(2,933)	(11,531)	75%	(33,224)	(20,500)	-62%
Profit/(Loss) from Operations	77,426	48,498	60%	64,210	(10,876)	690%
Finance Income	5,955	10,335	-42%	10,363	18,409	-44%
Finance Expenses	(13,684)	(24,678)	45%	(40,552)	(45,097)	10%
Net Financing Income/ (Expenses)	(7,729)	(14,343)	46%	(30,189)	(26,688)	-13%
Profit/(Loss) Before Income Tax Expense	69,697	34,155	104%	34,021	(37,564)	191%
Income Tax	-	-	0%	-	-	0%
Profit/(Loss) for the Period	69,697	34,155	104%	34,021	(37,564)	191%
Other Comprehensive Income						
Equity Investments at FVTOCI - Net Changes in Fair Value	3	3,545	-100%	741	2,804	-74%
Total Comprehensive Income for the Period	69,700	37,700	85%	34,762	(34,760)	200%
Earnings per share (Rs.)	0.25	0.12		0.12	(0.13)	

Figures in brackets indicate deductions.

Above figures are provisional and subject to audit.

MULLER & PHIPPS (CEYLON) PLC
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - COMPANY

For the Period Ended 30th September 2023	Quarter Ended			Six Months Ended		
	2023 Rs,'000	2022 Rs,'000	Variance	2023 Rs,'000	2022 Rs,'000	Variance
Revenue	500	500	0%	1,000	1,000	0%
Cost of Sales	-	-		-	-	
Gross Profit	500	500	0%	1,000	1,000	0%
Other Operating Income	446	314	0%	446	314	42%
Administrative Expenses	(1,181)	(1,387)	15%	(2,380)	(2,443)	3%
Profit/(Loss) from Operations	(235)	(573)	59%	(934)	(1,129)	17%
Finance Income	7,189	5,003	44%	12,289	9,095	35%
Finance Expenses	-	-	0%	-	-	0%
Net Financing Income / (Expenses)	7,189	5,003	44%	12,289	9,095	35%
Profit Before Income Tax Expense	6,954	4,430	57%	11,355	7,966	43%
Income Tax	-	-	0%	-	-	0%
Profit for the Period	6,954	4,430	57%	11,355	7,966	43%
Other Comprehensive Income						
Equity Investments at FVTOCI - Net Changes in Fair Value	-	3,527	-100%	741	2,786	-73%
Total Comprehensive Income for the Period	6,954	7,957	-13%	12,096	10,752	13%
Earnings per share (Rs.)	0.02	0.02		0.04	0.03	

Figures in brackets indicate deductions.

Above figures are provisional and subject to audit.

MULLER & PHIPPS (CEYLON) PLC
STATEMENT OF FINANCIAL POSITION

As at	Group		Company	
	Unaudited 30-09-2023 Rs.'000	Audited 31-03-2023 Rs.'000	Unaudited 30-09-2023 Rs.'000	Audited 31-03-2023 Rs.'000
ASSETS				
Non-Current Assets				
Property, Plant & Equipment	4,641	5,233	-	-
Intangible Assets	162	263	-	-
Right of use the Asset	2,360	-	-	-
Investments in Subsidiaries	-	-	53,897	53,897
Financial Assets				
-Investment in Shares	11,787	22,255	-	10,468
-Investment in Debentures	12,966	12,967	12,966	12,966
Deferred Tax Assets	65,897	65,897	9,201	9,201
Total Non Current Assets	97,813	106,615	76,064	86,533
Current Assets				
Inventories	75,777	80,583	-	-
Trade and Other Receivables	168,084	100,553	20	20
Amounts due from Related Companies	15,443	55,786	122,869	101,912
Investment in Financial Assets	-	98,533	-	-
Income Tax Recoverable	686	618	686	618
Cash and Cash Equivalent	150,283	19,525	3,566	2,279
Total Current Assets	410,273	355,598	127,141	104,829
TOTAL ASSETS	508,086	462,213	203,205	191,362
EQUITY AND LIABILITIES				
Equity				
Stated Capital	83,000	83,000	83,000	83,000
FVTOCI Reserve	(6,354)	(7,095)	(2,823)	(3,564)
Retained Earnings	(101,621)	(135,642)	120,337	108,982
Equity Attributable to Equity Holders of the Company	(24,975)	(59,737)	200,514	188,418
Non-Current Liabilities				
Retirement Benefit Obligations	10,849	10,378	-	-
Lease Obligation	1,909	-	-	-
Total Non Current Liabilities	12,758	10,378	-	-
Current Liabilities				
Trade and Other Payables	174,003	6,375	2,691	2,944
Interest Bearing Borrowings	128,313	303,794	-	-
Lease Obligation	428	-	-	-
Income Tax payable	6,262	6,263	-	-
Amounts due to Related Companies	201,910	185,499	-	-
Bank Overdraft	9,387	9,641	-	-
Total Current Liabilities	520,303	511,572	2,691	2,944
TOTAL EQUITY & LIABILITIES	508,086	462,213	203,205	191,362
Net asset value per share	(0.09)	(0.21)	0.71	0.67

Above figures are provisional and subject to audit.

I certify that the Financial Statements of the Company have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007.

(sgd)

A.D.T.Mendis

Chief Financial Officer

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 Muller & Phipps (Ceylon) PLC.

(sgd)

R.C.A. Welikala

Director

(sgd)

S.W.Gunawardena

Director

Colombo

Date: 14.11.2023

MULLER & PHIPPS (CEYLON) PLC
STATEMENT OF CHANGES IN EQUITY

Group

	Stated Capital Rs,'000	General Reserve Rs,'000	Capital Reserve Rs,'000	FVTOCI Reserve Rs,'000	Retained Earnings Rs,'000	Total Rs,'000
Balance as at 1st April 2022	83,000	5,000	401	(2,697)	(47,200)	38,504
Profit for the period	-	-	-	-	(37,564)	(37,564)
Other comprehensive income for the period	-	-	-	2,804	-	2,804
Balance as at 30th September 2022	83,000	5,000	401	107	(84,764)	3,744
Balance as at 1st April 2023	83,000	5,000	401	(12,496)	(135,642)	(59,737)
Profit for the period	-	-	-	-	34,021	34,021
Other comprehensive income for the period	-	-	-	741	-	741
Balance as at 30th September 2023	83,000	5,000	401	(11,755)	(101,621)	(24,975)

Company

	Stated Capital Rs,'000	General Reserve Rs,'000	Capital Reserve Rs,'000	FVTOCI Reserve Rs,'000	Retained Earnings Rs,'000	Total Rs,'000
Balance as at 1st April 2022	83,000	5,000	401	(707)	95,613	183,307
Profit for the period	-	-	-	-	7,966	7,966
Other comprehensive income for the period	-	-	-	2,786	-	2,786
Balance as at 30th September 2022	83,000	5,000	401	2,079	103,578	194,058
Balance as at 1st April 2023	83,000	5,000	401	(8,965)	108,982	188,418
Profit for the period	-	-	-	-	11,355	11,355
Other comprehensive income for the period	-	-	-	741	-	741
Balance as at 30th September 2023	83,000	5,000	401	(8,224)	120,337	200,514

Above figures are provisional and subject to audit.

MULLER & PHIPPS (CEYLON) PLC
CASH FLOW STATEMENT

For the Period Ended 30th September	Group		Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	2023	2022	2023	2022
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Cash flows from Operating Activities				
Profit/(Loss) before taxation	34,021	(37,564)	11,355	7,966
Adjustments for:				
Amortization/Depreciation on property, plant & equipment	692	813	-	-
Amortization on right to use building	472	831	-	-
Interest expenses	48,180	49,425	-	-
Provision for retirement benefit obligation	2,520	2,400	-	-
Profit on Sale of shares	(194)	-	(194)	-
Impairment provision-other financial assets	(3,430)	(3,326)	(3,430)	(1,662)
Dividend Income	(252)	(314)	(252)	(314)
Provision for inventories	12	237	-	-
Interest income	(4,801)	(5,412)	(8,859)	(10,758)
Operating cashflow before working capital changes	77,220	7,090	(1,381)	(4,768)
(Increase) / Decrease in inventories	4,794	38,373	-	-
(Increase) / Decrease in trade & other receivables	(67,599)	119,359	(68)	-
(Increase) / Decrease in amount due from related companies	(21,747)	(1,020)	(11,648)	4,833
Increase/ (Decrease) in trade & other payables	167,629	(414,802)	(253)	(499)
Increase/ (Decrease) in amount due to related companies	83,612	109,469	-	-
Cash generated from operations	243,909	(141,530)	(13,349)	(434)
Interest expenses paid	(48,020)	(49,378)	-	-
Retiring gratuity paid	(2,049)	(128)	-	-
Net cashflows generated from operations activities	193,840	(191,035)	(13,349)	(434)
Cash flow from investing activities				
Purchase of property, plant & equipment	-	(138)	-	-
Interest received	3,120	1,457	2,980	812
Proceeds from fixed deposits	-	29,397	-	-
Dividend received	252	-	252	314
Sale of treasury bond	98,533	-	-	-
Disposal proceeds of shares	11,403	-	11,403	-
Net cashflows generated from investing activities	113,308	30,716	14,635	1,126
Cash Flows from Financing Activities				
Repayment of lease liabilities	(656)	(563)	-	-
Net movement in Short term loans	(175,480)	169,571	-	-
Net cashflows generated from financing activities	(176,136)	169,008	-	-
Increase/ (Decrease) in Cash & Cash Equivalents	131,012	8,689	1,286	692
Cash & Cash Equivalents at the beginning of the year	9,884	(5,603)	2,279	3,754
Cash & Cash Equivalents at the end of the period	140,896	3,086	3,566	4,446
Analysis of cash & cash equivalents				
Bank Overdraft	(9,387)	(19,941)	-	-
Cash in hand & at Bank	150,283	23,027	3,566	4,446
Cash & Cash Equivalents at the end of the period	140,896	3,086	3,566	4,446

Above figures are provisional and subject to audit.

NOTES TO THE FINANCIAL STATEMENTS

1. Account Status

The figures are provisional and subject to audit.

2. Basis of Preparation

The Interim Financial Statements for the six months ended 30st September 2023 have been prepared in accordance with the accounting policies set out in the audited Financial Statements for the year ended 31st March 2023, and also in compliance with Sri Lanka Accounting Standard 34 - Interim Financial Reporting.

The presentation and the classification of the financial statements of the previous period have been adjusted where relevant, for better presentation and to be comparable with current reporting.

3. Commitments and Contingencies

Commitments

The Group had no material capital or financial commitments as at the Statement of Financial Position.

Contingent Liabilities

There has been no significant change in the nature of the contingent liabilities which were disclosed in the audited financial statements for the year ended 31st March 2023.

4. Events occurring after the Reporting Date

There have been no material events subsequent to the interim period which require disclosures in the provisional Interim Financial Statements.

5. Comparative Information

The following comparative figures have been reclassified in the statement of profit or loss and other comprehensive income (Q2 - 2022) to comply with the current year classification.

For the period ended 30th September	Quarter Ended			Six Months Ended		
	2022			2022		
	Previous Rs.'000	Reclassified Rs.'000	Current	Previous Rs.'000	Reclassified Rs.'000	Current Rs.'000
GROUP						
Cost of Sales	(100,514)	(59,574)	(40,940)	(290,216)	53,325	(343,541)
Administrative Expenses	(29,136)	(12,555)	(16,581)	(54,574)	(25,108)	(29,466)
Distribution Expenses	(5,800)	5,731	(11,531)	(11,229)	9,271	(20,500)
Finance Income	76,733	66,399	10,334	5,411	(12,998)	18,409
Finance Expenses	(24,678)	-	(24,678)	(69,587)	(24,490)	(45,097)

6. Share Related Information

6.1. Market Value

Market value of a share for the quarter ended	30.09.2023	30.09.2022
	Rs.	Rs.
Highest	1.40	1.70
Lowest	1.00	0.80
Last Traded	1.10	1.40

6.2. Stated Capital and Public Holding

	30.09.2023	30.09.2022
Stated Capital (Rs.)	83,000,000	83,000,000
No. of shares represented by the stated capital	283,000,000	283,000,000
Percentage of shares held by the public	48.66%	48.66%
No. of Public Shareholders	2,889	2,923

6.3. The applicable option under CSE Rule 7.13.1 (i) (a) on minimum public holding is option 5 and the Float Adjusted Market Capitalization as of 30.09.2023 was Rs.151,478,580.00.

6.4. None of the Directors held any shares directly as at 30.09.2023.

MULLER & PHIPPS (CEYLON) PLC**6.5 Major Shareholders as at 30th September 2023**

Name	Shareholding	% Holding
1 Sampath Bank PLC / Dr.T.Senthilverl	73,592,100	26.00%
2 E.B. Creasy & Company PLC	73,061,773	25.82%
3 Amana Bank PLC / E.B. Creasy & Company PLC	72,000,000	25.44%
4 Seylan Bank PLC / Senthilverl Holdings (Pvt) Ltd	8,679,625	3.07%
5 Mr. Ajith Krishantha Palliya Guruge Don (Deceased)	5,248,632	1.85%
6 Getz Bros. & Co. Inc.	3,675,000	1.30%
7 Hatton National Bank PLC / Ravindra Erle Rambukwelle	1,357,100	0.48%
8 Mr. Ravindra Erle Rambukwelle	1,234,000	0.44%
9 Mr. Buwaneka Tissa Prathapasinghe Mrs. Uma Kumari Prathapasinghe	1,000,000	0.35%
10 Mr. Harshaka Chamupathie Subasinghe	1,000,000	0.35%
11 Mr. Shyamsunder Ramanathan	766,352	0.27%
12 Mr. Upul Krishantha Bandara Damunupola	766,206	0.27%
13 Mr. Sajid Hussein Makeen	700,000	0.25%
14 Mr. Abhayagunawardhanalage Nilantha Pradeep Abhayagunawardhana	680,200	0.24%
15 Mr. Bhadraka Yasanga Edirisuriya Mrs. Ruwanka Deepani Edirisuriya Mr. Priyantha Manjusri Weerasuriya	650,001	0.23%
16 Mr. Viraj Kalhara Attale	643,408	0.23%
17 Mr. Dhanusha Senajith Duke De Lanerolle	604,500	0.21%
18 Mr. Joseph Rohan Victoria	550,000	0.19%
19 Sampth Bank PLC / Mr.Ananda Samaranyake	506,795	0.18%
20 Sampath Bank PLC / Aruna Enterprises Pvt Ltd.	500,000	0.18%
21 Mr. Abdul Majeed Mohamed Anas Mrs. Fathima Sajidha Mohamed Halideen	500,000	0.18%
22 T R L Holdings (Pvt) Limited	500,000	0.18%
23 Seylan Bank PLC / Ulupen Vidanalage Jagath Shanthapriya Ranasinghe	500,000	0.18%
	248,715,692	87.89%

CORPORATE INFORMATION

Legal Form

Public Quoted Company with Limited
Liability incorporated in Sri Lanka on 08 May 1964
Under the Companies Ordinance No 51 of 1938

Board of Directors

Chairman

S.D.R.Arudpragasam

Directors

R. C. A. Welikala
R.N. Bopearatchy
P.M.A Sirimane
A.R.Rasiah
S.N.P.Palihena
Dr. A.M.Mubarak
S.Rajaratnam
S.W. Gunawardena

Subsidiary

Pettah Pharmacy (Pvt) Ltd

Registered Office

P.O. Box 37
98, Sri Sangaraja Mawatha
Colombo 10.
Telephone: 94(11) 2421311
Fax: 94(11)2448534

Secretaries

Corporate Managers & Secretaries (Private) Ltd.
8-5/2, Leyden Bastian Road,
York Arcade Building,
Colombo 1.

Auditors

KPMG
Chartered Accountants
P.O. Box 186
Colombo 3.

Legal Advisers

Julius & Creasy
P.O. Box 154,
Colombo 1.

Bankers

Hatton National Bank PLC
Standard Chartered Bank
Commercial Bank of Ceylon PLC
National Development Bank PLC
Union Bank of Colombo PLC
Amana Bank PLC
Bank of Ceylon