

# EQUITY TWO PLC

A Carson Cumberbatch Company

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Condensed Interim Financial Statements  
For the three months ended 30th June 2023

## Equity Two PLC

# Statement of Profit or Loss and Other Comprehensive Income

(All figures are in Sri Lankan Rupees Thousands)

Three months ended 30th June	2023	2022	Change %
<b>Revenue</b>	<b>41,540</b>	<b>34,481</b>	<b>20</b>
Direct costs	(13,876)	(12,544)	11
	<b>27,664</b>	<b>21,937</b>	<b>26</b>
Other income	225	135	67
Administrative and other operating expenses	(3,968)	(3,304)	20
<b>Operating profit</b>	<b>23,921</b>	<b>18,768</b>	<b>27</b>
Finance income	13,508	3,185	324
Finance costs	(1,698)	(1,006)	69
<b>Net finance income</b>	<b>11,810</b>	<b>2,179</b>	<b>442</b>
<b>Profit before taxation</b>	<b>35,731</b>	<b>20,947</b>	<b>71</b>
Income tax expense	(11,936)	(4,530)	163
Deferred taxation	(216)	(849)	(75)
<b>Profit for the period</b>	<b>23,579</b>	<b>15,568</b>	<b>51</b>
<b>Other comprehensive income</b>			
<b>Items that will never be reclassified into profit and loss</b>			
Actuarial gain / (loss) from valuation of employee benefits	-	-	-
Related tax	-	-	-
<b>Total other comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>23,579</b>	<b>15,568</b>	<b>51</b>
Earnings per share (Rs.)	<b>0.76</b>	<b>0.50</b>	
Dividend per share (Rs.)	-	-	

Change % represents the percentage change in the current period's results compared to the corresponding period of the previous year.

Figures in brackets indicate deductions.

# Equity Two PLC

## Statement of Financial Position

(All figures are in Sri Lankan Rupees Thousands)

As at	30.06.2023	31.03.2023 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment properties	1,720,595	1,720,595
Investment in fixed deposits	187,727	177,987
<b>Total non-current assets</b>	<b>1,908,322</b>	<b>1,898,582</b>
<b>Current assets</b>		
Trade and other receivables	19,803	22,822
Investment in fixed deposits	72,528	68,944
Cash and cash equivalents	74,046	12,180
<b>Total current assets</b>	<b>166,377</b>	<b>103,946</b>
<b>Total assets</b>	<b>2,074,699</b>	<b>2,002,528</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Stated capital	444,092	444,092
Capital reserves	750	750
Revenue reserves	1,090,155	1,066,576
<b>Total equity</b>	<b>1,534,997</b>	<b>1,511,418</b>
<b>Non-current liabilities</b>		
Refundable rental deposits	59,606	58,966
Deferred tax liability	413,460	413,244
Employee benefits	1,315	1,286
<b>Total non-current liabilities</b>	<b>474,381</b>	<b>473,496</b>
<b>Current liabilities</b>		
Trade and other payables	4,810	8,878
Deferred revenue	3,512	4,030
Loans and borrowings	50,110	-
Current tax liabilities	6,889	4,706
<b>Total current liabilities</b>	<b>65,321</b>	<b>17,614</b>
<b>Total liabilities</b>	<b>539,702</b>	<b>491,110</b>
<b>Total equity and liabilities</b>	<b>2,074,699</b>	<b>2,002,528</b>
Net assets per share (Rs.)	49.52	48.76

The Statement of Financial Position as at 30th June 2023 and the related Statements of Profit or Loss and Other Comprehensive Income, Changes in Equity and Cash Flows for the period then ended as disclosed in pages 1 to 4 have been drawn up from unaudited financial statements.

I certify that these financial statements are in compliance with the requirements of Companies Act, No. 7 of 2007.

(Sgd).

**L.C.D. Prasanga**

Finance Manager

Carsons Management Services (Private) Limited

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

Approved and signed on behalf of the managers,

Approved and signed on behalf of the board,

(Sgd).

**V.R. Wijesinghe**

Director

Carsons Management Services (Private) Limited

Colombo

11th August 2023

(Sgd).

**A.P. Weeratunge**

Director

(Sgd).

**K.C.N. Fernando**

Director

# Equity Two PLC

## Statement of Changes in Equity

(All figures are in Sri Lankan Rupees Thousands)

	Stated capital	Capital reserves	Revenue reserves	Total equity
<b>Balance as at 01st April 2023</b>	<b>444,092</b>	<b>750</b>	<b>1,066,576</b>	<b>1,511,418</b>
Profit for the period	-	-	23,579	23,579
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	23,579	23,579
<b>Balance as at 30th June 2023</b>	<b>444,092</b>	<b>750</b>	<b>1,090,155</b>	<b>1,534,997</b>

  

<b>Balance as at 01st April 2022</b>	<b>444,092</b>	<b>750</b>	<b>998,516</b>	<b>1,443,358</b>
Surcharge tax for the year of assessment 2020/21	-	-	(18,178)	(18,178)
<b>Balance as at 01st April 2022 (Adjusted)</b>	<b>444,092</b>	<b>750</b>	<b>980,338</b>	<b>1,425,180</b>
Profit for the period	-	-	15,568	15,568
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	15,568	15,568
<b>Balance as at 30th June 2022</b>	<b>444,092</b>	<b>750</b>	<b>995,906</b>	<b>1,440,748</b>

Figures in brackets indicate deductions.

## Equity Two PLC

# Statement of Cash Flows

(All figures are in Sri Lankan Rupees Thousands)

Three months ended 30th June	2023	2022
<b>Cash flows from operating activities</b>		
Profit before taxation	35,731	20,947
<b>Adjustments for:</b>		
Finance costs	1,698	1,006
Finance income	(13,508)	(2,226)
Net change in fair value through profit or loss financial assets	-	(959)
Provision for employee benefits	29	28
Amortization of deferred revenue	(1,466)	(925)
<b>Operating profit before working capital changes</b>	22,484	17,871
(Increase) / decrease in trade and other receivables	3,019	(159)
Increase / (decrease) in trade and other payables	(8,763)	2,101
<b>Operating profit after working capital changes</b>	16,740	19,813
Income tax paid	(5,000)	(3,672)
Surcharge tax paid	-	(9,089)
<b>Net cash generated from / (used in) operating activities</b>	11,740	7,052
<b>Cash flows from investing activities</b>		
Redemption of / (investment in) fair value through profit or loss financial assets	-	44,678
Withdrawal of / (investment in) fixed deposits	-	(9,201)
Interest received	184	3,233
<b>Net cash generated from / (used in) investing activities</b>	184	38,710
<b>Cash flows from financing activities</b>		
Dividend paid	(58)	(125)
Loans obtained	50,000	-
<b>Net cash generated from / (used in) financing activities</b>	49,942	(125)
Net increase / (decrease) in cash and cash equivalents	61,866	45,637
Cash and cash equivalents at the beginning of the period	12,180	76,612
<b>Cash and cash equivalents at the end of the period</b>	74,046	122,249
<b>Statement of cash and cash equivalents</b>		
Cash at bank and in hand	74,046	97,147
Placements with banking and financial institutions	-	25,102
<b>Cash and cash equivalents for the cash flow statement purposes</b>	74,046	122,249

Figures in brackets indicate deductions.

## Equity Two PLC

# Notes to the Interim Financial Statements

(All figures are in Sri Lankan Rupees Thousands)

### 1. BASIS OF PREPARATION OF INTERIM FINANCIAL STATEMENTS

The Interim Financial Statements of the Company have been prepared based on the same accounting policies and methods applied for the year ended 31st March 2023 and are in compliance with Sri Lanka Accounting Standard LKAS 34 - "Interim Financial Reporting". The provisions of the Companies Act, No. 7 of 2007 have been considered in preparing these Interim Financial Statements.

### 2. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the reporting period, no circumstances have arisen which would require adjustments to or disclosure in the financial statements.

### 3. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

There were no material contingent liabilities and capital commitments.

### 4. LIABILITIES FOR EXPENDITURE

Management fees and other similar expenses for the period have been accounted for in full in the interim financial statements.

### 5. COMPARATIVE FIGURES

Previous period's figures and phrases have been re-arranged wherever necessary to conform to the current period's presentation.

### 6. STATED CAPITAL

The Stated Capital of the Company as at 30th June 2023 was Rs. 444,092,098/35 consists of 31,000,000 fully paid Ordinary Shares.

### 7. GOING CONCERN

Based on currently available information, the directors are satisfied that the Company will continue its operations in the foreseeable future.

### 8. RELATED PARTY TRANSACTIONS

Three months ended 30th June	2023	2022
<b>Transactions with affiliate companies</b>		
Management and support services fees paid	1,896	1,828
Rent and parking fees received	8,939	7,652

# Equity Two PLC

## Notes to the Interim Financial Statements

(All figures are in Sri Lankan Rupees Thousands)

### 9. TWENTY MAJOR SHAREHOLDERS AS AT 30TH JUNE 2023

Name of Shareholders	Number of Shares	%
1 Equity One Limited A/C No.1	27,549,456	88.87
2 Bank of Ceylon A/C Ceybank Unit Trust	2,201,508	7.10
3 Mr. K.C. Vignarajah	108,210	0.35
4 Tranz Dominion, L.L.C.	55,480	0.18
5 Mrs. C.A.D.S. Woodward	52,073	0.17
6 Miss. V.K. Ramanayake	50,000	0.16
7 Mrs. C.L. Ramanayake	50,000	0.16
8 Mr. L.L. Hettiarachchi	33,186	0.11
9 Mr. P. Somadasa	28,679	0.09
10 Amana Bank PLC/Hi-Line Trading (Pvt) Ltd	25,337	0.08
11 Miss. C.M. Wickramasekera	25,300	0.08
12 Union Investments Private Ltd	25,200	0.08
13 Mr. A.A. Noordeen	23,496	0.08
14 People's Leasing & Finance PLC/Dr. H.S.D. Soysa & Mrs. G. Soysa	19,000	0.06
15 Mrs. S. Vignarajah	18,309	0.06
16 Mr. S.N.C.W.M.B.C. Kandegeedara	16,200	0.05
17 Mr. J.B. Hirdaramani	16,000	0.05
18 Mrs. J. Aloysius	15,900	0.05
19 Dialog Finance PLC/A.S.M. Shiyam	14,781	0.05
20 Mr. H.P. Bonifass	14,000	0.05

### 10. PUBLIC HOLDING

The Company is in compliance with the Minimum Public Holding requirements for Companies listed on the Diri Savi Board as per Rule 7.14.1 (i) (b) of the Listing Rules of the Colombo Stock Exchange, under Option 2, i.e. Float-Adjusted Market Capitalization of less than Rs.1 Billion with 200 Public Shareholders and a Public Holding percentage of 10%.

#### The Company's Public Holding as at 30th June 2023

Market Capitalization of the Public Holding	Rs.137.84 Million
Number of public shareholders	2,024
Percentage of ordinary shares held by the public	11.12%

### 11. DIRECTORS SHAREHOLDING AS AT 30TH JUNE 2023

	No. of Shares
Mr. E. H. Wijenaike- Appointed as Chairman w.e.f. 16th July 2023	-
Mr. K.C.N. Fernando	3,600
Mr. A.P. Weeratunge	-
Mr. P.D.D. Fernando	-
Mr. S. Marimuthu	550
Mr. D. C. R. Gunawardena- Resigned as Director/ Chairman w.e.f. 15th July 2023	-

### INVESTOR INFORMATION

### 12. SHARE VALUATION

#### As at/ for the three months ended 30th June 2023

Last traded price per share (Rs.)	40.00
Highest price per share for the period (Rs.)	42.50
Lowest price per share for the period (Rs.)	36.00
Market capitalisation	Rs.1,240.0 Million

# Corporate Information

<b>NAME OF THE COMPANY</b>	Equity Two PLC (A Carson Cumberbatch Company)
<b>COMPANY REGISTRATION NO.</b>	PQ 34
<b>LEGAL FORM</b>	A Public Quoted Company with Limited Liability incorporated in Sri Lanka in 1990. Official listing of the Colombo Stock Exchange was obtained in November 1994.
<b>PARENT AND ULTIMATE CONTROLLING ENTITY</b>	Equity One Limited is the immediate Parent Company of Equity Two PLC. Carson Cumberbatch PLC is the Parent Company of Equity One Limited and Bukit Darah PLC is the Ultimate Parent and Controlling Entity of Equity One Limited.
<b>DIRECTORS</b>	Mr. E. H. Wijenaike- Appointed as Chairman w.e.f. 16th July 2023 Mr. K.C.N. Fernando Mr. A. P. Weeratunge Mr. P. D. D. Fernando Mr. S. Marimuthu Mr. D. C. R. Gunawardena- Resigned as Director/ Chairman w.e.f. 15th July 2023
<b>PLACE OF BUSINESS</b>	No. 61, Janadhipathi Mawatha, Colombo 01, Sri Lanka. Tel : +94 11 2039 200 Fax: +94 11 2039 300
<b>BANKERS</b>	Standard Chartered Bank Commercial Bank of Ceylon PLC Hatton National Bank PLC Nations Trust Bank PLC DFCC Bank PLC National Development Bank PLC Sampath Bank PLC SBI Sri Lanka
<b>AUDITORS</b>	Messrs. KPMG Chartered Accountants No.32A, Sir Mohamed Macan Marker Mawatha, Colombo 03, Sri Lanka. Tel: +94 11 5426 426 Fax:+94 11 2445 872
<b>MANAGERS &amp; SECRETARIES</b>	Carsons Management Services (Private) Limited No. 61, Janadhipathi Mawatha, Colombo 01, Sri Lanka. Tel : +94 11 2039 200 Fax: +94 11 2039 300
<b>REGISTERED OFFICE</b>	No. 61, Janadhipathi Mawatha, Colombo 01, Sri Lanka. Tel : +94 11 2039 200 Fax: +94 11 2039 300
<b>CORPORATE WEBSITE</b>	<a href="http://www.carsoncumberbatch.com">www.carsoncumberbatch.com</a>