

EQUITY TWO PLC

A Carson Cumberbatch Company

Condensed Interim Financial Statements
For the six months ended 30th September 2024

Equity Two PLC

Statement of Profit or Loss and Other Comprehensive Income

(All figures are in Sri Lankan Rupees Thousands)

	Three months ended 30th September			Six months ended 30th September		
	2024	2023	Change %	2024	2023	Change %
Revenue	54,229	42,406	28	102,889	83,946	23
Direct costs	(24,182)	(18,859)	28	(40,914)	(32,735)	25
	30,047	23,547	28	61,975	51,211	21
Other income	291	259	12	582	484	20
Administrative and other operating expenses	(3,863)	(3,651)	6	(8,157)	(7,619)	7
Operating profit	26,475	20,155	31	54,400	44,076	23
Finance income	15,004	13,731	9	29,468	27,239	8
Finance costs	(1,722)	(1,601)	8	(3,275)	(3,299)	(1)
Net finance income	13,282	12,130	9	26,193	23,940	9
Profit before taxation	39,757	32,285	23	80,593	68,016	18
Income tax expense	(10,624)	(10,449)	2	(22,127)	(22,385)	(1)
Deferred taxation	(172)	(292)	(41)	(340)	(508)	(33)
Profit for the period	28,961	21,544	34	58,126	45,123	29
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	28,961	21,544	34	58,126	45,123	29
Earnings per share (Rs.)	0.93	0.70		1.88	1.46	
Dividend per share (Rs.)*	-	-		-	-	

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

* Dividend per share is based on the proposed/ interim dividends.

Figures in brackets indicate deductions.

Equity Two PLC

Statement of Financial Position

(All figures are in Sri Lankan Rupees Thousands)

31.03.2024

As at	30.09.2024	(Audited)
ASSETS		
Non-current assets		
Investment properties	1,915,833	1,915,692
Investment in fixed deposits	212,328	217,164
Total non-current assets	2,128,161	2,132,856
Current assets		
Trade and other receivables	38,917	31,585
Investment in fixed deposits	32,636	78,380
Fair value through profit or loss financial assets	-	38,180
Current tax receivables	9,997	-
Cash and cash equivalents	261,595	8,205
Total current assets	343,145	156,350
Total assets	2,471,306	2,289,206
EQUITY AND LIABILITIES		
Equity		
Stated capital	444,092	444,092
Capital reserves	750	750
Revenue reserves	1,330,915	1,288,289
Total equity	1,775,757	1,733,131
Non-current liabilities		
Refundable rental deposits	52,800	40,126
Deferred tax liability	471,815	471,475
Employee benefits	2,718	2,571
Total non-current liabilities	527,333	514,172
Current liabilities		
Trade and other payables	140,133	9,906
Deferred revenue	28,083	23,531
Current tax liabilities	-	8,466
Total current liabilities	168,216	41,903
Total liabilities	695,549	556,075
Total equity and liabilities	2,471,306	2,289,206
Net assets per share (Rs.)	57.28	55.91

The Statement of Financial Position as at 30th September 2024 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

Senior Vice President- Finance

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,

(Sgd).

V.R. Wijesinghe

Director

Carsons Management Services (Private) Limited

Colombo

11th November 2024

Approved and signed on behalf of the board,

(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
Balance as at 01st April 2024	444,092	750	1,288,289	1,733,131
Profit for the period	-	-	58,126	58,126
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	58,126	58,126
Second interim dividend 2023/24	-	-	(15,500)	(15,500)
Balance as at 30th September 2024	444,092	750	1,330,915	1,775,757

Balance as at 01st April 2023	444,092	750	1,066,576	1,511,418
Profit for the period	-	-	45,123	45,123
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	45,123	45,123
Balance as at 30th September 2023	444,092	750	1,111,699	1,556,541

Figures in brackets indicate deductions.

Equity Two PLC

Statement of Cash Flows

(All figures are in Sri Lankan Rupees Thousands)

Six months ended 30th September	2024	2023
Cash flows from operating activities		
Profit before taxation	80,593	68,016
Adjustments for:		
Finance costs	3,275	3,299
Finance income	(27,848)	(27,239)
Net change in fair value through profit or loss financial assets	(1,620)	-
Provision for employee benefits	147	147
Amortization of deferred revenue	(3,912)	(2,642)
Operating profit before working capital changes	50,635	41,581
(Increase) / decrease in trade and other receivables	(7,332)	1,963
Increase / (decrease) in trade and other payables	105,778	(12,487)
Operating profit after working capital changes	149,081	31,057
Rental deposits received	17,863	-
Income tax paid	(16,214)	(18,426)
Net cash generated from / (used in) operating activities	150,730	12,631
Cash flows from investing activities		
Additions to investment properties	(141)	(3,385)
Investment in fair value through profit or loss financial assets	(20,000)	-
Redemption of fair value through profit or loss financial assets	59,800	-
Investment in fixed deposits	(32,027)	-
Withdrawal of fixed deposits	90,500	24,600
Interest received	19,955	7,294
Net cash generated from / (used in) investing activities	118,087	28,509
Cash flows from financing activities		
Dividend paid	(15,427)	(91)
Interest paid	-	(408)
Loans obtained	-	50,000
Loans settled	-	(50,000)
Net cash generated from / (used in) financing activities	(15,427)	(499)
Net increase / (decrease) in cash and cash equivalents	253,390	40,641
Cash and cash equivalents at the beginning of the period	8,205	12,180
Cash and cash equivalents at the end of the period	261,595	52,821
Statement of cash and cash equivalents		
Cash at bank and in hand	26,899	13,200
Placements with banking and financial institutions	234,696	39,621
Cash and cash equivalents for the cash flow statement	261,595	52,821

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 using the same accounting policies and methods as the audited financial statements for the year ended 31st March 2024, 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 September 2024 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

Six months ended 30th September	2024	2023
Transactions with the parent company		
Dividends paid, net of WHT	11,709	-
Transactions with affiliate companies		
Management and support services fees paid	3,791	3,791
Rent and parking fees received	17,878	17,878

Equity Two PLC

Notes to the Interim Financial Statements

(All figures are in Sri Lankan Rupees Thousands)

9. TWENTY MAJOR SHAREHOLDERS AS AT 30TH SEPTEMBER 2024

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	2,198,192	7.09
3 Mr. K.C. Vignarajah	108,301	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	29,600	0.10
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. Kandegedara	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 7.13.1 (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 September 2024

Float Adjusted Market Capitalization	Rs.130,993,600/-
Number of Public Shareholders	2,023
Percentage of ordinary shares held by the public	11.12%

11. DIRECTORS SHAREHOLDING AS AT 30TH SEPTEMBER 2024

	No. of Shares
Mr. E. H. Wijenaike (Chairman)	-
Mr. K.C.N. Fernando *	3,600
Mr. A.P. Weeratunge	-
Mr. P.D.D. Fernando (Resigned w.e.f. 25th September 2024)	-
Mr. S. Marimuthu	550
Mr. A.S. Amaratunga (Appointed w.e.f. 25th September 2024)	-

* On 23rd October 2024, Mr.K.C.N. Fernando disposed his 3,600 shares, as announced to the CSE on 30th October 2024.

INVESTOR INFORMATION

12. SHARE VALUATION

As at/ for the three months ended 30th September 2024

Last traded price per share (Rs.)	38.00
Highest price per share for the period (Rs.)	41.70
Lowest price per share for the period (Rs.)	37.70
Market capitalisation (Rs.)	1,178,000,000/-

Corporate Information

NAME OF THE COMPANY	Equity Two PLC (A Carson Cumberbatch Company)
COMPANY REGISTRATION NO.	PQ 34
LEGAL FORM	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.
PARENT AND ULTIMATE CONTROLLING ENTITY	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.
DIRECTORS	Mr. E. H. Wijenaike (Chairman) Mr. K.C.N. Fernando Mr. A. P. Weeratunge Mr. P. D. D. Fernando (Resigned w.e.f. 25th September 2024) Mr. S. Marimuthu Mr. A.S. Amaratunga (Appointed w.e.f. 25th September 2024)
AUDIT COMMITTEE (Formed on 25th September 2024)	Mr. A. S. Amaratunga (Chairman) - Non-Executive/ Independent Mr. S. Marimuthu - Non-Executive/ Independent Mr. A. P. Weeratunge - Non Executive
REMUNERATION COMMITTEE (Formed on 25th September 2024)	Mr. S. Marimuthu (Chairman) - Non-Executive/ Independent Mr. A. S. Amaratunga - Non-Executive/ Independent Mr. A. P. Weeratunge - Non Executive
NOMINATIONS AND GOVERNANCE COMMITTEE (Formed on 25th September 2024)	Mr. S. Marimuthu (Chairman) - Non-Executive/ Independent Mr. A. S. Amaratunga - Non-Executive/ Independent Mr. A. P. Weeratunge - Non Executive
RELATED PARTY TRANSACTIONS REVIEW COMMITTEE (Formed on 25th September 2024)	Mr. A. S. Amaratunga (Chairman) - Non-Executive/ Independent Mr. S. Marimuthu - Non-Executive/ Independent Mr. A. P. Weeratunge - Non Executive
PLACE OF BUSINESS	No. 61, Janadhipathi Mawatha, Colombo 01, Sri Lanka. Tel : +94 11 2039 200 Fax: +94 11 2039 300
BANKERS	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
AUDITORS	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
MANAGERS & SECRETARIES	Carsons Management Services (Private) Limited No. 61, Janadhipathi Mawatha, Colombo 01, Sri Lanka. Tel : +94 11 2039 200 Fax: +94 11 2039 300
REGISTERED OFFICE	No. 61, Janadhipathi Mawatha, Colombo 01, Sri Lanka. Tel : +94 11 2039 200 Fax: +94 11 2039 300
CORPORATE WEBSITE	www.carsoncumberbatch.com