

IN TERMS OF RULE 7.4 OF THE COLOMBO STOCK EXCHANGE

" NIPPON CEMENT "

TOKYO CEMENT COMPANY (LANKA) PLC

INTERIM FINANCIAL STATEMENTS (Unaudited)  
2nd QUARTER

FOR THE QUARTER ENDED 30th SEPTEMBER 2023

**CORPORATE INFORMATION**

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**NAME OF THE COMPANY** : TOKYO CEMENT COMPANY (LANKA) PLC**COMPANY REGISTRATION NO** : PQ 115**LEGAL FORM** : A public Quoted Company with Limited Liability, Incorporated in Sri Lanka in 1982 and Listed on 1st January 1984**BOARD OF DIRECTORS** :

|                          |  |
|--------------------------|--|
| Dr Harsha Cabral, PC     | Chairman and Non Executive Independent Director  |
| Mr S. R. Gnanam          | Managing Director  |
| Mr A.S.G. Gnanam         | Non Executive Director   |
| Mr E. J. Gnanam          | Non Executive Director   |
| Mr Ravi Dias             | Non Executive Independent Director   |
| Mr W .C Fernando         | Director   |
| Mr Asite Talwatte        | Non Executive Independent Director   |
| Mr S Nakamoto            | Non Executive Director & Nominee Director of Ube Singapore Holdings Pte. Ltd - Appointed on 1st April 2023 |
| Dr Indrajit Coomaraswamy | Non Executive Independent Director   |
| Mr Praveen Gnanam        | Executive Director (Appointed on 4th September 2023)   |

**COMPANY SECRETARIES** : Seccom (Private) Limited, (Company Secretaries)  
1E - 2/1, De Fonseka Place, Colombo 5  
T Phone 2590 176 Fax 2 581618  
E\_Mail kmaahamed@hotmail.com

**HEAD OFFICE** : 469 - 1/1 Galle Road, Colombo 3  
T Phone 2587 619 Fax 2500 897  
Web Site www.tokyocement.com

**SUBSIDIARY COMPANIES** :

- : Tokyo Cement Power (Lanka) (Private) Limited
- : Tokyo Eastern Cement Company (Private) Limited
- : Tokyo Super Aggregate (Private) Limited
- : Tokyo Supermix (Private) Limited
- : Tokyo Cement Industrial Park (Pvt) Ltd (initial stages)

**AUDITORS** : BDO Partners, (Chartered Accountants)  
Chittampalam A Gardiner Mawatha, Colombo 2

**COMMITTEE MEMBERS**

|                      | <u>Audit Committee</u> | <u>Remuneration Committee</u> | <u>Related Party Committee</u> | <u>Nomination Committee</u> |
|----------------------|------------------------|-------------------------------|--------------------------------|-----------------------------|
| Dr Harsha Cabral, PC |                        | ✓                             |                                | ✓                           |
| Mr Ravi Dias         | ✓                      | ✓                             | ✓                              | ✓                           |
| Mr Asite Talwatte    | ✓                      |                               | ✓                              |                             |
| Mr S R Gnanam        |                        |                               |                                | ✓                           |
| Mr W .C Fernando     | ✓                      |                               | ✓                              |                             |
| Dr I Coomaraswamy    | ✓                      | ✓                             |                                | ✓                           |

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**TOKYO CEMENT COMPANY (LANKA) PLC**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**- FOR THE SIX MONTHS PERIOD ENDED 30TH SEPTEMBER 2023 - COMPANY**


|  | COMPANY                         |              |                     | COMPANY                      |             |                     |
|--|---------------------------------|--------------|---------------------|------------------------------|-------------|---------------------|
|  | Six Months Ended 30th September |              |                     | Quarter Ended 30th September |             |                     |
|  | 2023                            | 2022         | % Change<br>+ / (-) | 2023                         | 2022        | % Change<br>+ / (-) |
|  | Rs ' 000                        | Rs ' 000     |                     | Rs ' 000                     | Rs ' 000    |                     |
| <b>Continuing Operations</b>   |                                 |              |                     |                              |             |                     |
| Revenue from Contracts with Customers                                | 17,971,879                      | 20,288,340   | -11%                | 9,927,727                    | 8,846,078   | 12%                 |
| Cost of Sales  | (12,581,815)                    | (13,192,929) | -5%                 | (6,972,667)                  | (5,049,474) | 38%                 |
| Gross Profit   | 5,390,064                       | 7,095,411    | -24%                | 2,955,060                    | 3,796,604   | -22%                |
| Other Income   | 263,782                         | 443,043      | -40%                | 76,070                       | 335,551     | -77%                |
| Selling and Distribution Expenses                                    | (2,407,736)                     | (1,911,210)  | 26%                 | (1,419,187)                  | (1,030,742) | 38%                 |
| Administrative Expenses  | (1,118,273)                     | (516,279)    | 117%                | (570,947)                    | (246,308)   | 132%                |
| Profit from Operations   | 2,127,837                       | 5,110,965    | -58%                | 1,040,996                    | 2,855,105   | -64%                |
| Dividend Income  | -                               | 500,000      |                     | -                            | 500,000     |                     |
| Profit Before Interest and Taxation                                  | 2,127,837                       | 5,610,965    |                     | 1,040,996                    | 3,355,105   |                     |
| Finance Income   | 120,671                         | 66,282       | 82%                 | 91,210                       | 35,830      | 155%                |
| Finance Expenses   | (792,838)                       | (3,008,899)  | -74%                | (397,135)                    | (784,529)   | -49%                |
| Profit before Taxation   | 1,455,670                       | 2,668,348    | -45%                | 735,071                      | 2,606,406   | -72%                |
| Income Tax Expenses  | (455,189)                       | (554,009)    | -18%                | (223,173)                    | (458,653)   | -51%                |
| Profit for the Period  | 1,000,481                       | 2,114,339    | -53%                | 511,898                      | 2,147,753   | -76%                |
| Other Comprehensive Income   | -                               | -            |                     | -                            | -           |                     |
| Total Comprehensive Income / (Loss) for the Period, net of tax       | 1,000,481                       | 2,114,339    |                     | 511,898                      | 2,147,753   |                     |
| Profit / (Loss) for the Period attributable to :                     |                                 |              |                     |                              |             |                     |
| Owners of the Parent   | 1,000,481                       | 2,114,339    | -53%                | 511,898                      | 2,147,753   | -76%                |
| Non Controlling Interest   | -                               | -            |                     | -                            | -           |                     |
| Profit / (Loss) for the Period                                       | 1,000,481                       | 2,114,339    |                     | 511,898                      | 2,147,753   |                     |
| Total Comprehensive Income / (Loss) for the Period attributable to : |                                 |              |                     |                              |             |                     |
| Owners of the Parent   | 1,000,481                       | 2,114,339    | -53%                | 511,898                      | 2,147,753   | -76%                |
| Non Controlling Interest   | -                               | -            |                     | -                            | -           |                     |
| Total Comprehensive Income for the Period                            | 1,000,481                       | 2,114,339    |                     | 511,898                      | 2,147,753   |                     |
| Basic Earning Per Share ( Rs)  | 2.27                            | 4.79         | -53%                | 1.16                         | 4.87        | -76%                |

The above figures are provisional and subject to Audit

7th November 2023

COLOMBO

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Sgd   
Mr. H. M. Ajith Kumara  
General Manager - Finance





## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

- FOR THE SIX MONTHS PERIOD ENDED 30TH SEPTEMBER 2023 - GROUP

|  | GROUP                           |              |                     | GROUP                        |             |                     |
|--|---------------------------------|--------------|---------------------|------------------------------|-------------|---------------------|
|  | Six Months Ended 30th September |              |                     | Quarter Ended 30th September |             |                     |
|  | 2023                            | 2022         | % Change<br>+ / (-) | 2023                         | 2022        | % Change<br>+ / (-) |
|  | Rs ' 000                        | Rs ' 000     |                     | Rs ' 000                     | Rs ' 000    |                     |
| <b>Continuing Operations</b>                         |                                 |              |                     |                              |             |                     |
| Revenue from Contracts with Customers                | 25,331,012                      | 30,317,328   | -16%                | 13,311,060                   | 14,010,079  | -5%                 |
| Cost of Sales  | (17,492,710)                    | (18,603,161) | -6%                 | (9,405,754)                  | (7,919,410) | 19%                 |
| Gross Profit   | 7,838,302                       | 11,714,167   | -33%                | 3,905,306                    | 6,090,669   | -36%                |
| Other Income   | 405,788                         | 450,347      | -10%                | 203,155                      | 339,163     | -40%                |
|  | 8,244,090                       | 12,164,514   | -32%                | 4,108,461                    | 6,429,832   | -36%                |
| Selling and Distribution Expenses                    | (3,640,977)                     | (3,099,836)  | 17%                 | (1,972,775)                  | (1,720,974) | 15%                 |
| Administrative Expenses                              | (1,592,704)                     | (666,005)    | 139%                | (838,040)                    | (317,896)   | 164%                |
| Profit from Operations                               | 3,010,409                       | 8,398,673    | -64%                | 1,297,646                    | 4,390,962   | -70%                |
| Finance Income                                       | 134,586                         | 171,546      | -22%                | 103,095                      | 94,452      | 9%                  |
| Finance Expenses                                     | (978,783)                       | (4,199,356)  | -77%                | (429,938)                    | (792,621)   | -46%                |
| Profit before Taxation                               | 2,166,212                       | 4,370,863    | -50%                | 970,803                      | 3,692,793   | -74%                |
| Income Tax Expenses                                  | (659,088)                       | (660,274)    | -0%                 | (328,779)                    | (517,000)   | -36%                |
| Profit for the Period                                | 1,507,124                       | 3,710,589    | -59%                | 642,024                      | 3,175,793   | -80%                |
| Other Comprehensive Income                           | -                               | -            | -                   | -                            | -           | -                   |
| Total Comprehensive Income for the Period net of tax | 1,507,124                       | 3,710,589    | -59%                | 642,024                      | 3,175,793   | -80%                |
| Profit for the Period Attributable to :              |                                 |              |                     |                              |             |                     |
| Owners of the Parent                                 | 1,503,358                       | 3,708,244    | -59%                | 639,805                      | 3,174,052   | -80%                |
| Non-Controlling Interest                             | 3,766                           | 2,345        | 61%                 | 2,219                        | 1,741       | 27%                 |
|  | 1,507,124                       | 3,710,589    | -59%                | 642,024                      | 3,175,793   | -80%                |
| Total Comprehensive Income Attributable to :         |                                 |              |                     |                              |             |                     |
| Owners of the Parent                                 | 1,503,358                       | 3,708,244    | -59%                | 639,805                      | 3,174,052   | -80%                |
| Non-Controlling Interest                             | 3,766                           | 2,345        | 61%                 | 2,219                        | 1,741       | 27%                 |
| Total Comprehensive Income for the period            | 1,507,124                       | 3,710,589    | -59%                | 642,024                      | 3,175,793   | -80%                |
| Basic Earning Per Share ( Rs)                        | 3.41                            | 8.41         | -59%                | 1.45                         | 7.20        | -80%                |

The above figures are provisional and subject to Audit

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**TOKYO CEMENT COMPANY (LANKA) PLC**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH SEPTEMBER 2023**

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|                                    | Group                      |                            | Company                    |                            |
|------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
|                                    | As at<br>30th Sept<br>2023 | As at<br>31 st Mar<br>2023 | As at<br>30th Sept<br>2023 | As at<br>31 st Mar<br>2023 |
|                                    | Rs ' 000                   | Rs ' 000                   | Rs ' 000                   | Rs ' 000                   |
| <b>ASSETS</b>                      |                            |                            |                            |                            |
| <u>Non Current Assets</u>          |                            |                            |                            |                            |
| Property, Plant and Equipment      | 33,388,721                 | 30,308,654                 | 19,519,797                 | 16,009,092                 |
| Right of Use Assets                | 1,441,026                  | 1,300,426                  | 1,120,987                  | 1,146,209                  |
| Intangible Assets                  | 48,364                     | 53,807                     | 13,791                     | 18,116                     |
| Investments in Subsidiaries        | -                          | -                          | 12,790,907                 | 12,237,177                 |
| Total Non Current Assets           | 34,878,111                 | 31,662,887                 | 33,445,482                 | 29,410,594                 |
| <u>Current Assets</u>              |                            |                            |                            |                            |
| Inventories                        | 5,129,951                  | 8,352,187                  | 2,560,422                  | 3,856,340                  |
| Trade and Other Receivables        | 4,387,443                  | 4,372,406                  | 3,084,792                  | 2,504,258                  |
| Advances, Deposits and Prepayments | 1,479,951                  | 1,403,950                  | 1,111,841                  | 1,105,209                  |
| Amount Due from Subsidiaries       | -                          | -                          | 8,970                      | 683,815                    |
| Financial Assets at Amortized Cost | 10,086                     | 9,519                      | -                          | -                          |
| Cash and Cash Equivalents          | 749,684                    | 1,673,752                  | 387,993                    | 1,237,822                  |
| Total Current Assets               | 11,757,115                 | 15,811,814                 | 7,154,018                  | 9,387,444                  |
| <b>TOTAL ASSETS</b>                | <b>46,635,226</b>          | <b>47,474,701</b>          | <b>40,599,500</b>          | <b>38,798,038</b>          |

Figures in brackets indicate deductions

Statement of Financial Position of the Company as at 30th September 2023 and the Statement of Comprehensive Income for the Period then ended are drawn up from the unaudited accounts of the Company, and they provide the information required by the Colombo Stock Exchange.

The Board of Directors at its meeting held on 7th November 2023, on the Recommendation of the Audit Committee, approved the accounts for circulation to the members of the Company in terms of Rule 7.4 of the Colombo Stock Exchange.

  
Sgd S R Gnanam  
Managing Director

  
Sgd Mr W C Fernando -  
Director

7th November 2023  
COLOMBO

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TOKYO CEMENT COMPANY (LANKA) PLC

STATEMENT OF FINANCIAL POSITION

AS AT 30TH SEPTEMBER 2023

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|   | Group                      |                            | Company                    |                            |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
|   | As at<br>30th Sept<br>2023 | As at<br>31 st Mar<br>2023 | As at<br>30th Sept<br>2023 | As at<br>31 st Mar<br>2023 |
|   | Rs ' 000                   | Rs ' 000                   | Rs ' 000                   | Rs ' 000                   |
| <b><u>EQUITY AND LIABILITIES</u></b>        |                            |                            |                            |                            |
| <b><u>Capital and Reserves</u></b>          |                            |                            |                            |                            |
| Stated Capital                              | 5,526,661                  | 4,239,611                  | 5,526,661                  | 4,239,611                  |
| Retained Earnings                           | 21,168,828                 | 21,553,946                 | 12,030,383                 | 12,918,377                 |
| Equity Attributable to Owners of the Parent | 26,695,489                 | 25,793,557                 | 17,557,044                 | 17,157,988                 |
| Non-Controlling Interest                    | 98,184                     | 94,418                     | -                          | -                          |
| Total Equity                                | 26,793,673                 | 25,887,975                 | 17,557,044                 | 17,157,988                 |
| <b><u>Non Current Liabilities</u></b>       |                            |                            |                            |                            |
| Interest Bearing Borrowing                  | 3,189,970                  | 1,162,434                  | 5,245,104                  | 3,427,917                  |
| Deferred Tax Liabilities                    | 3,593,793                  | 3,081,156                  | 2,008,992                  | 1,553,803                  |
| Retirement Benefits Obligations             | 387,618                    | 342,970                    | 308,222                    | 271,092                    |
| Lease Creditors                             | 407,014                    | 284,114                    | 158,357                    | 191,480                    |
|   | 7,578,395                  | 4,870,674                  | 7,720,675                  | 5,444,292                  |
| <b><u>CURRENT LIABILITIES</u></b>           |                            |                            |                            |                            |
| Trade and Other Payables                    | 4,133,413                  | 5,325,785                  | 4,524,100                  | 5,375,564                  |
| Amount Due to Subsidiaries                  | -                          | -                          | 3,162,907                  | 4,509,697                  |
| Interest Bearing Borrowing                  | 6,843,083                  | 10,646,498                 | 6,716,256                  | 5,763,176                  |
| Lease Creditors                             | 53,483                     | 53,808                     | 20,841                     | 22,706                     |
| Bank Overdrafts                             | 1,233,179                  | 689,961                    | 897,677                    | 524,615                    |
| Total Current Liabilities                   | 12,263,158                 | 16,716,052                 | 15,321,781                 | 16,195,758                 |
| <b><u>TOTAL EQUITY AND LIABILITIES</u></b>  | <b>46,635,226</b>          | <b>47,474,701</b>          | <b>40,599,500</b>          | <b>38,798,038</b>          |
| Net Assets Represented by :                 |                            |                            |                            |                            |
| Ordinary Shares - Voting                    | 294,030,000                | 294,030,000                | 294,030,000                | 294,030,000                |
| Ordinary Shares - Non Voting                | 147,015,000                | 147,015,000                | 147,015,000                | 147,015,000                |
| Net Assets Per Share (Rs)                   | 60.53                      | 58.48                      | 39.81                      | 38.90                      |

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**TOKYO CEMENT COMPANY (LANKA) PLC**  
**STATEMENT OF CASH FLOWS**

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**FOR THE PERIOD ENDED 30th SEPTEMBER**

Cash Flow from Operating Activities

A Cash Generated from Operations

Profit before Taxation

Adjustment for -

Depreciation of Property, Plant and Equipment

Provision for retirement benefit obligations

Profit on Disposal of Property, Plant and Equipment

Amortization of Lease/Intangible Assets

Interest Income

Interest Expense

Lease Interest

Dividend Income

Unrealized Exchange loss on import Bills payable

Operating Profit before Working Capital Change

(Increase) / Decrease in Inventories

(Increase) / Decrease in Trade and Other Receivables

(Increase)/Decrease in Advances, Deposits & Prepayments

Increase / (Decrease) in Payables

(Increase)/Decrease in amount due to/from Subsidiaries

Cash Generated from Operation

Interest Paid

Gratuity Paid

Income Tax Paid

Net Cash flow from /(used in) Operating Activities

Cash Flow from Investing Activities

Purchase and Construction of Property, Plant and Equipment

Sale Proceeds from Disposal of Property, Plant and Equipment

Interest Received

Net Cash flow from /(used in) Investing Activities

Cash Flow from Financing Activities

Receipt/(Repayment) of Interest Bearing Borrowing ( net)

Lease Rental Paid

Dividend Paid

Net Cash Flow from /(used) in Financing Activities

Net Increase / (Decrease) in Cash and Cash Equivalents

Cash and Cash Equivalents at Beginning of the period

Cash and Cash Equivalents at End of the period

B Analysis of Cash and Cash Equivalents

Bank Balances and Cash in Hand

Bank Overdrafts

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|  | GROUP                   |                        | COMPANY                 |                        |
|--|-------------------------|------------------------|-------------------------|------------------------|
|  | 30- 09-2023<br>Rs ' 000 | 30-09-2022<br>Rs ' 000 | 30- 09-2023<br>Rs ' 000 | 30-09-2022<br>Rs ' 000 |
| Cash Flow from Operating Activities                          |                         |                        |                         |                        |
| A Cash Generated from Operations                             |                         |                        |                         |                        |
| Profit before Taxation                                       | 2,166,212               | 4,370,863              | 1,455,670               | 2,668,348              |
| Adjustment for -   |                         |                        |                         |                        |
| Depreciation of Property, Plant and Equipment                | 692,095                 | 738,357                | 355,131                 | 337,142                |
| Provision for retirement benefit obligations                 | 59,268                  | 40,272                 | 45,000                  | 29,999                 |
| Profit on Disposal of Property, Plant and Equipment          | (149,899)               | -                      | (14,545)                | -                      |
| Amortization of Lease/Intangible Assets                      | 68,084                  | 67,743                 | 29,547                  | 37,451                 |
| Interest Income  | (50,080)                | (171,546)              | (42,919)                | (66,282)               |
| Interest Expense   | 958,238                 | 509,201                | 783,366                 | 558,913                |
| Lease Interest   | 20,545                  | 15,962                 | 9,472                   | 9,842                  |
| Dividend Income  | -                       | -                      | -                       | (500,000)              |
| Unrealized Exchange loss on import Bills payable             | -                       | 651,823                | -                       | 297,404                |
| Operating Profit before Working Capital Change               | 3,764,463               | 6,222,675              | 2,620,722               | 3,372,817              |
| (Increase) / Decrease in Inventories                         | 3,222,236               | (454,479)              | 1,295,918               | 214,968                |
| (Increase) / Decrease in Trade and Other Receivables         | (15,037)                | (771,698)              | (580,534)               | (312,018)              |
| (Increase)/Decrease in Advances, Deposits & Prepayments      | (76,001)                | (956,714)              | (6,632)                 | (724,247)              |
| Increase / (Decrease) in Payables                            | (846,414)               | (9,664,694)            | (703,140)               | (5,279,470)            |
| (Increase)/Decrease in amount due to/from Subsidiaries       | -                       | -                      | (1,225,675)             | (812,403)              |
| Cash Generated from Operation                                | 6,049,247               | (5,624,910)            | 1,400,659               | (3,540,353)            |
| Interest Paid  | (958,238)               | (509,201)              | (783,366)               | (558,913)              |
| Gratuity Paid  | (14,620)                | (33,568)               | (7,870)                 | (27,470)               |
| Income Tax Paid  | (508,084)               | (172,813)              | (163,999)               | (132,010)              |
| Net Cash flow from /(used in) Operating Activities           | 4,568,305               | (6,340,492)            | 445,424                 | (4,258,746)            |
| Cash Flow from Investing Activities                          |                         |                        |                         |                        |
| Purchase and Construction of Property, Plant and Equipment   | (3,906,668)             | (1,392,597)            | (3,868,696)             | (1,315,077)            |
| Sale Proceeds from Disposal of Property, Plant and Equipment | 284,405                 | -                      | 17,405                  | -                      |
| Interest Received  | 49,513                  | 171,056                | 42,919                  | 66,282                 |
| Net Cash flow from /(used in) Investing Activities           | (3,572,750)             | (1,221,541)            | (3,808,372)             | (1,248,795)            |
| Cash Flow from Financing Activities                          |                         |                        |                         |                        |
| Receipt/(Repayment) of Interest Bearing Borrowing ( net)     | (1,775,879)             | 1,683,426              | 2,770,267               | 1,716,418              |
| Lease Rental Paid  | (101,212)               | (69,222)               | (44,460)                | (24,316)               |
| Dividend Paid  | (585,750)               | -                      | (585,750)               | -                      |
| Net Cash Flow from /(used) in Financing Activities           | (2,462,841)             | 1,614,204              | 2,140,057               | 1,692,102              |
| Net Increase / (Decrease) in Cash and Cash Equivalents       | (1,467,286)             | (5,947,829)            | (1,222,891)             | (3,815,439)            |
| Cash and Cash Equivalents at Beginning of the period         | 983,791                 | 5,367,107              | 713,207                 | 3,455,944              |
| Cash and Cash Equivalents at End of the period               | (483,495)               | (580,722)              | (509,684)               | (359,495)              |
| B Analysis of Cash and Cash Equivalents                      |                         |                        |                         |                        |
| Bank Balances and Cash in Hand                               | 749,684                 | 869,880                | 387,993                 | 680,594                |
| Bank Overdrafts  | (1,233,179)             | (1,450,602)            | (897,677)               | (1,040,089)            |
|  | (483,495)               | (580,722)              | (509,684)               | (359,495)              |

**TOKYO CEMENT COMPANY (LANKA) PLC**  
**STATEMENT OF CHANGES IN EQUITY**

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| GROUP                             | Attributable to Equity Shareholders              |                               |                   | Non Controlling Interest<br>Rs ' 000 | TOTAL EQUITY<br>Rs ' 000 |
|-----------------------------------|--|-------------------------------|-------------------|--------------------------------------|--------------------------|
|                                   | Stated Capital Voting and Non Voting<br>Rs ' 000 | Retained Earnings<br>Rs ' 000 | Total<br>Rs ' 000 |                                      |                          |
| Balance as at 1st April 2022      | 4,239,611  | 16,596,253                    | 20,835,864        | 84,516                               | 20,920,380               |
| Profit for the Period             | -  | 3,708,244                     | 3,708,244         | 2,345                                | 3,710,589                |
| Balance As at 30th September 2022 | 4,239,611  | 20,304,497                    | 24,544,108        | 86,861                               | 24,630,969               |
| Balance as at 1st April 2023      | 4,239,611  | 21,553,945                    | 25,793,556        | 94,418                               | 25,887,974               |
| Profit for the Period             | -  | 1,503,358                     | 1,503,358         | 3,766                                | 1,507,124                |
| Dividends to Equity Holders       | -  | (601,425)                     | (601,425)         | -                                    | (601,425)                |
| Capitalization of Reserves        | 1,287,050  | (1,287,050)                   | -                 | -                                    | -                        |
| Balance As at 30th September 2023 | 5,526,661  | 21,168,828                    | 26,695,489        | 98,184                               | 26,793,673               |
| <b>COMPANY</b>                    |  |                               |                   |                                      |                          |
|                                   | Stated Capital Voting and Non Voting<br>Rs ' 000 | Retained Earnings<br>Rs ' 000 |                   |                                      | TOTAL EQUITY<br>Rs ' 000 |
| Balance as at 1st April 2022      | 4,239,611  | 10,829,501                    |                   |                                      | 15,069,112               |
| Profit for the Period             | -  | 2,114,339                     |                   |                                      | 2,114,339                |
| Balance As at 30th September 2022 | 4,239,611  | 12,943,840                    |                   |                                      | 17,183,451               |
| Balance as at 1st April 2023      | 4,239,611  | 12,918,377                    |                   |                                      | 17,157,988               |
| Profit for the Period             | -  | 1,000,481                     |                   |                                      | 1,000,481                |
| Dividends to Equity Holders       | -  | (601,425)                     |                   |                                      | (601,425)                |
| Capitalization of Reserves        | 1,287,050  | (1,287,050)                   |                   |                                      | -                        |
| Balance As at 30th September 2023 | 5,526,661  | 12,030,383                    |                   |                                      | 17,557,044               |



**1 Dividend Payments**

|                                   | <u>Date</u>    | <u>Voting</u>        | <u>Non Voting</u>    |
|-----------------------------------|----------------|----------------------|----------------------|
| First and Final Dividends 2022/23 | 20th June 2023 | Rs 1/50<br>per share | Rs 1/50<br>per share |

**2 Capitalization of Reserves**

|                               |               |                      |                      |
|-------------------------------|---------------|----------------------|----------------------|
| One for Every Ten Shares Held | 7th Sept 2023 | 26,730,000<br>Shares | 13,365,000<br>Shares |
| Consideration                 |               | Rs 858,033,000       | Rs 429,016,500       |

**3 Share Trading from 1 st July 2023 to 30th September 2023**

|                             | <u>30th Sept 23</u><br><u>Voting</u> | <u>30th Sept 22</u><br><u>Voting</u> | <u>30th Sept 23</u><br><u>Non Voting</u> | <u>30th Sept 22</u><br><u>Non Voting</u> |
|-----------------------------|--------------------------------------|--------------------------------------|--|--|
| No of Transactions          | 5,258                                | 6,611                                | 5,115                                    | 8,308                                    |
| No of Shares Traded         | 19,209,075                           | 15,440,588                           | 11,955,693                               | 27,586,997                               |
| Value of Shares Traded (Rs) | 1,071,581,126                        | 527,880,986                          | 603,858,836                              | 748,642,547                              |
| Market Value (Rs)           | 55.00                                | 40.00                                | 47.40                                    | 32.30                                    |

**4 Stated Capital of Rs 5,526,661,250/= is Represented by :**

|                              |             |
|------------------------------|-------------|
| Ordinary Shares - Voting     | 294,030,000 |
| Ordinary Shares - Non Voting | 147,015,000 |

**5 Accounting Policies**

The Company has followed the same Accounting Policies as disclosed in the Annual Report for the financial year ended 31 st March 2023 and are in compliance with LKAS 34 - Interim Financial Reporting of the Company and Group.

**6 Sale of Electricity to The National Grid**

The excess power generated from the Biomass power plant is sold to the National Grid.

**7 Comparative Information**

The accounting policies have been consistently applied by the Company and are consistent with those of the previous year. The previous year's figures and phrases have been re-arranged wherever necessary to conform to the current year's presentation.

**8 Events After the Reporting Period**

There were no events that occurred after the reporting period which require adjustments to, or disclosures in the financial statements.

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**9 Contingent Liabilities and Contingent Asset**

There has been no significant change in the nature of the contingent liability and contingent asset which were disclosed in the previous annual report.

**10 Capital Commitments**

The Company embarked on a 1Mn MT Capacity Expansion Project in November 2021, which had to be put on hold by the 4th quarter 2021/22 due to heightened macro-economic instability in the country. The project was reassessed for incremental investment in line with current market prices. The project has been re-commenced and the value of Capital work in progress has been included in Property, Plant and Equipment.

**11 Holding and Subsidiary Companies**

| <u>Subsidiary Companies</u>                             | <u>% holding</u> |
|---|------------------|
| Tokyo Cement Power (Lanka) (Pvt) Limited                | 100 %            |
| Tokyo Eastern Cement Company (Pvt) Limited              | 100 %            |
| Tokyo Super Aggregate (Pvt) Limited                     | 51 %             |
| Tokyo Supermix (Pvt) Limited                            | 100 %            |
| Tokyo Cement Industrial Park (Pvt) Ltd (initial stages) | 100 %            |

The Group accounts for the period 2023/24 includes the operating results of the subsidiary companies

**12 Administrative Expenses**

Administrative expenses of the Company and Group for the Six months ended 30th September 2023, include Social Security Contribution Levy (SSCL) amounting to Rs 380.8 million and Rs 565.1 million respectively. SSCL is effective from 1st October 2022.

**13 Finance Expenses**

Finance expenses of the Company and the Group for the period ended **30th September 2022** include exchange loss of Rs. 2,440 million and Rs. 3,674 million respectively. No exchange losses have been incurred for the quarter under review, due to appreciation of Sri Lanka Rupee.

**14 Income Tax Expenses**

The group has adopted the revised rate of 30% applicable to manufacturing sector for the income tax liability and deferred tax provision for the financial period ended 30th September 2023.

Income tax expenses of the Company and the Group are as follows

|  | For the Six<br>Months ended<br>2023<br>Rs Millions | For the Six<br>Months ended<br>2022<br>Rs Millions | For the<br>Quarter ended<br>2023<br>Rs Millions | For the<br>Quarter ended<br>2022<br>Rs Millions |
|--|--|--|---|---|
| <u>Company</u>                                 |  |  |   |   |
| Current period income tax provision/(reversal) | -  | 70.0   | -   | 70.0  |
| Deferred Taxation Provision                    | 455.1  | 484.0  | 223.1   | 388.6   |
| Total  | 455.1  | 554.0  | 223.1   | 458.6   |
| <u>Group</u>                                   |  |  |   |   |
| Current period income tax provision/(reversal) | 146.4  | 159.0  | 65.1  | 117.9   |
| Deferred Taxation Provision                    | 512.6  | 501.2  | 263.6   | 399.1   |
| Total  | 659.0  | 660.2  | 328.7   | 517.0   |

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| 15 Market Price per Share     | <u>30th Sept 23</u> | <u>30th Sept 22</u> | <u>30th Sept 23</u> | <u>30th Sept 22</u> |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|
|                               | <u>Voting</u>       | <u>Voting</u>       | <u>Non Voting</u>   | <u>Non Voting</u>   |
| Highest for The Period        | 59.50               | 49.30               | 53.30               | 38.00               |
| Lowest for The Period         | 41.00               | 20.00               | 37.30               | 14.50               |
| Value as at End of the Period | 55.00               | 40.00               | 47.40               | 32.30               |

| 16 Public Shareholding                  | <u>30th Sept 23</u> | <u>30th Sept 22</u> | <u>30th Sept 23</u> | <u>30th Sept 22</u> |
|---|---------------------|---------------------|---------------------|---------------------|
|   | <u>Voting</u>       | <u>Voting</u>       | <u>Non Voting</u>   | <u>Non Voting</u>   |
| The percentage of shares held by Public | 39.16 %             | 39.16 %             | 100 %               | 100 %               |
| No of Public Shareholders               | 6,403               | 7,234               | 5,647               | 6,788               |

| 17 Float Adjusted Market Capitalization | <u>30th Sept 23</u> | <u>30th Sept 22</u> | <u>30th Sept 23</u> | <u>30th Sept 23</u> |
|---|---------------------|---------------------|---------------------|---------------------|
|   | <u>Voting</u>       | <u>Voting</u>       | <u>Non Voting</u>   | <u>Non Voting</u>   |
|   | <u>Rs</u>           | <u>Rs</u>           | <u>Rs</u>           | <u>Rs</u>           |
|   | 6,332,818,140       | 4,186,987,200       | 6,968,511,000       | 4,316,895,000       |

**18 Minimum Public Holding**

As the float adjusted market capitalization is less than Rs 7.5 Bn for Voting & Non Voting ordinary shares, Tokyo Cement Company (Lanka) PLC complies with the Option 3 for minimum requirement of public shareholding .(as per the Rule no 7.14.1 (i) (a) of continuing listing requirement of the CSE.)

**19 Basic earnings per share (EPS)**

Earnings per share has been computed in accordance with LKAS 33 (Para 64) for the previous period based on the new number of Shares issued on capitalization of reserves.

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**Twenty Largest Voting Shareholders as at**

|  | 30th Sept 23       |            | 30th Sept 22       |            |
|--|--------------------|------------|--------------------|------------|
|  | No of Shares       | %          | No of Shares       | %          |
| St. Anthonys Consolidated (Private) Limited        | 80,857,889         | 27%        | 73,507,172         | 27%        |
| South Asian Investment (Private) Limited           | 59,202,831         | 20%        | 53,820,756         | 20%        |
| Ube Singapore Holdings Pte. Ltd                    | 29,403,000         | 10%        | 26,730,000         | 10%        |
| Marina Bay Holding And Investment Pte.Ltd.         | 17,641,800         | 6%         | 16,038,000         | 6%         |
| J.B. Cocoshell (Pvt) Ltd                           | 9,367,632          | 3%         | 7,286,264          | 3%         |
| Capital City Holdings (Private) Limited            | 8,821,303          | 3%         | 8,019,367          | 3%         |
| Citibank Newyork S/A Norges Bank Account 2         | 5,966,843          | 2%         | 3,812,168          | 1%         |
| Employees Trust Fund Board                         | 3,905,515          | 1%         | 3,530,981          | 1%         |
| Northern Trust Company S/A Apollo Asia Fund Limite | 3,570,163          | 1%         | 3,245,603          | 1%         |
| Amana Bank Plc/Hi-Line Trading Pvt Ltd             | 2,298,729          | 1%         | 3,091,563          | 1%         |
| Invenco Capital Private Limited                    | 2,673,505          | 1%         | Not in Top 20 List | -          |
| Union Assurance Plc-Universal Life Fund            | 2,065,727          | 1%         | Not in Top 20 List | -          |
| Dfcc Bank Plc A/C 1                                | 2,005,076          | 1%         | 870,000            | 0%         |
| Peoples Leasing & Finance Plc/Mr.D.M.P.Disanayake  | 1,708,186          | 1%         | 1,429,458          | 1%         |
| Deutsche Bank Ag Trustee To Lynear Wealth Dynamic  | 1,628,872          | 1%         | Not in Top 20 List | -          |
| Mr. R. Maheswaran (Deceased)                       | 1,256,134          | 0%         | 1,096,940          | 0%         |
| Miss A. Radhakrishnan                              | 1,206,632          | 0%         | 1,096,939          | 0%         |
| Miss M.P. Radhakrishnan                            | 1,206,632          | 0%         | 1,096,939          | 0%         |
| Hatton National Bank Plc A/C No.4 (Hnb Retirement  | 1,023,039          | 0%         | Not in Top 20 List | -          |
| Mr. K. Balendra                                    | 886,176            | 0%         | Not in Top 20 List | -          |
| <b>TOTAL</b>                                       | <b>236,695,684</b> | <b>81%</b> | <b>204,672,150</b> | <b>77%</b> |

**Twenty Largest Non Voting Shareholders as at**

|  | 30th Sept 23      |            | 30th Sept 22       |            |
|--|-------------------|------------|--------------------|------------|
|  | No of Shares      | %          | No of Shares       | %          |
| Northern Trust Company S/A Apollo Asia Fund Limite | 11,617,967        | 8%         | 10,561,789         | 8%         |
| Ssbt-Sunsuper Pty. Ltd. As Trustee For Sunsuper Su | 11,827,577        | 8%         | Not in Top 20 List | -          |
| Citibank Hong Kong S/A Hostplus Pooled Superannuat | 13,776,629        | 9%         | Not in Top 20 List | -          |
| Serendip Investments Limited                       | 7,269,024         | 5%         | 6,608,204          | 5%         |
| Northern Trust Company S/A Hosking Global Fund Plc | 6,487,308         | 4%         | Not in Top 20 List | -          |
| Employees Provident Fund                           | 6,207,876         | 4%         | 5,643,524          | 4%         |
| Deutsche Bank Ag As Trustee For Jb Vantage Value E | 3,678,076         | 3%         | 3,343,706          | 3%         |
| Gf Capital Global Limited                          | 3,240,600         | 2%         | 2,826,000          | 2%         |
| Ssbtc-Commonwealth Bank Group Super                | 2,381,557         | 2%         | Not in Top 20 List | -          |
| Mercantile Investments And Finance Plc             | 2,000,128         | 1%         | 1,818,299          | 1%         |
| Deutsche Bank Ag-National Equity Fund              | 1,320,301         | 1%         | 1,200,274          | 1%         |
| Bank Of Ceylon No. 1 Account                       | 1,319,935         | 1%         | 1,199,941          | 1%         |
| Mr. K.A.S.R. Nissanka                              | 1,309,210         | 1%         | 1,190,191          | 1%         |
| Mr. Y.A.H. Rajkotwala                              | 1,253,698         | 1%         | 1,139,726          | 1%         |
| Mr. M.H.M. Fawsan                                  | 1,171,500         | 1%         | Not in Top 20 List | -          |
| Deutsche Bank Ag Trustee To Lynear Wealth Dynamic  | 925,940           | 1%         | Not in Top 20 List | -          |
| Seylan Bank Plc/Ammaiappan Kulasegaran             | 798,865           | 1%         | Not in Top 20 List | -          |
| Mr. M.A. Jafferjee                                 | 945,808           | 1%         | Not in Top 20 List | -          |
| Mr. K.C. Vignarajah                                | 884,232           | 1%         | Not in Top 20 List | -          |
| Dfcc Bank Plc A/C 1                                | 871,026           | 1%         | 1,695,025          | 1%         |
| <b>TOTAL</b>                                       | <b>79,287,257</b> | <b>54%</b> | <b>37,226,679</b>  | <b>28%</b> |

**Director's Shareholding**

|   | Voting Ordinary Shares           |                                  | Non Voting Ordinary Shares       |                                  |
|---|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
|   | No of Shares Held As at 30/09/23 | No of Shares Held As at 30/09/22 | No of Shares Held As at 30/09/23 | No of Shares Held As at 30/09/22 |
| <b>St Anthony's Consolidated (Private) Limited</b>                            | 80,857,889                       | 73,507,172                       | 0                                | 0                                |
| Mr A S G Gnanam   | 15                               | 14                               | 0                                | 0                                |
| Mr S R Gnanam - Managing Director/CEO   | 15                               | 14                               | 0                                | 0                                |
| Mr E J Gnanam   | 15                               | 14                               | 0                                | 0                                |
| Ube Singapore Holdings Pte. Ltd   | 29,403,000                       | 26,730,000                       | 0                                | 0                                |
| Mr S Nakamoto (Non Executive and Nominee Director of UBE Singapore Pte. Ltd ) | 0                                | 0                                | 0                                | 0                                |
| Mr W C Fernando   | 4,394                            | 3,995                            | 79,343                           | 71,280                           |
| Mr Praveen Gnanam   | 0                                | 0                                | 0                                | 0                                |
| <b>Independent Non Executive Directors</b>                                    |                                  |                                  |                                  |                                  |
| Dr Harsha Cabral, PC  | 0                                | 0                                | 0                                | 0                                |
| Mr Ravi Dias  | 0                                | 0                                | 0                                | 0                                |
| Mr Asite Talwatte   | 0                                | 0                                | 0                                | 0                                |
| Dr Indrajit Coomaraswamy  | 0                                | 0                                | 0                                | 0                                |
|   | -----                            | -----                            | -----                            | -----                            |
|   | 110,265,328                      | 100,241,209                      | 79,343                           | 71,280                           |
|   | =====                            | =====                            | =====                            | =====                            |
| Total Shares in Issue   | 294,030,000                      | 267,300,000                      | 147,015,000                      | 133,650,000                      |

**Chief Executive Officer's Shareholding**

Mr S R Gnanam, the Managing Director and Chief Executive Officer is also director and shareholder of the following companies

|  | Voting Ordinary Shares           |                                  | Non Voting Ordinary Shares       |                                  |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
|  | No of Shares Held As at 30/09/23 | No of Shares Held As at 30/09/22 | No of Shares Held As at 30/09/23 | No of Shares Held As at 30/09/22 |
| St Anthony's Consolidated ( Private) Limited | 80,857,889                       | 73,507,172                       | 0                                | 0                                |
| South Asian Investment (Private) Limited     | 59,202,831                       | 53,820,756                       | 0                                | 0                                |
| Capital City Holdings (Private) Limited      | 8,821,303                        | 8,019,367                        | 0                                | 0                                |
| St Anthony's Hardware (Private) Limited      | 599,821                          | 545,292                          | 0                                | 0                                |
|  | -----                            | -----                            | -----                            | -----                            |
| TOTAL  | 149,481,844                      | 135,892,587                      | 0                                | 0                                |
|  | =====                            | =====                            | =====                            | =====                            |

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