

CONVENIENCE FOODS (LANKA) PLC

INTERIM REPORT

FOR THE 3RD QUARTER ENDED,
31ST DECEMBER 2024



CORPORATE INFORMATION

NAME OF THE COMPANY

Convenience Foods (Lanka) PLC - PQ 164

LEGAL FORM

A Public Limited Company listed on the Colombo Stock Exchange.

DATE OF INCORPORATION

27th March 1991

REGISTERED OFFICE

Ceylon Biscuits Ltd,
No. 555, High Level Road,
Makumbura, Pannipitiya,
Sri Lanka.

BUSINESS ACTIVITY

Manufacturing and Marketing of Textured Vegetable Protein (TVP), Culinary and other Food Products.

DIRECTORS OF THE COMPANY

Mr. R.S.A. Wickramasingha - Chairman
Mr. M.C. Dahanayake - Managing Director
Ms. D.S. Wickramasingha - Director
Ms. N.K. Wickramasingha - Director
Mr. L.J.M. De Silva - Director
Ms. S. Ratwatte - Director
Mr. I. S. Fonseka - Director
Mr. M. Wickremesinghe - Director

AUDITORS

Ernst & Young Sri Lanka,
Chartered Accountants,
Rotunda Towers, No. 109, Galle Road,
Colombo 03, Sri Lanka.

SECRETARIES

P W Corporate Secretarial (Pvt) Ltd,
No.3/17, Kynsey Road,
Colombo 08.

REGISTRARS

S S P Corporate Services (Pvt) Ltd,
No.101, Inner Flower Road,
Colombo 03.

BANKERS

Sampath Bank PLC
Nations Trust Bank PLC
People's Bank
Commercial Bank of Ceylon PLC
Hatton National Bank PLC
State Bank of India
DFCC Bank PLC
Bank of Ceylon
National Development Bank PLC
Standard Chartered Bank

CONVENIENCE FOODS (LANKA) PLC
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31ST DECEMBER 2024

For the 03 Months Ended 31st December	2024 Rs.	2023 Rs.	Variance %
Revenue	1,773,178,256	1,635,731,450	8.4
Cost of Sales	(1,155,158,281)	(1,281,812,780)	-9.9
Gross Profit	618,019,975	353,918,670	74.6
Other Income/ (Expenses)	(3,931,329)	16,700,180	-123.5
Selling and Distribution Expenses	(286,018,906)	(223,517,867)	28.0
Administrative Expenses	(87,433,209)	(76,523,936)	14.3
Other Operating (Expenses) / Reversal	(33,334,549)	10,725,904	410.8
Results from Operating Activities	207,301,982	81,302,951	155.0
Finance Income	39,043,793	12,668,384	208.2
Finance Expenses	(2,051,169)	(2,768,734)	-25.9
Net Finance Income/ (Expense)	36,992,624	9,899,650	273.7
Profit Before Tax	244,294,606	91,202,601	167.9
Income Tax Expenses	(78,526,402)	(51,886,405)	51.3
Profit for the Period	165,768,204	39,316,196	321.6
Other Comprehensive Income	-	-	
Other Comprehensive Income for the Period	-	-	
Total Comprehensive Income for the Period	165,768,204	39,316,196	321.6
Basic Earnings Per Share	60.28	14.30	

*Figures in brackets indicate deductions.
The above figures are not audited.*

CONVENIENCE FOODS (LANKA) PLC
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31ST DECEMBER 2024

For the 09 Months Ended 31st December	2024 Rs.	2023 Rs.	Variance %
Revenue	5,039,396,456	4,674,907,952	7.8
Cost of Sales	(3,264,231,236)	(3,603,865,433)	-9.4
Gross Profit	1,775,165,220	1,071,042,519	65.7
Other Income	35,013,800	13,957,215	150.9
Selling and Distribution Expenses	(815,067,386)	(623,684,401)	30.7
Administrative Expenses	(255,530,937)	(202,066,340)	26.5
Other Operating (Expenses) / Reversal	(31,300,395)	10,725,904	-391.8
Results from Operating Activities	708,280,302	269,974,897	162.4
Finance Income	99,589,291	19,089,587	421.7
Finance Expenses	(6,418,758)	(67,126,087)	-90.4
Net Finance Income/ (Expense)	93,170,533	(48,036,500)	294.0
Profit Before Tax	801,450,835	221,938,397	261.1
Income Tax Expenses	(253,944,080)	(104,326,439)	143.4
Profit for the Period	547,506,755	117,611,958	365.5
Other Comprehensive Income			
Other Comprehensive Income for the Period	-	-	
Total Comprehensive Income for the Period	547,506,755	117,611,958	365.5
Basic Earnings Per Share	199.09	42.77	

*Figures in brackets indicate deductions.
The above figures are not audited.*

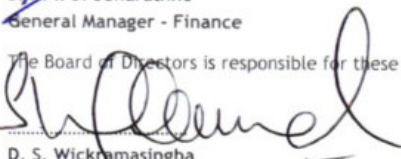
CONVENIENCE FOODS (LANKA) PLC
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2024

As at	31.12.2024 Rs.	31.03.2024 Rs.
Assets		
Non Current Assets		
Property, Plant and Equipment	566,436,014	609,256,990
Right of Use Assets	99,158,841	106,115,513
Intangible Assets	3,997,377	5,186,433
Total Non Current Assets	669,592,232	720,558,936
Current Assets		
Inventories	819,956,726	885,042,049
Trade and Other Receivables	967,803,005	846,953,160
Amounts due from Related Companies	27,551,905	25,641,653
Short Term Fixed Deposits	1,609,332,294	963,880,860
Cash and Cash Equivalents	184,206,075	128,788,816
Total Current Assets	3,608,850,005	2,850,306,538
Total Assets	4,278,442,237	3,570,865,474
Equity and Liabilities		
Equity		
Stated Capital	52,521,178	52,521,178
Other Reserves	41,613,945	41,613,945
Retained Earnings	3,089,020,314	2,554,438,559
Total Equity	3,183,155,437	2,648,573,682
Liabilities		
Non Current Liabilities		
Deferred Tax Liability	21,962,310	9,870,928
Lease Liabilities	114,023,064	113,408,973
Retirement Benefit Obligation	66,824,672	91,606,581
Total Non Current Liabilities	202,810,046	214,886,482
Current Liabilities		
Trade and Other Payables	727,105,516	521,349,190
Lease Liabilities	7,322,128	11,756,853
Current Tax Liabilities	106,496,154	66,087,731
Amount due to Related Companies	51,552,957	108,211,536
Total Current Liabilities	892,476,755	707,405,310
Total Liabilities	1,095,286,800	922,291,792
Total Equity and Liabilities	4,278,442,237	3,570,865,474
Net assets value per share	1,157.51	963.12

It is certified that the Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.


S. S. S. Senarathne
General Manager - Finance

The Board of Directors is responsible for these financial statements. Approved and signed for and on behalf of the Board;


D. S. Wickramasingha
Director
29th January 2025


M. C. Pathanayake
Managing Director

The above figures are not audited.

CONVENIENCE FOODS (LANKA) PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31ST DECEMBER 2024

	Stated Capital Rs.	Other Reserves Rs.	Retained Earnings Rs.	Total Equity Rs.
Balance as at 1st April 2023	52,521,178	41,613,945	2,346,194,703	2,440,329,826
Profit for the period	-	-	117,611,958	117,611,958
Dividend paid for the year 2022/23	-	-	(12,925,000)	(12,925,000)
Balance as at 31st December 2023	52,521,178	41,613,945	2,450,881,661	2,545,016,784
Balance as at 1st April 2024	52,521,178	41,613,945	2,554,438,559	2,648,573,682
Profit for the period	-	-	547,506,755	547,506,755
Dividend paid for the year 2023/24	-	-	(12,925,000)	(12,925,000)
Balance as at 31st December 2024	52,521,178	41,613,945	3,089,020,314	3,183,155,437

The above figures are not audited.

CONVENIENCE FOODS (LANKA) PLC
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31ST DECEMBER 2024

For the 09 Months Ended 31st December 2024	2024 Rs.	2023 Rs.
Cash Flows from Operating Activities		
Profit Before Tax	801,450,835	221,938,397
Adjustments for:		
Depreciation of Property, Plant and Equipment	70,902,238	69,650,376
Amortization of Intangible Assets	1,189,056	1,238,410
Depreciation of Right of Use Assets	6,956,672	10,228,703
Losses from Disposal of Property, Plant and Equipment	-	4,776,202
Interest Income	(99,589,291)	(19,089,587)
Interest Expense	6,418,758	67,126,087
Provision for Retirement Benefit Obligation	13,919,824	16,199,149
Operating Profit before Working Capital Changes	801,248,092	372,067,737
Changes in Working Capital		
(Increase)/Decrease in Inventories	65,085,323	1,367,101,846
(Increase)/Decrease in Trade and Other Receivables	(120,849,845)	576,773,584
(Increase)/Decrease in Amount due from Related Companies	(1,910,252)	6,316,346
Increase/(Decrease) in Amount due to Related Companies	(56,658,579)	(97,258,911)
Increase/(Decrease) in Trade and Other Payables	205,756,326	(1,436,310,153)
Cash Generated from Operations	892,671,065	788,690,449
Gratuity Paid	(38,701,733)	(4,204,150)
Interest Paid	(6,418,758)	(67,126,087)
Income Tax Paid	(201,444,275)	(76,041,987)
Net Cash Flows from Operating Activities	646,106,299	641,318,225
Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipment	(28,081,262)	(60,840,981)
Interest Received	99,589,291	13,287,002
Investment in Fixed Deposits	(645,451,434)	(303,315,890)
Net Cash Flows Used in Investing Activities	(573,943,405)	(350,869,869)
Cash Flows from Financing Activities		
Dividend Paid	(12,925,000)	(12,925,000)
Repayment of Lease	(3,820,635)	(5,119,853)
Net Cash Flows Used in Financing Activities	(16,745,635)	(18,044,853)
Net Increase in Cash and Cash Equivalents	55,417,259	272,403,504
Cash and Cash Equivalents at the Beginning of the Period	128,788,816	(28,301,618)
Cash and Cash Equivalents at the End of the Period	184,206,075	244,101,886
Cash in Hand and at Bank	184,206,075	244,101,886
Cash and Cash Equivalents at the End of the Period	184,206,075	244,101,886

Figures in brackets indicate deductions.
The above figures are not audited.

CONVENIENCE FOODS (LANKA) PLC

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

1 Corporate information

Convenience Foods (Lanka) PLC ('the Company') is engaged in the manufacturing and marketing of Textured Vegetable Protein (TVP), Culinary and other food products.

Convenience Foods (Lanka) PLC is a public limited company incorporated and domiciled in Sri Lanka and listed in the Colombo Stock Exchange.

2 Approval of financial statements

The interim condensed financial statements of the company for the nine months period ended 31st December 2024 were authorised for issue by the Board of Directors on 29th January 2025.

3 Basis of preparation

The interim financial statements of the company for the nine months period ended 31st December 2024 have been prepared in compliance with LKAS - 34 Interim Financial Reporting, using the same accounting policies and methods outlined in the Annual Audited Financial Statements for the year ended 31st March 2024.

4 Segmental information

Segmental information is not presented since the company does not have distinguishable components to be identified as a segment as all operations are treated as one segment.

5 Comparative figures

Certain reclassifications have been made to the comparative figures to improve the comparability and fair presentation of these financial statements. These reclassifications have not resulted in changes to the profit for the quarter or total net assets previously reported as at 31st December 2023.

6 Significant unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows due to their nature, size or incidence for the period ended 31st December 2024.

7 Events after the reporting period

There were no significant events after the reporting period that would require adjustments to or disclosures in these interim financial statements for the period ended 31st December 2024.

8 Commitments and contingencies

Financial commitments

Commitments on account of Letters of credit as at 31st December 2024 was Rs. 281,553,244.34 (31st March 2024: Rs. 274,555,318.11). Shipping Guarantees as at 31st December 2024 was Rs. 42,074,000.00 (31st March 2024: Rs. 91,264,000.00). Imports Bills as at 31st December 2024 was Rs. 13,741,216.59 (31st March 2024: Nil).

Capital commitments

There were no significant capital commitments as at reporting date.

Contingencies - pending litigations

There were no other significant contingent liabilities as at the reporting date, except for the following;

The Commissioner General of Inland Revenue (CGIR) has filed a petition in the Supreme Court seeking Special Leave to Appeal against the judgment of the Court of Appeal, for the income tax assessment for the Y/A (year of assessment) 1991/1992, which had been given in favor of the Company. The Supreme Court has granted Special Leave to Appeal to questions of law. The matter was refixed for argument on 16th June 2025. Based on the information currently available the Management is of the view that the ultimate resolution of such legal procedures would not likely to have a material adverse effect on the result of the operations, financial position or liquidity of the Company. Accordingly, no provision for any liability has been made in these Financial Statements.

CONVENIENCE FOODS (LANKA) PLC
ADDITIONAL NOTES

1 Share prices during the Quarter

	09 Months Ended 31st December 2024	09 Months Ended 31st December 2023
	Rs.	Rs.
Highest	998.00	1,044.25
Lowest	729.00	900.00
Last traded	986.50	970.00

2 Names and the number of shares held by the 25 major shareholders

	As At 31st December 2024	
	No of Shares	% of Holding
1 CBL INVESTMENTS LIMITED	1,962,977	71.38%
2 J.B. COCOSHELL (PVT) LTD	208,448	7.58%
3 HATTON NATIONAL BANK PLC/DAWI INVESTMENT TRUST (PVT) LTD	179,603	6.53%
4 MR A.M.D.E.S. JAYARATNE	18,570	0.68%
5 MR S.R.S. DE SARAM & MRS S.T.T. JAYASUNDERA	15,253	0.55%
6 MR K.C. VIGNARAJAH	14,730	0.54%
7 COCOSHELL ACTIVATED CARBON COMPANY (PVT) LTD	12,526	0.46%
8 MR U.I. SURIYABANDARA	11,042	0.40%
9 DFCC BANK PLC/MR.P.PRANAVAN	9,999	0.36%
10 MR L.H.S. PEIRIS	9,261	0.34%
11 MR G.W. AMARATUNGA	8,677	0.32%
12 MR E.D.K. WEERASURIYA & MR S. WEERASURIYA	8,169	0.30%
13 MR R.J.S. JAYAMAHA	7,000	0.25%
14 MR Z.G. CARIMJEE	6,867	0.25%
15 MR A.J. RUMY	6,200	0.23%
16 MRS M.M. UDESHI	6,000	0.22%
17 MRS S. VIGNARAJAH	5,300	0.19%
18 MR. M.D.C.P.K. GUNATHILAKE	5,156	0.19%
19 DR S. YADDEHIGE	4,798	0.17%
20 MR. V.W.WIJESURIYA	4,204	0.15%
21 MR N.K. FLEMMING	4,064	0.15%
22 MR U.C. BANDARANAYAKE & MRS L. BANDARANAYAKE	4,023	0.15%
23 MR S.K. HATHIRAMANI (DECEASED)	3,850	0.14%
24 MR. M.D.S. GOONATILLEKE	3,500	0.13%
25 MRS. D.R. COSTA	3,482	0.13%
Sub total	2,523,699	91.76%
Others	226,301	8.24%
Issued Capital	2,750,000	100.00%

3 Director's holding as at 31st December 2024

Mr. R.S.A. Wickramasingha - Chairman	Nil
Mr. M.C. Dahanayake - Managing Director	Nil
Ms. D.S. Wickramasingha - Director	Nil
Ms. N.K. Wickramasingha - Director	Nil
Mr. L.J.M. De Silva - Director	Nil
Ms. S.T. Ratwatte - Director	Nil
Mr. I. S. Fonseka - Director	Nil
Mr. M.E. Wickremesinghe - Director	Nil

4 Public holding percentage as at 31st December 2024 was 28.62% and comprised of 1,832 Shareholders.

5 The Float adjusted market capitalization of the company as at 31st December 2024 was Rs. 776,398,189.50.

6 The Float adjusted market capitalization of the company falls under Option 5 of Rule 7.13.1 (i) (a) of the Listing rules of the Colombo Stock Exchange and the company has complied with the minimum public holding requirement applicable under said option.