



INTERIM FINANCIAL STATEMENTS
For the six months ended June 30, 2024

COMMERCIAL DEVELOPMENT COMPANY PLC

	For the Six Months Ended			For the Quarter Ended		
	June 30, 2024	June 30, 2023	Change	June 30, 2024	June 30, 2023	Change
	Rs. 000	Rs. 000	%	Rs. 000	Rs. 000	%
Revenue	349,771	333,178	5.0	174,445	166,913	4.5
Cost of Sales	(225,668)	(204,301)	10.5	(120,733)	(93,514)	29.1
Gross Profit	124,103	128,877	(3.7)	53,712	73,399	(26.8)
Other Income	1,469	4,402	(66.6)	1,469	4,300	(65.8)
	125,572	133,279	(5.8)	55,181	77,699	(29.0)
Administrative Expenses	(24,669)	(22,981)	7.3	(12,027)	(10,478)	14.8
Operating Profit	100,903	110,298	(8.5)	43,154	67,221	(35.8)
Net Finance Income	58,023	58,733	(1.2)	29,336	29,926	(2.0)
Profit before Tax	158,926	169,031	(6.0)	72,490	97,147	(25.4)
Income Tax Expense	(47,678)	(51,371)	(7.2)	(21,747)	(29,487)	(26.2)
Net Profit for the period	111,248	117,660	(5.4)	50,743	67,660	(25.0)
<i>Other Comprehensive Income, Net of Tax</i>	-	-	-	-	-	-
Total Comprehensive Income for the period, Net of Tax	111,248	117,660	(5.4)	50,743	67,660	(25.0)
Earnings per Share (Rs.)	9.27	9.81	(5.4)	4.23	5.64	(25.0)

The above figures are provisional and subject to audit unless indicated as audited.

Explanatory Notes

- Financial Statements of the Company have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRSs/LKASs) issued by The Institute of Chartered Accountants of Sri Lanka. There were no changes in the Accounting Policies and methods of computation since the publication of the Annual Report for the year ended December 31, 2023.
- These Interim Financial Statements are presented in accordance with the requirements of the Sri Lanka Accounting Standard - LKAS - 34 on "Interim Financial Reporting" and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.
- During the quarter, there were no material changes in the composition of assets and liabilities except the fact that the Company recognised a provision of Rs.19.0 Mn on account of compensation payable to 12 employees who retired on June 30, 2024, under a Voluntary Retirement Scheme (VRS). The above payment was made to respective employees during the month of July 2024.
- Related Party Transactions
 - Mr.S.C.U.Manatunge, Managing Director of the Company is also the Managing Director of Commercial Bank of Ceylon PLC (CBC), the sole tenant and the parent of the Company. Mr.U.I.S.Tillakawardana, Director of the Company functions as the Deputy General Manager - Human Resources Management of the CBC. During the quarter ended June 30, 2024, the Company received Rs. 172.8 Mn. as rental income, charges on account of outsourcing services, vehicle hiring charges and fees for other utility services from the CBC (Rs.165.4 Mn. during the quarter ended June 30, 2023).
 - As at the reporting date, the Company has invested Rs.908.8 Mn. in Fixed Deposits (inclusive of interest) at market interest rates at CBC Finance Limited, which is a fully owned subsidiary of the CBC (Rs 649.5 Mn.as at June 30, 2023). The interest income earned on fixed deposits for the quarter ended June 30, 2024 amounted to Rs. 31.5 Mn (Rs.25.5 Mn. for the quarter ended June 30, 2023).
- All known expenses have been provided for in these Interim Financial Statements.
- There were no material events that took place since June 30, 2024, that require disclosure in these Interim Financial Statements other than those disclosed above.
- There were no contingent assets, contingent liabilities or capital commitments outstanding as at the Reporting date except that a case which has been filed against the Company by a former employee at the Labour Tribunal, Negombo. The Labour Tribunal ordered that the said employee be compensated with Rs. 2.0 Mn. The Company has appealed against this order to the High Court.

No provision is made in these Interim Financial Statements in respect of the above claim as the lawyers are of the opinion that the outcome of the appeal to the High Court is more likely to be favorable to the Company and the likelihood of the payment is remote.

STATEMENT OF FINANCIAL POSITION

03

As at	June 30, 2024	December 31, 2023 (Audited)	Change
	Rs.'000	Rs.'000	%
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	74,094	88,390	(16.17)
Intangible Assets	1,189	1,502	(20.84)
Investment Property	3,129,111	3,129,111	-
Deposits Receivable	11,604	11,187	3.73
	<u>3,215,998</u>	<u>3,230,190</u>	(0.44)
Current Assets			
Trade and Other Receivables	108,875	100,737	8.08
Financial Investments	908,811	852,989	6.54
Cash and Cash Equivalents	151,694	142,373	6.55
	<u>1,169,380</u>	<u>1,096,099</u>	6.69
Total Assets	<u><u>4,385,378</u></u>	<u><u>4,326,289</u></u>	1.37
EQUITY AND LIABILITIES			
Equity			
Stated Capital	120,000	120,000	-
Other Reserves	2,451,630	2,451,630	-
Retained Earnings	1,113,091	1,049,843	6.02
Total Equity	<u>3,684,721</u>	<u>3,621,473</u>	1.75
Non-Current Liabilities			
Deposits Payables	64,577	61,083	5.72
Employee Benefits	83,993	86,164	(2.52)
Lease Creditors	40,046	50,642	(20.92)
Deferred Tax	390,966	390,235	0.19
	<u>579,582</u>	<u>588,124</u>	(1.45)
Current Liabilities			
Trade and Other Payables	70,764	54,203	30.55
Lease Creditors	20,264	18,496	9.56
Deferred Revenue	4,308	6,089	(29.25)
Current Tax	25,739	37,904	(32.09)
	<u>121,075</u>	<u>116,692</u>	3.76
Total Equity and Liabilities	<u><u>4,385,378</u></u>	<u><u>4,326,289</u></u>	1.37
Net Assets Value Per Ordinary Share (Rs.)	<u>307.06</u>	<u>301.79</u>	1.75

The above figures are provisional and subject to audit unless indicated as audited.

I certify that these Financial Statements have been prepared in accordance with the requirements of the Companies Act No.07 of 2007 and amendments thereto.

(Sgd.)

W.H. Wijesekara
Finance Manager

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

(Sgd.)

A.L.GOONERATNE
CHAIRMAN

August 7, 2024

(Sgd.)

S.C.U.MANATUNGE
MANAGING DIRECTOR

STATEMENT OF CHANGES IN EQUITY

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	Stated Capital	Fair Value Reserve - Investment Property	Retained Earnings	Total Equity
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at January 1, 2023	120,000	2,406,680	890,744	3,417,424
Total Comprehensive Income for the six months ended June 30, 2023				
Profit for the six months ended June 30, 2023	-	-	117,660	117,660
Other Comprehensive Income for the six months ended June 30, 2023	-	-	-	-
	-	-	117,660	117,660
Transaction with equity holders, recognized directly in equity				
Final Dividend for 2022	-	-	(48,000)	(48,000)
Balance as at June 30, 2023	120,000	2,406,680	960,404	3,487,084
Total Comprehensive Income for the six months ended December 31, 2023				
Profit for the six months ended December 31, 2023	-	-	176,400	176,400
Other Comprehensive Income for the six months ended December 31, 2023	-	-	(6,337)	(6,337)
	-	-	170,063	170,063
Transaction with equity holders, recognized directly in equity				
Interim Dividend for 2023	-	-	(36,000)	(36,000)
Unclaimed Dividends Written Back	-	-	326	326
Transfer of Fair Value Gains on Investment Property	-	44,950	(44,950)	-
Balance as at December 31, 2023 - Audited	120,000	2,451,630	1,049,843	3,621,473
Total Comprehensive Income for the six months ended June 30, 2024				
Profit for the six months ended June 30, 2024	-	-	111,248	111,248
Other Comprehensive Income for the six months ended June 30, 2024	-	-	-	-
	-	-	111,248	111,248
Transaction with equity holders, recognized directly in equity				
Final Dividend for 2023	-	-	(48,000)	(48,000)
Balance as at June 30, 2024	120,000	2,451,630	1,113,091	3,684,721

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STATEMENT OF CASH FLOWS**05**

For the six months ended June 30,	2024	2023
	Rs.'000	Rs.'000
Cash Flows from Operating Activities		
Profit before Tax	158,926	169,031
Non-cash adjustments to reconcile Profit before Tax to Net Cash Flows		
Depreciation/Amortization	15,179	23,595
Profit on disposal of Property, Plant and Equipment	-	(4,300)
Interest Income	(66,681)	(68,732)
Provision for Employee Benefits	4,590	4,590
Interest Expenses	8,534	9,766
	<u>120,548</u>	<u>133,950</u>
Changes in:		
Trade & Other Receivables	(8,556)	(46,295)
Deposits Payables	3,494	2,632
Deferred Revenue	(1,781)	(956)
Trade and Other Payables	22,033	10,041
	<u>135,738</u>	<u>99,372</u>
Interest Paid	(8,534)	(9,766)
Employee Benefits paid	(6,761)	(982)
Current Tax paid	(59,110)	(60,170)
	<u>61,333</u>	<u>28,454</u>
Net Cash Flow Generated from Operating Activities		
Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipment	(571)	-
Proceeds from Sale of Property, Plant and Equipment	-	4,300
Interest Received	66,681	68,732
Net Change in Financial Investments	(55,822)	(115,339)
	<u>10,288</u>	<u>(42,307)</u>
Net Cash Flow (Used in)/Generated from Investing Activities		
Cash Flows from Financing Activities		
Settlement of Lease Liabilities	(8,828)	(7,761)
Dividend Paid	(53,472)	(48,202)
	<u>(62,300)</u>	<u>(55,963)</u>
Net Cash Flow Used in Financing Activities		
Net Increase in Cash and Cash Equivalents	9,321	(69,816)
Cash and Cash Equivalent at the beginning of the Year	142,373	154,462
Cash and Cash Equivalent at the end of the Period	<u>151,694</u>	<u>84,646</u>
Analysis of Cash and Cash Equivalents		
Cash at Bank	151,647	84,515
Cash in Hand	47	131
	<u>151,694</u>	<u>84,646</u>

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TWENTY LARGEST SHAREHOLDERS AS AT JUNE 30, 2024**06**

Name of the Shareholder	No. of Shares	%
01 Commercial Bank of Ceylon PLC	10,800,000	90.00
02 Assetline Leasing Co.LTD/British American Technologies (Pvt) Ltd	56,100	0.47
03 People'S Leasing & Finance PLC/Mr. K.K.Shujeevan	53,684	0.45
04 PMF Finance PLC/K.Laveendrakumar	48,371	0.40
05 Binanthi Shamani Rasanayagam	44,570	0.37
06 Amirally Lukmanjee	44,168	0.37
07 Dinesh Anthony Perera	30,298	0.25
08 People's Leasing and Finance PLC/K.Laveendrakumar	30,228	0.25
09 Gajath Chrysantha Goonetilleke	30,077	0.25
10 Surendra Wickramasinghe	27,200	0.23
11 Sithamparapillai Gowrisangar	27,000	0.23
12 Sampath Bank PLC/Mr. Abishek Sithampalam	26,000	0.22
13 Zoebaly Gulamabass Carimjee	25,000	0.21
14 Mesiyage Don Saddhamangala Goonatilleke	24,155	0.20
15 Manel Senanayake	24,000	0.20
16 Wickrama Buddhika Mendis Wijegunaratna	22,921	0.19
17 Wijewickrama Pathinayakage Asanka Dinunuwan Gunathilaka	22,000	0.18
18 Sithampalam Durga	21,500	0.18
19 Arunasalam Sithampalam	19,055	0.16
20 Dehiwalage Sunil Priyantha Perera	18,213	0.15
	<hr/>	<hr/>
	11,394,540	94.96
Other shareholders	605,460	5.04
Total	<hr/>	<hr/>
	12,000,000	100.00

Percentage of public holding in the Stated Capital of the Company as at June 30, 2024 was 10%. There were 998 shareholders representing the public holding percentage stated above.

The Float Adjusted Market Capitalisation of the Company as at June 30, 2023 was Rs.139,500,000/-.

The Company complies with the minimum public holding as a continuous listing requirement as per the Option 2 of the Listing Rule No. 7.13.1 (b) of of the Colombo Stock Exchange.

None of the Directors held shares of the Company as at June 30, 2024.

Name of the Company

Commercial Development Company PLC

Legal Form

A public limited liability company incorporated in Sri Lanka on March 14, 1980 under the Companies Ordinance No. 51 of 1938 and quoted in the Colombo Stock Exchange in March 1983. The Company was re-registered, under the Companies Act No. 07 of 2007 on January 17, 2008.

Registered Office

No. 8 - 4/2, York Arcade Building,
Leyden Bastian Road,
Colombo 01, Sri Lanka.
Telephone/Facsimile : 011 - 2447300
Email : info@cdcplc.net
Website : www.cdcplc.net

Company Registration No.

PQ 114

Tax Payer Identification No. (TIN)

124010578

Accounting Year - end

December 31

Board of Directors

Mr.A.L.Gooneratne - Chairman
Mr.S.C.U.Manatunge - Managing Director
Mr.U.I.S. Tillakawardana
Dr.R.A. Attalage
Mr.P.L.P.Withana
Mr.N.Abey Suriya

Company Secretary

Mr.L.W.P. Indrajith

Auditors

KPMG
Chartered Accountants
32A, Sir Mohamed Macan Markar Mawatha
Colombo 03, Sri Lanka.

Registrars

SSP Corporate Services (Private) Limited
101, Inner Flower Road,
Colombo 03,
Sri Lanka.

Lawyers

Julius & Creasy
No 371, R.A.De Mel Mawatha,
Colombo 03,
Sri Lanka.

Audit Committee

Mr.P.L.P.Withana - Chairman
Dr.R.A.Attalage
Mr.N.Abey Suriya

Principal Banker

Commercial Bank of Ceylon PLC

Information on Shares

	2024 Rs.	2023 Rs.
Market Value of a Share <i>As at June 30,</i>	116.25	108.25
Highest price during the <i>quarter ended June 30,</i>	130.00	120.00
Lowest price during the <i>quarter ended June 30,</i>	105.50	95.00
Number of Ordinary Shares <i>in issue as at June 30,</i>	12,000,000	12,000,000

Financial Ratios

As at June 30,	2024	2023
Interest Cover (times)	11.65	11.08
Quick Assets Ratio (times)	9.66	9.03
Net Assets Value Per Share (Rs.)	307.06	290.59