

UNAUDITED ABRIDGED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2023

STATEMENTS OF COMPREHENSIVE INCOME

	THE GROUP			THE COMPANY		
	6 months	6 months	Audited	6 months	6 months	Audited
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
	December 31, 2023	December 31, 2022	June 30, 2023	December 31, 2023	December 31, 2022	June 30, 2023
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Revenue	468,012	119,706	324,173	280,000	-	26,751
Cost of Sales	(77,549)	(72,387)	(175,567)	-	-	-
	390,463	47,319	148,606	280,000	-	26,751
Operating profit/(loss)	334,183	(8,353)	159,159	254,624	(23,706)	(98,492)
Share of result of associate, net of tax	(18,120)	(5,120)	(36,243)	-	-	-
Finance Income	1,200	948	15,481	31,745	35,982	84,271
Other income	11,695	10,138	24,819	515	500	12,994
Exceptional item	-	-	(9,578)	-	-	-
Profit/(loss) before finance costs	328,958	(2,387)	153,638	286,884	(2,706)	(1,227)
Finance costs	(71,085)	(54,312)	(123,137)	(64,780)	(48,174)	(109,992)
Profit/(loss) before taxation	257,873	(56,699)	30,501	222,104	(35,398)	(111,219)
Taxation	-	-	2,306	-	-	79
Profit/(loss) for the period/year	257,873	(56,699)	32,807	222,104	(35,398)	(111,140)
(Loss)/profit attributable to:						
Owners of the parent	194,619	(56,931)	(126,651)	222,104	(35,398)	(111,140)
Non-controlling interest	63,254	232	149,547	-	-	-
	257,873	(56,699)	32,807	222,104	(35,398)	(111,140)
Other comprehensive income:						
Items that will not be classified subsequently to profit or loss:						
Remeasurement of defined benefit liability	-	-	(3,877)	-	-	(685)
Movement in fair value of financial assets at FVOCI	-	-	207,096	-	-	207,096
Income tax relating to components of other comprehensive income	-	-	116	-	-	116
Items that may be classified subsequently to profit or loss:						
Share of other comprehensive income of associates	-	-	13,947	-	-	60,589
Other comprehensive income for the period/year	-	-	217,282	-	-	267,116
Total profit and other Comprehensive income for the period/year	257,873	(56,699)	250,089	222,104	(35,398)	155,976
Total (loss)/profit and comprehensive income attributable to:						
Owners of the parent	194,619	(56,931)	100,542	222,104	(35,398)	155,976
Non-controlling interest	63,254	232	149,547	-	-	-
	257,873	(56,699)	250,089	222,104	(35,398)	155,976
Earnings per share (Rs.)	0.50	(0.15)	(0.32)	0.57	(0.09)	(0.29)
Number of ordinary shares in issue	389,851,812	389,851,812	389,851,812	389,851,812	389,851,812	389,851,812

STATEMENTS OF FINANCIAL POSITION

	THE GROUP			THE COMPANY		
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
	December 31, 2023	December 31, 2022	June 30, 2023	December 31, 2023	December 31, 2022	June 30, 2023
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
ASSETS						
Non-current assets	3,951,335	3,697,405	3,991,126	1,522,491	1,292,877	1,523,913
Current assets	1,477,718	1,290,785	1,331,205	1,989,609	1,945,660	1,887,359
Total assets	5,429,053	4,988,190	5,322,331	3,512,100	3,238,537	3,411,272
EQUITY AND LIABILITIES						
Equity						
Equity attributable to owners of the company	1,862,581	1,475,329	1,667,962	1,941,028	1,483,964	1,718,924
Non-controlling interests	1,711,116	1,465,288	1,647,862	-	-	-
Total Equity	3,573,697	2,940,617	3,315,824	1,941,028	1,483,964	1,718,924
Non-current liabilities	396,712	1,109,169	400,795	180,573	882,647	180,009
Current liabilities	1,458,644	938,404	1,605,712	1,390,499	871,926	1,512,339
Total equity and liabilities	5,429,053	4,988,190	5,322,331	3,512,100	3,238,537	3,411,272

STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the parent					Total Rs'000
	Stated capital	Fair value reserve	Retained earnings	Non-controlling interest		
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	
THE COMPANY						
At July 1, 2022	-	-	403,783	82,398	1,033,181	1,519,362
Loss for the period	-	-	-	-	(35,398)	(35,398)
At December 31, 2022			403,783	82,398	997,783	1,483,964
At July 1, 2023	-	-	403,783	349,513	965,628	1,718,924
Profit for the period	-	-	-	-	222,104	222,104
At December 31, 2023			403,783	349,513	1,187,732	1,941,028
THE GROUP						
At July 1, 2022	403,783	(5,833)	1,134,310	1,532,260	1,465,056	2,997,316
Loss for the period	-	-	(56,931)	(56,931)	232	(56,699)
At December 31, 2022	403,783	(5,833)	1,077,379	1,475,329	1,465,288	2,940,617
At July 1, 2023	403,783	212,935	1,051,244	1,667,962	1,647,862	3,315,824
Profit for the period	-	-	194,619	194,619	63,254	257,873
At December 31, 2023	403,783	212,935	1,245,863	1,862,581	1,711,116	3,573,697

STATEMENTS OF CASH FLOWS

	THE GROUP			THE COMPANY		
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
	December 31, 2023	December 31, 2022	June 30, 2023	December 31, 2023	December 31, 2022	June 30, 2023
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Net cash generated from/(used in) operating activities	307,845	(20,044)	(9,373)	294,375	5,422	15,592
Net cash (used in)/generated from investing activities	(1,092)	(15,798)	26,110	(185)	-	26,658
Net cash (used in)/generated from financing activities	(122,192)	20,493	(18,812)	(121,312)	(4,492)	(33,822)
Net increase/decrease in cash and cash equivalents	184,561	(15,349)	(2,075)	172,878	930	8,428
Cash and cash equivalent at beginning	22,951	27,346	24,026	7,251	(1,177)	(1,177)
Cash and cash equivalent at end	207,512	11,997	22,951	180,129	(247)	7,251
Analysis of cash and cash equivalents						
Cash and cash equivalents	208,187	14,043	24,105	180,129	473	7,305
Bank overdrafts	(675)	(2,046)	(1,154)	-	(720)	(54)
	207,512	11,997	22,951	180,129	(247)	7,251

The Unaudited Abridged Interim Financial Statements for the half year ended December 31, 2023 have been prepared in accordance with International Financial Reporting Standards and using the accounting policies adopted for the year ended June 30, 2023.

Comment on the results:

Revenue
The Group's revenue consists mainly of:
- Income from sale of residential and agricultural land;
- dividends from investments;
- proceeds from sugar and related products; and
- income from investment property and lease of agricultural land.

Group

The SIT Group has demonstrated commendable progress in its revenue performance, with a significant increase from Rs 120 M to Rs 468M for the six months ended December 31, 2023 as compared to same period last year. This improvement can be attributed to enhancements across all revenue streams within the Group.

It is worth noting that despite the substantial revenue growth, the increase in the cost of sales has been moderate, rising by only 7% compared to the same period last year. However, the Group has encountered challenges with some of its associates, as evidenced by the negative share of results, which has escalated from negative Rs 5.1 M to Rs negative 18.1M for that period under review.

Furthermore, the Group has faced a setback with a notable 31% increase in finance costs compared to the same period last year. Despite this, the bottom line has seen a turnaround, moving from a negative Rs 56.7 M to a positive Rs 257.9 M for the six months ended December 31, 2023.

Company

The company's financial results for the half year ended 31 December 2023 showcase a mixed picture of positive and negative aspects. The standout positive is the substantial dividend of Rs 280 M received from an investee company, significantly boosting the company's financial position. This inflow of funds has contributed to a turnaround in the bottom line, shifting from a negative Rs 35 M in the same period last year to a positive Rs 222 M in the period under review. This improvement in profitability is a noteworthy achievement and reflects positively on the company's financial health. However, the significant 34% increase in finance costs may impact overall earnings in the future.