

Guardian Capital Partners PLC

Interim report for the six months ended 30th September 2021

GUARDIAN CAPITAL PARTNERS 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		
	2021	2020	Change %	2021	2020	Change %
Revenue	5,999	6,568	(9)	12,338	13,941	(11)
Net change in fair value through profit or loss financial assets	-	38,784	(100)	-	67,631	(100)
Profit on investment activities	5,999	45,352	(87)	12,338	81,572	(85)
Administrative and other operating expenses	663	(1,418)	(147)	290	(2,161)	(113)
Profit from operations	6,662	43,934	(85)	12,628	79,411	(84)
Income tax expense	(1,599)	(1,720)	(7)	(3,031)	(3,254)	(7)
Profit for the period	5,063	42,214	(88)	9,597	76,157	(87)
Other comprehensive income						
Other comprehensive income/ (expense) for the period	-	-	-	-	-	-
Total comprehensive income for the period	5,063	42,214	(88)	9,597	76,157	(87)
Earnings per share (Rs.)	0.20	1.63		0.37	2.95	
Dividend per share (Rs.)*	-	-		-	-	

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

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

Figures in brackets indicate deductions

GUARDIAN CAPITAL PARTNERS PLC
STATEMENT OF FINANCIAL POSITION
 (All figures are in Sri Lankan Rupees Thousands)

	As at 30.09.2021 (Unaudited)	As at 31.03.2021 (Audited)
ASSETS		
Current assets		
Cash and cash equivalents	795,788	787,938
Total current assets	795,788	787,938
Total assets	795,788	787,938
EQUITY AND LIABILITIES		
Equity		
Stated capital	513,656	513,656
Revenue reserves	280,767	271,170
Total equity	794,423	784,826
Current liabilities		
Other payables	334	2,428
Current tax payable	1,031	684
Total current liabilities	1,365	3,112
Total equity and liabilities	795,788	787,938
Net assets per share (Rs.)	30.75	30.38

The Statement of Financial Position as at 30th September 2021 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 3 have been drawn up from unaudited accounts.

I certify that these Financial Statements comply with the requirements of the Companies Act No. 7 of 2007.

(Sgd).

V. R. Wijesinghe

Director

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 Board,

(Sgd).

K. Selvanathan

Director

(Sgd).

D. C. R. Gunawardena

Director

Colombo

11th November 2021

GUARDIAN CAPITAL PARTNERS PLC
STATEMENT OF CHANGES IN EQUITY

(All figures are in Sri Lankan Rupees Thousands)

	Stated capital	Revenue reserves	Total equity
Balance as at 1st April 2021	513,656	271,170	784,826
Profit for the period	-	9,597	9,597
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	9,597	9,597
Balance as at 30th September 2021 (Unaudited)	513,656	280,767	794,423
Balance as at 1st April 2020	513,656	178,686	692,342
Profit for the period	-	76,157	76,157
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	76,157	76,157
Balance as at 30th September 2020 (Unaudited)	513,656	254,843	768,499

GUARDIAN CAPITAL PARTNERS PLC
STATEMENT OF CASH FLOWS

(All figures are in Sri Lankan Rupees Thousands)

For the six months ended 30th September	2021	2020
Cash flows from operating activities		
Profit from operations	12,628	79,411
Net change in fair value through profit or loss financial assets	-	(67,631)
Operating profit before changes in working capital	12,628	11,780
Decrease in investments	-	158,129
Increase in other receivables	-	(446)
Increase / (decrease) in other payable	(2,094)	996
Cash generated from operating activities	10,534	170,459
Income tax paid	(2,684)	(2,068)
Net cash generated from operating activities	7,850	168,391
Net increase in cash and cash equivalents during the period	7,850	168,391
Cash and cash equivalents at the beginning of the period	787,938	257,936
Cash and cash equivalents at the end of the period	795,788	426,327

Statement of cash and cash equivalents

Placement with banking institutions	-	367,375
Securities purchased under resale agreements	-	5,439
Cash at bank	795,788	53,513
Total cash and cash equivalents	795,788	426,327

Figures in brackets indicate deductions/negative changes.

GUARDIAN CAPITAL PARTNERS PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS

(All figures are in Sri Lankan Rupees thousands, unless otherwise stated).

1 Basis of Preparation of Interim Financial Statements

The Interim Financial Statements of the Company have been prepared in accordance with the accounting policies and methods applied for the year ended 31st March 2021.

These Interim Financial Statements are in compliance with Sri Lanka Accounting Standard – "Interim Financial Reporting" (LKAS 34). Further, the provision of the Companies Act No. 7 of 2007 have been considered in preparing the Interim Financial Statements of the Company.

2 Revenue

For the six months ended 30th September	2021	2020
Interest income on financial assets carried at amortised cost	12,338	9,067
Dividend income	–	3,504
Net gain from disposal of financial assets measured at fair value through profit or loss	–	1,370
	12,338	13,941

3 Events after the reporting period

Subsequent to the reporting period, no circumstances have arisen which would require adjustments to or disclosures in the financial statements, other than disclosed in note no 4.

4 Disposal of majority holding in Guardian Capital Partners PLC by Ceylon Guardian Investment Trust PLC

The parent company Ceylon Guardian Investment Trust PLC (CGIT), on 28th October 2021, disposed its entire holding in Guardian Capital Partners PLC (Company/GCP), amounting to 21,692,800 ordinary shares or 83.97% equity stake of the Company held by CGIT to a non-related party, for a purchase consideration of Rs.32.30 per share through the trading floor of the Colombo Stock Exchange. The total consideration of the transaction was Rs.700,677,440.

In terms of Rule 31(1)(a) of the Company Take-overs and Mergers code 1995 (as amended in 2003) issued by the Securities and Exchange commission of Sri Lanka under the Securities and Exchange Commission of Sri Lanka Act No. 19 of 2021 the buyer is required to make a mandatory offer to the remaining shareholders of GCP to acquire the ordinary shares.

5 Contingent Liabilities and Capital Commitments

There were no material contingent liabilities and capital commitments since the last reporting date.

6 Liabilities for expenditure

There were no liabilities for management fees or any other similar expenditure not provided for in the Interim Financial Statements.

7 Comparative figures

Previous period's figures and phrases have been rearranged wherever necessary to conform to the current period's presentation.

8 Stated capital

Stated capital of the Company amounted to Rs. 513.7mn which comprise of 25,833,808 fully paid ordinary shares.

9 Related party transactions

For three months ended 30th September	2021	2020
Transactions with affiliate companies		
Receiving of services	–	237

GUARDIAN CAPITAL PARTNERS PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS

(All figures are in Sri Lankan Rupees thousands, unless otherwise stated).

10 Twenty major shareholders as at 30th September 2021

	Name of the Shareholder	No. of Shares	%
1	Ceylon Guardian Investment Trust PLC A/C No.03	21,692,800	83.97
2	Carson Cumberbatch PLC A/C No.02	581,950	2.25
3	Myland Developments Limited	136,000	0.53
4	Union Investments Private Ltd	111,000	0.43
5	Mr. V. Nataraj	99,532	0.39
6	Mrs. V. Nataraj	99,532	0.39
7	Natwest Nominees (Pvt) Limited	84,858	0.33
8	Wardley Investments (Pvt) Limited	84,858	0.33
9	Goodhope Holdings (Pvt) Limited	76,940	0.30
10	Mr. M. Selvanathan	63,409	0.25
11	Merchant Bank Of Sri Lanka & Finance Plc/H.R.P. Sanjeevani	58,650	0.23
12	Mr. W.L. Subasinghe	53,842	0.21
13	Merchant Bank Of Sri Lanka & Finance Plc/W B R Somaweera	52,610	0.20
14	Skan Investments (Pvt) Limited	51,774	0.20
15	Mr. S.P. Jayakumar	50,139	0.19
16	Mr. M.W. De Silva	49,291	0.19
17	Mr. B.S. Goonesekera	49,090	0.19
18	Mr. K.C. Vignarajah	43,252	0.17
19	Mr. A.D.I. Pushpakumara	40,755	0.16
20	Mr. K.S.H. Mawellage	35,882	0.14

Ceylon Guardian Investment Trust PLC ("CGIT") divested its entire holding of 21,692,800 ordinary shares being 83.97% stake held by CGIT in the Company for a purchase consideration of Rs.32.30 per share on 28th October 2021, on the trading floor of the Colombo Stock Exchange.

11 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 (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 2021

Market Capitalization of the Public Holding	Rs.102.75 Million
Percentage of ordinary shares held by the public	12.91%
Number of public shareholders	2,012

12 Investor information

Share valuation	For the three months ended 30th September 2021
Market value per share (Rs.)	30.80
Highest price per share for the period (Rs.)	34.50
Lowest price per share for the period (Rs.)	28.00
Market capitalization (Rs. thousands)	795,681

13 Directors shareholdings

	No. of shares held as at 30th September 2021
Mr. I. Paulraj – Chairman	200
Mr. D. C. R. Gunawardena	25
Mr. S. Mahendrarajah	25
Mr. K. Selvanathan	-
Mrs. M. A. R. C. Cooray	-

CORPORATE INFORMATION

Name of Company	Guardian Capital Partners PLC
Company Registration No.	PQ 49
Legal Form	A Public Quoted Company listed on the Diri Savi Board of the Colombo stock exchange with limited liability, incorporated in Sri Lanka in 1920.
Principal activity and nature of operation	<p>The principal activity of the Company during the year was to act as a specialized investment vehicle to undertake private equity investments.</p> <p>However, at an Extraordinary General Meeting held on 07th January 2021 a Special Resolution was passed for the substantial alteration in the nature of the business carried on by the Company consequent to the disposal of the totality of private equity investments held by the Company in terms of Section 185(2)(d) of the Companies Act, No. 07 of 2007 and Article 87(1)(vi) of the Articles of Association of the Company.</p>
Parent and Ultimate Parent Entities	Until 28 October 2021, Ceylon Guardian Investment Trust PLC was the immediate Parent Company of Guardian Capital Partners PLC. Carson Cumberbatch PLC was the Parent Company of Ceylon Guardian Investment Trust PLC and Bukit Darah PLC was the Ultimate Parent and Controlling Entity of Ceylon Guardian Investment Trust PLC.
Directors	Mr. I. Paulraj – Chairman Mr. D. C. R. Gunawardena Mr. S. Mahendrarajah Mr. K. Selvanathan Mrs. M. A. R. C. Cooray
Bankers	Standard Chartered Bank Commercial Bank of Ceylon PLC
Auditors	Messrs. KPMG Chartered Accountants 32A, Sir Mohamed Macan Markar Mawatha, Colombo 03 Sri Lanka.
Secretaries	Carsons Management Services (Private) Limited 61, Janadhipathi Mawatha, Colombo 01 Sri Lanka. Telephone No: +94-11-2039200 Fax No: +94-11-2039300
Registered Office	61, Janadhipathi Mawatha, Colombo 01 Sri Lanka Telephone No: +94-11-2039200 Fax No: +94-11-2039300