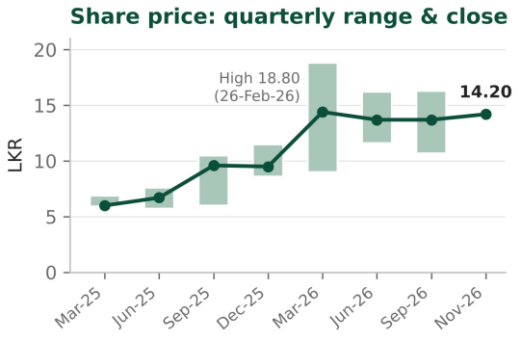
Equity Research Report

Asia Siyaka Commodities PLC (CSE: ASIY.N)

November 2026

Current Price	Market Cap	P/E (TTM)	P/BV (Sep-26)	Industry
LKR 14.20	LKR 3.69bn	13.8x	2.05x	Diversified Financials

Asia Siyaka (ASIY.N)	Market Profile
Closing price, 9-Nov-26 (LKR)	14.20
FY26 high / low (LKR)	18.80 / 8.90
1HFY27 high / low (LKR)	16.30 / 10.70
Market cap (LKR bn)	3.69
Net debt, Sep-26 (LKR bn)	3.21
Client loans & advances (LKR bn)	2.22
Parent LCBL / public float	51.0% / 40.4%
Dividend yield (TTM)	3.3%
P/E TTM / FY27E	13.8x / 13.9x
P/BV (Sep-26)	2.05x
FY26 revenue (LKR bn)	4.76
FY26 net profit, attrib. (LKR m)	210.5
EPS FY26 / 1HFY27 (LKR)	0.81 / 0.62
YTD performance	+49.5%



Sensitivity: FY28E EPS (LKR)					
g \ m	**3%**	**4%**	**5%**	**6%**	**7%**
3%	0.97	1.02	1.07	1.12	1.16
5%	1.00	1.05	1.09	1.14	1.19
7%	1.02	1.07	**1.12**	1.17	1.22
9%	1.05	1.10	1.15	1.20	1.25
11%	1.08	1.13	1.18	1.23	1.28

Source: SenFin Research estimates.

1H results (LKR m)	1HFY27	1HFY26	YoY
Revenue	**2,543.2**	**1,797.6**	**+41%**
Services EBIT	282.3	233.5	+21%
AgriOne EBIT	181.2	(6.9)	n.m.
Segment EBIT	**463.5**	**226.6**	**+105%**
(–) Net finance cost	(177.7)	(86.3)	+106%
Profit before tax	285.8	140.2	+104%
Attributable PAT	**160.1**	**104.0**	**+54%**
EPS (LKR)	**0.62**	**0.40**	**+54%**

Source: Company interims (30-Sep-26)

Investment Thesis

Asia Siyaka Commodities PLC (ASIY.N) is a Colombo Tea Auction broker that also runs a LEED-certified tea warehousing and logistics centre at Muthurajawela, lends working capital to tea producers, and since FY26 consolidates **AgriOne Solutions (51%)**, a fertiliser and agri-input business. At LKR 14.20 the shares are up **49.5% YTD** and trade at **13.8x TTM earnings and 2.05x book**, against a 4–7x P/E range in FY22–FY25. Five points frame our view:

1. The core is a high-margin services franchise

FY26 Services revenue rose 6.4% to **LKR 1.24bn at a 40.5% EBIT margin**. Brokerage fell 5% to LKR 490m, but handling (+17%), third-party logistics (+21%) and interest on client advances (+21% to LKR 328m) more than offset it. The warehouse handled 51m kg at 98% utilisation. Services produced **~90% of FY26 segment EBIT**, and in 1HFY27 Services revenue grew 17% to LKR 707m with EBIT up 21% to LKR 282m.

2. AgriOne has changed the size of earnings, not yet their quality

AgriOne lifted FY26 revenue fourfold to **LKR 4.76bn (74% of the total)** but earned only LKR 57m of EBIT (1.6% margin). In 1QFY27 it delivered **LKR 205m of EBIT** in a single quarter, then lost LKR 24m in 2QFY27. As a result, 2Q group PAT fell 69% to LKR 16m and attributable PAT 33% to LKR 41m, even though revenue rose 30%. The business is seasonal and its margins are not yet stable.

3. Growth is debt-funded, and finance costs are outpacing EBIT

Client-financing borrowings rose from LKR 1.19bn (Mar-25) to **LKR 3.41bn (Sep-26)**. Net debt of LKR 3.21bn now exceeds the LKR 2.22bn client loan book by ~LKR 1.0bn, which funds AgriOne inventory (LKR 1.0bn) and lower producer payables. 1HFY27 finance cost doubled to LKR 187m, and FY26 interest cover fell to 1.98x from 3.57x. The parent has also given **LKR 2.0bn of guarantees** for AgriOne's bank lines (including LKR 0.5bn on 21-Oct-26).

4. Earnings should grow, but more slowly than revenue

We forecast attributable PAT of **LKR 265m in FY27E (EPS LKR 1.02, +26%)**, LKR 1.12 in FY28E and LKR 1.31 in FY29E. We assume Services grows 7–12% at a 40% margin, AgriOne earns a 5–6% EBIT margin, and net finance cost stays at LKR 340–360m. ASIY pays dividends twice a year: LKR 0.47 over the last 12 months (3.3% yield), with FY26 payout at 57%.

5. Valuation: most of the re-rating has already happened

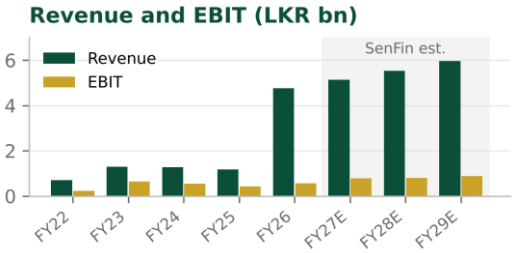
The year-end P/E rose from 7.2x (FY25) to 17.8x (FY26) as the price went from LKR 6.00 to 14.40. At LKR 14.20 the stock trades at **13.9x FY27E EPS and 2.00x FY27E book**, against FY22–FY25 averages of 5.3x and 0.84x, with a FY27E ROE of 14.9%. The price therefore assumes that AgriOne becomes a steady contributor. **Near-term catalysts are the interim dividend (paid each Nov–Dec), Maha-season fertiliser demand and 3QFY27 results (February 2027).**

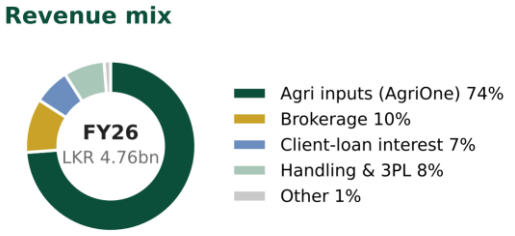
Share price movement analysis

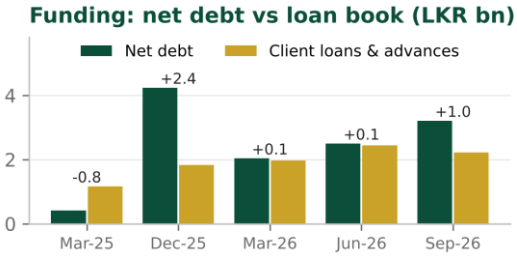
- **Apr–Jun 2025:** the shares traded at LKR 5.70–7.60 and closed at LKR 6.70 (P/E ~8x) as the first quarter with AgriOne revenue took 1QFY26 sales to LKR 992m.
- **Jul–Sep 2025:** they re-rated to LKR 9.60 (range 6.00–10.50) after 1QFY26 attributable PAT of LKR 43m.
- **Oct–Dec 2025:** they closed at LKR 9.50 (range 8.60–11.50) as 3QFY26 revenue rose to LKR 1.69bn but group PAT fell 28% on higher finance costs.
- **Jan–Mar 2026:** they hit an all-time high of LKR 18.80 on 26-Feb (low 9.00 on 2-Jan) and closed FY26 at LKR 14.40, up 140% for the year.
- **Apr–Nov 2026:** after a range of LKR 10.70–16.30 they reached LKR 14.20 on 9-Nov (+49.5% YTD). 1QFY27 attributable PAT nearly tripled to LKR 119m, but 2QFY27 fell 33% to LKR 41m.

Equity Research Report

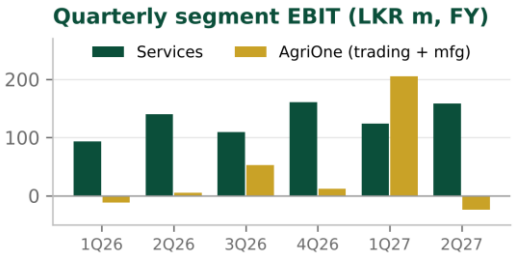
Asia Siyaka · Company, Industry & Macro Overview







Gap labels = net debt less client loans and advances. Net debt = client-financing borrowings + overdraft – cash – short-term investments.



Source: Company reports, SenFin Research estimates (FY27E–FY29E)

Company Overview

Asia Siyaka Commodities PLC (incorporated 1998, listed 12-Sep-2012) holds licences as a tea, rubber and produce broker, auctioneer and valuer. **Lanka Commodity Brokers Ltd owns 51.03%**; the public float is 40.4% across 3,841 shareholders. The subsidiaries are **Asia Siyaka Warehousing (100%)**, which runs the logistics centre on a 50-year Muthurajawela land lease from 1999; **Siyaka Produce Brokers (100%)**, which is dormant and to be liquidated; and **AgriOne Solutions (51%)**, bought for LKR 178.5m (55.87%) in December 2024 and diluted to 51% when other shareholders injected capital.

Revenue diversification

FY26 revenue of LKR 4.76bn split into **Services LKR 1.24bn (EBIT margin 40.5%)**, Trading LKR 3.28bn (0.2%) and Manufacturing (blended fertiliser) LKR 0.24bn (21.5%). In 1HFY27 margins moved the other way: Trading earned 11.9% on LKR 1.13bn and Manufacturing 6.7% on LKR 0.71bn, while Services held at 39.9%. With gross margin down from ~100% to 33–41%, revenue growth is now a weak guide to profit.

Client financing and working capital

ASIY lends to tea factories against future auction proceeds. Loans and advances stood at **LKR 2.22bn at Sep-26** (Mar-25: LKR 1.17bn). In FY26 interest income was LKR 328m against LKR 142m of funding cost, giving **LKR 186m of net interest income**, and 1HFY27 net interest income rose 37% to LKR 117m. Receivables and payables swing with auction settlement timing; a LKR 0.87bn fall in payables drove a **LKR 504m operating cash outflow in 1HFY27**.

Industry Overview

Brokers earn a commission on the value sold at the weekly Colombo auction, so revenue tracks **volume × price**. In 2025 Sri Lanka produced 264.1m kg and exported 257.4m kg (USD 1.51bn). In 2026 the crop has weakened: **Jan–Sep production fell 3.3% to 192.6m kg**, and September High Grown output was the lowest since 1992 after heavy rain. Jan–Sep exports fell 4.5% to 189.4m kg. Prices have held up in rupee terms. The **October national sale average of Rs 1,217/kg was the highest of 2026** (+3.4% YoY), but in dollars it was USD 3.67 (–5.4%) as the rupee weakened. AgriOne sells into the same estates, so it shares the crop cycle and also depends on fertiliser policy and urea prices.

Macro Overview

The IMF has cut Sri Lanka's 2026 growth forecast to 3.0%; CCPI is 8.3% and the CBSL policy rate 8.75%. For ASIY, **+100bp on LKR 3.4bn of short-term borrowings costs ~LKR 34m a year before tax (~LKR 0.09 EPS)**. A weaker rupee supports rupee auction prices and commissions but raises AgriOne's imported input costs.

Indicator	Latest	Read-across for ASIY
CCPI (Oct-26) / OPR	8.3% / 8.75%	+100bp ≈ LKR 34m finance cost
USD/LKR (3-Nov-26)	332.6	Lifts rupee tea prices; input costs
Brent (27-Oct-26)	>US$115/bbl	Fertiliser, freight, warehouse energy
Tea NSA Oct-26 (Rs/kg)	1,217 (+3.4%)	Commission base (value-linked)

LKR m (FY to March)	FY24A	FY25A	FY26A	FY27E	FY28E	FY29E
Revenue	**1,276**	**1,170**	**4,763**	**5,130**	**5,527**	**5,954**
EBIT	540	428	561	777	799	878
EBIT margin	42.3%	36.6%	11.8%	15.1%	14.4%	14.7%
Net profit (attributable)	209	217	211	265	292	340
EPS (LKR)	**0.80**	**0.83**	**0.81**	**1.02**	**1.12**	**1.31**
DPS (LKR)	0.55	0.47	0.46	0.48	0.52	0.58
P/E (x)	17.6	17.0	17.5	13.9	12.6	10.9
P/BV (x)	2.79	2.61	2.16	2.00	1.84	1.68
Dividend yield	3.9%	3.3%	3.2%	3.4%	3.7%	4.1%
ROE	16.2%	15.9%	13.5%	14.9%	15.2%	16.2%

Source: Company reports, SenFin Research estimates.

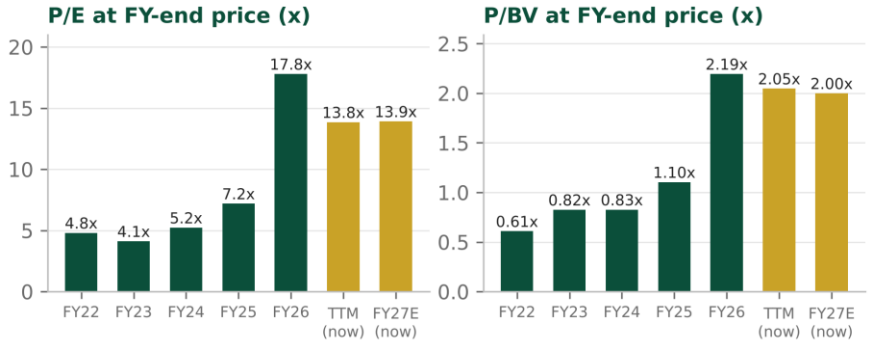
Equity Research Report

Asia Siyaka · Earnings Model, Valuation & Risks

ASIY – earnings model by segment (LKR m)	FY26A	1HFY27A	FY27E	FY28E	FY29E
Services revenue	**1,244.9**	**706.9**	**1,394.3**	**1,491.9**	**1,596.3**
% growth	6.4%	17.0%	12.0%	7.0%	7.0%
Services EBIT	503.7	282.3	557.7	596.8	638.5
% margin	40.5%	39.9%	40.0%	40.0%	40.0%
AgriOne revenue (trading + mfg)	**3,517.9**	**1,836.2**	**3,736.2**	**4,035.1**	**4,357.9**
% growth	n.m.	53.9%	6.2%	8.0%	8.0%
AgriOne EBIT	57.4	181.2	219.2	201.8	239.7
% margin	1.6%	9.9%	5.9%	5.0%	5.5%
Group EBIT	**561.1**	**463.5**	**776.9**	**798.5**	**878.2**
(–) Net finance cost	(267.0)	(177.7)	(360.0)	(350.0)	(340.0)
Profit before tax	294.1	285.8	416.9	448.5	538.2
(–) Tax	(115.0)	(98.8)	(145.9)	(152.5)	(177.6)
(–) / (+) Non-controlling interest	31.4	(26.8)	(5.5)	(4.0)	(20.5)
Attributable PAT	**210.5**	**160.1**	**265.5**	**292.0**	**340.1**
EPS (LKR)	**0.81**	**0.62**	**1.02**	**1.12**	**1.31**
ROE	13.5%	–	14.9%	15.2%	16.2%

Source: Company reports, SenFin Research estimates.

Valuation snapshot	@ LKR 14.20
Market cap (LKR bn)	3.69
(+) Net debt + NCI, Sep-26 (bn)	3.44
Enterprise value (LKR bn)	**7.13**
EV / FY27E EBIT	9.2x
P/E TTM / FY27E / FY28E (x)	13.8 / 13.9 / 12.6
P/BV Sep-26 / FY27E	2.05x / 2.00x
Dividend yield TTM / FY27E	3.3% / 3.4%
FY22–25 avg P/E / P/BV	5.3x / 0.84x
51% of AgriOne book (LKR bn)	0.24
Implied value of core (LKR bn)	**3.45**
Core P/E FY27E	**~13x**



Source: CSE, company reports, SenFin Research estimates.

Valuation note: At LKR 14.20 the market values ASIY at LKR 3.69bn, or 2.05x its Sep-26 book of LKR 1.80bn. If AgriOne is valued at ASIY's 51% share of its Sep-26 net assets (~LKR 0.24bn), the broking, warehousing and client-lending core is worth LKR 3.45bn, about **13x our FY27E core earnings of ~LKR 0.26bn**. Earnings are most sensitive to AgriOne: each 1pp of FY28E AgriOne EBIT margin moves FY28E EPS by ~LKR 0.05 (4–5%), while each 2pp of Services growth moves it by ~LKR 0.03.

Investment Risks

- **Upside – AgriOne scaling:** if 1QFY27's LKR 205m EBIT quarter becomes the seasonal norm, AgriOne's margin could hold above our 5–6%. Each 1pp adds ~LKR 0.05 to FY28E EPS.
- **Upside – tea prices and the rupee:** commissions are value-linked. October's Rs 1,217/kg national average was a 2026 high, and further LKR weakness lifts rupee auction prices.
- **Downside – crop and weather:** Jan–Sep 2026 production fell 3.3%, and High Grown output is at multi-decade lows. Lower volumes reduce brokerage, handling income and demand for advances.
- **Downside – funding and guarantees:** LKR 3.41bn of client-financing borrowings are all short-term. +100bp costs ~LKR 34m a year (~LKR 0.09 EPS), and the parent has LKR 2.0bn of guarantees outstanding for AgriOne.
- **Downside – credit risk on advances:** LKR 2.22bn is lent to tea factories, and 1HFY27 impairment charges were LKR 16m. The annual report lists client factory closures and customer default as key risks.
- **Downside – AgriOne execution and policy:** fertiliser subsidy and import rules, global urea and energy prices, and a regulated, competitive market. AgriOne's 2QFY27 loss shows how volatile its earnings are.
- **Downside – liquidity and governance:** a 51% parent and a 40% float mean thin trading. The shares traded between LKR 5.70 and 18.80 in FY26.

This report uses public information: Asia Siyaka Commodities PLC Annual Report 2025/26 (five-year summary FY22–FY26) and interim reports to 2QFY27 (30-Sep-26, released 9-Nov-26).