

KOTAGALA PLANTATIONS PLC

**Interim Financial Statements
For the Period ended 31st December 2022**

Kotagala Plantations PLC

STATEMENT OF COMPREHENSIVE INCOME - GROUP

	(Unaudited) Quarter ended 31.12.2022 Rs.'000	(Unaudited) Quarter ended 31.12.2021 Rs.'000	(Unaudited) Nine months ended 31.12.2022 Rs.'000	(Unaudited) Nine months ended 31.12.2021 Rs.'000
Revenue	1,194,064	703,859	3,388,639	2,548,596
Cost of Sales	(880,990)	(693,304)	(2,449,638)	(2,348,936)
Gross Profit	313,074	10,555	939,001	199,660
Other Income / (Expenses)	32,916	35,674	140,114	137,542
Distribution Costs				
Administration Expenses	(102,426)	(44,077)	(193,001)	(105,657)
Financing Income / (Cost)	(145,304)	(64,333)	(333,806)	(208,961)
Share of Profit / (Loss) of equity accounted investee, net of tax	-	-	-	-
Profit before Tax Expense	98,260	(62,181)	552,308	22,585
Tax Expense	-	-	-	-
Profit / (Loss) for the period	98,260	(62,181)	552,308	22,585
Other Comprehensive Income				
Actuarial Gain/ (Loss) on Retirement Benefit Obligation	-	-	-	-
Tax effect on other comprehensive income	-	-	-	-
Fair value through OCI Investments - Net Change in Fair Value	-	-	-	-
Share of other comprehensive income of equity accounted investees	-	-	-	-
Total Comprehensive Income For The Period	98,260	(62,181)	552,308	22,585
Earnings per Share (Rs.)	0.29	(0.18)	1.63	0.11

Kotagala Plantations PLC

STATEMENT OF COMPREHENSIVE INCOME - COMPANY

	(Unaudited) Quarter ended 31.12.2022 Rs.'000	(Unaudited) Quarter ended 31.12.2021 Rs.'000	(Unaudited) Nine months ended 31.12.2022 Rs.'000	(Unaudited) Nine months ended 31.12.2021 Rs.'000
Revenue	1,174,098	699,840	3,362,644	2,532,179
Cost of Sales	(862,699)	(689,801)	(2,432,317)	(2,335,128)
Gross Profit	311,399	10,039	930,327	197,051
Other Income	33,308	37,251	135,660	134,105
Distribution Costs				
Administration Expenses	(97,094)	(37,136)	(179,787)	(97,207)
Net Finance Cost	(148,223)	(67,159)	(333,806)	(208,961)
Profit before Tax Expense	99,390	(57,005)	552,394	24,989
Tax Expense	-	-	-	-
Profit / (Loss) for the period	99,390	(57,005)	552,394	24,989
Other Comprehensive Income				
Actuarial Gain/ (Loss) on Retirement Benefit Obligation	-	-	-	-
Tax effect on other comprehensive income	-	-	-	-
Fair value through OCI Investments - Net Change in Fair Value	-	-	-	-
Share of other comprehensive income of equity accounted investees	-	-	-	-
Total Comprehensive Income For The Period	99,390	(57,005)	552,394	24,989
Earnings per Share (Rs.)	0.29	(0.17)	1.63	0.12

Kotagala Plantations PLC

Statement of Financial Position							
Group As at 31.03.2022 Rs.'000 (Audited)	Company As at 31.03.2022 Rs.'000 (Audited)		Group		Company		
			As at 31.12.2022 Rs.'000 (Unaudited)	As at 31.12.2021 Rs.'000 (Unaudited)	As at 31.12.2022 Rs.'000 (Unaudited)	As at 31.12.2021 Rs.'000 (Unaudited)	
ASSETS							
1,233,983	1,235,939	Tangible Assets (Other than Mature /Immature Plantations)	1,217,282	1,281,491	1,217,282	1,250,220	
4,886,239	4,886,239	Biological Assets	4,904,497	4,856,063	4,904,497	4,856,063	
623,056	623,056	Leasehold Properties	597,105	610,798	597,105	610,798	
-	29,030	Investments in Subsidiaries		-	29,030	-	
91,484	91,442	Investment in Associates	91,484	101,246	91,442	101,214	
327,442	327,442	Fair value through OCI Investments	105,856	305,538	105,856	305,538	
7,162,204	7,193,148	Total Non - Current Assets	6,916,224	7,155,136	6,945,212	7,123,833	
295,610	290,874	Inventories	648,462	379,115	607,494	373,989	
320,509	308,630	Trade and Other Receivables	357,315	314,388	344,740	296,645	
7,841	7,841	Fair value of growing produce of bearer biological assets	7,841	6,526	7,841	6,526	
40,879	55,338	Amounts due from Related Parties	71,512	70,699	93,917	74,331	
132,731	131,854	Cash and Cash Equivalents	106,702	170,201	106,253	170,061	
797,570	794,537	Total Current Assets	1,191,833	940,929	1,160,245	921,553	
7,959,774	7,987,685	Total Assets	8,108,057	8,096,066	8,105,457	8,045,387	
EQUITY							
1,571,361	1,571,361	Stated Capital	1,571,361	1,571,362	1,571,361	1,571,361	
240,000	240,000	Capital Reserves	240,000	240,000	240,000	240,000	
641,690	594,443	Revaluation Reserve	641,689	622,845	594,442	594,442	
(11,377)	-	Foreign Exchange Translation Reserve	(11,377)	(10,799)	-	-	
48,456	51,370	Fair Value through Other Comprehensive Income Reserve	48,455	46,834	51,371	46,584	
(887,456)	(821,981)	Retained Earnings	(335,148)	(1,222,814)	(269,587)	(1,245,012)	
1,602,674	1,635,193	Total Equity	2,154,981	1,247,428	2,187,588	1,207,377	
LIABILITIES							
954,413	954,413	Interest bearing Borrowings	726,112	875,198	726,112	875,198	
328,132	328,132	Deferred Income - Capital Grant	319,943	330,647	319,943	330,647	
358,102	358,102	Deferred Tax Liabilities	358,102	419,209	358,102	419,209	
672,689	672,689	Net Obligation to Lessor of JEDB/SLSPC	672,689	654,594	672,689	654,594	
659,181	658,471	Retirement Benefit Obligations	664,217	982,261	660,166	977,409	
2,972,517	2,971,807	Total Non - Current Liabilities	2,741,062	3,261,909	2,737,011	3,257,057	
602,796	602,796	Interest bearing Borrowings	372,163	756,620	372,163	756,620	
2,096,136	2,092,238	Trade & Other Payables	1,982,467	2,148,551	1,951,311	2,142,777	
70,348	70,348	Amounts due to Related Parties	76,445	73,341	76,445	73,341	
615,303	615,303	Bank Overdraft	780,939	608,215	780,939	608,215	
3,384,583	3,380,685	Total Current Liabilities	3,212,014	3,586,727	3,180,858	3,580,953	
6,357,100	6,352,492	Total Liabilities	5,953,076	6,848,636	5,917,869	6,838,010	
7,959,774	7,987,685	Total Equity and Liabilities	8,108,057	8,096,066	8,105,457	8,045,387	
4.73	4.83	Net Assets per Share (Rs.)	6.37	3.21	6.46	3.11	

I certify that the financial statements have been prepared in compliance with the requirements of the Companies Act No.7 of 2007

Sgd.

R Perera

Manager Finance

Signed on behalf of the Board of Directors of Kotagala Plantations PLC

Sgd.

S S Poholiyadde

Director

Sgd.

K Mohideen

Director

Colombo

09th February 2023

Kotagala Plantations PLC

COMPANY

STATEMENT OF CHANGES IN EQUITY

	Attributable to Owners of the Company						
	Stated Capital Rs. '000	Revaluation Reserve Rs.000	Available for Sale Reserves Rs. '000		General Reserves Rs. '000	Retained Profit / (Loss) Rs. '000	Total Rs. '000
Balance as at 01.04.2021	781,500	594,442	46,583		240,000	(1,270,002)	392,524
Rights Issue	789,862						789,862
Profit for the Period						24,989	24,989
Other Comprehensive Income for the Period	-	-				-	-
Deferred tax on revaluation	-	-	-		-	-	-
Balance as at 31.12.2021	1,571,362	594,442	46,584	-	240,000	(1,245,007)	1,207,376
Balance as at 01.04.2022	1,571,362	594,443	51,369		240,000	(821,981)	1,635,193
Right Issue	-						-
Profit for the Period	-	-	-	-	-	552,394	552,394
Other Comprehensive Income for the Period	-	-	-	-	-	-	-
Dividend paid	-					-	-
Balance as at 31.12.2022	1,571,362	594,443	51,371	-	240,000	(269,587)	2,187,588

STATEMENT OF CHANGES IN EQUITY

Group

	Attributable to Owners of the Company						
	Stated Capital Rs. '000	Revaluation Reserve Rs.000	Available for Sale Reserves Rs. '000	Foreign Currency translation reserve	General Reserves Rs. '000	Retained Profit / (Loss) Rs. '000	Total Rs. '000
Balance as at 01.04.2021	781,500	594,443	46,834	(10,799)	240,000	(1,245,399)	406,579
Rights Issue	789,862					-	789,862
Revaluation	-	28,403	-	-	-	-	28,403
Profit for the Period						22,585	22,585
Other Comprehensive Income for the Period	-	-		-	-	-	-
Other Comprehensive Income for the Period	-	-				-	-
Dividend paid	-					-	-
Balance as at 31.12.2021	1,571,362	622,846	46,834	(10,799)	240,000	(1,222,814)	1,247,428
Balance as at 01.04.2022	1,571,362	641,690	48,455	(11,377)	240,000	(887,456)	1,602,674
Revaluation							-
Profit for the Period						552,308	552,308
Other Comprehensive Income for the Period						-	-
Dividend paid							-
Balance as at 31.12.2022	1,571,362	641,689	48,455	(11,377)	240,000	(335,148)	2,154,981

CASH FLOW STATEMENT

For the Nine Months ended 31st December	Group		Company	
	2022	2021	2022	2021
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Cash Flows from Operating Activities				
Profit before Taxation	552,308	22,585	552,394	24,989
Adjustments for :				
Depreciation /Amortization	220,819	217,570	216,098	216,768
Interest Expenses	347,080	211,787	347,080	211,787
Interest Income	(13,274)	(2,827)	(13,274)	(2,827)
Defined Benefit Plan Cost - Retiring Gratuity	78,314	100,451	78,173	100,451
Amortization of Deferred Income	(9,882)	(9,882)	(9,882)	(9,882)
Operating Profit before Working Capital Changes	1,175,365	539,685	1,170,589	541,287
(Increase)/Decrease in Inventories	(352,852)	(118,300)	(316,620)	(118,898)
(Increase)/Decrease in Trade & other Receivables	(36,806)	(19,273)	(36,110)	(11,947)
(Increase)/Decrease in Amounts due from Related Parties	(30,633)	(47,739)	(38,579)	(48,268)
Increase/(Decrease) in Trade & Other Payables	(110,499)	(107,201)	(134,278)	(109,960)
Increase/(Decrease) in Amounts due to Related Parties	6,097	(581,069)	6,097	(581,069)
Cash Flow from Operating Activities	650,671	(333,896)	651,099	(328,855)
Income Tax Paid	-	-	-	-
Interest Income	13,274	2,827	13,274	2,827
Interest Paid	(290,521)	(180,611)	(290,521)	(180,611)
Retiring Gratuity Paid	(76,478)	(9,654)	(76,478)	(9,654)
Net Cash Flow from Operating Activities	296,947	(521,335)	297,375	(516,294)
Cash Flows from Investing Activities				
Purchase & Construction of Property, Plant & Equipment	(42,895)	(11,679)	(42,895)	(11,679)
Investment in immature plantations	(109,181)	(47,560)	(109,181)	(47,560)
Right Issue		789,861	0	789,861
Net Cash generated from/(used in) Investing Activities	(152,077)	730,622	(152,076)	730,622
Cash Flows from Financing Activities				
Payment of lease rentals	(78,214)		(78,214)	
Capital Grants Received	1,693	17,127	1,693	17,127
Repayment of Debenture	(65,906)	(65,906)	(65,906)	(65,906)
Proceeds from Long Term Loans	121,446	72,500	121,446	72,500
Repayment of Long Term Loans	(315,554)	(177,326)	(315,554)	(177,326)
Net Cash generated from/(used in) Financing Activities	(336,536)	(153,606)	(336,536)	(153,606)
Net Increase in Cash & Cash Equivalents	(191,665)	55,681	(191,237)	60,723
Cash & Cash Equivalents at the beginning of the year	(482,572)	(493,695)	(483,449)	(498,875)
Cash & Cash Equivalents at the end of the period	(674,237)	(438,014)	(674,686)	(438,154)
Analysis of Cash & Cash Equivalents at the end of the Period				
Cash in Hand & Bank	106,702	170,201	106,253	170,061
Bank & Other Borrowings	(780,939)	(608,215)	(780,939)	(608,215)
	(674,237)	(438,014)	(674,686)	(438,154)

Segmental Information

Group	Company
Year ended 31/03/2022 Rs. '000	Year ended 31/03/2022 Rs. '000
2,389,302	2,389,302
799,789	775,025
307,693	307,693
3,496,784	3,472,020

Revenue

Tea
Rubber
Oil Palm

Gross Profit

116,774	116,774	Tea
49,026	41,186	Rubber
210,367	210,367	Oil Palm
376,166	368,326	

Group		Company		Group		Company	
Quarter ended 31/12/2022 Rs. '000	Quarter ended 31/12/2021 Rs. '000	Quarter ended 31/12/2022 Rs. '000	Quarter ended 31/12/2021 Rs. '000	09 Months ended 31/12/2022 Rs. '000	09 Months ended 31/12/2021 Rs. '000	09 Months ended 31/12/2022 Rs. '000	09 Months ended 31/12/2021 Rs. '000
879,172	428,923	879,172	428,923	2,448,917	1,769,833	2,448,917	1,769,833
210,202	202,697	190,235	198,678	636,194	511,279	610,199	494,862
104,691	72,239	104,691	72,239	303,529	267,484	303,529	267,484
1,194,064	703,859	1,174,098	699,840	3,388,639	2,548,596	3,362,644	2,532,179
275,518	(52,013)	275,185	(52,013)	688,774	35,123	688,441	35,123
(16,491)	13,974	(17,820)	13,458	67,342	(20,563)	59,014	(23,172)
54,046	48,594	54,034	48,594	182,885	185,100	182,872	185,100
313,074	10,555	311,399	10,039	939,001	199,660	930,327	197,051

**Company
For the 09 months ended 31.12.2022**

	Tea	Rubber	Oil Palm	Total
Gross Profit/(Loss)	688,441	59,014	182,872	930,327
Fair Value Gain on Biological Assets	-	-	-	-
Other Operating Income	116,952	18,708	-	135,660
Administrative Expenses	(125,173)	(48,458)	(6,155)	(179,787)
Net Financing Costs	(174,698)	(136,592)	(22,515)	(333,806)
Profit/(Loss) Before Income Tax	505,521	(107,329)	154,202	552,394

Information on Debentures

Trading at Colombo Stock Exchange

Debenture Type	Highest Value (Rs.)	Lowest Value (Rs.)	Last Traded Value (Rs.)
D1 - D6	Not Traded	Not Traded	Not Traded

The company successfully rescheduled the entire debenture outstanding of Rs.500m for a period of 5 years at a reduced interest rate of 7.5%, with a defined monthly payment plan.

Comparable Interest Rate on Government Securities

1 year	29.27%
2 years	33.01%
3 years	31.36%

Company - End December 2022	
Debt/Equity Ratio	0.50
Quick asset Ratio	0.17
Interest Cover	0.70

Kotagala Plantations PLC
Notes to the Financial Statements

- 1) Accounting policies and methods of computation adopted in the above interim accounts are same as those in the previous Audited Financial Statements and also in compliance with Sri Lanka Accounting Standard 34 - Interim Financial Reporting.
- 2) The above figures are provisional and subject to audit.
- 3) There has been no material events subsequent to the interim period which require disclosure in the provisional Interim Financial Statements.

4) Market Prices Recorded during the quarter ended 31st December	2022	2021
Highest - (Rs.)	11.20	9.10
Lowest - (Rs.)	6.50	5.50
Last Traded - (Rs.)	7.70	7.80

- 5) The Stated Capital of the Company is Rs. 1,571,362,510.00 represented by 338,512,500 Ordinary shares.
- 6) The percentage of Shares held by the public as at 31st December 2022 was 40.16% and the number of public shareholders are 16,451.
- 7) The applicable option under CSE Rule 7.14.1 (i) (a) on minimum public holding is option 5 and the Float Adjusted Market Capitalization as of 31.12.2022 was Rs.1,046,788,974/-
- 8) Details pertaining to Directors direct shareholdings as at 31.12.2022 are given below

Name of Director	No. of Shares
Mr. A.M.de.S. Jayaratne	50,000
Mr. C. P. R. Perera	506,250
Mr. M. S. Madugalle	23,222*
*Aggregate of 2,603 Fractional Shares held in trust consequent to subdivision of shares in 2018	
Mr. S. S. Poholiyadde	7972

- 9) Major Shareholders as at 31st December 2022

Name	No of Shares	%
1 CONSOLIDATED TEA PLANTATIONS LIMITED	183,823,231	54.30%
2 HATTON NATIONAL BANK PLC/SUBRAMANIAM VASUDEVAN	12,587,413	3.72%
3 AMANA BANK PLC/DARLEY BUTLER AND COMPANY LIMITED	10,487,299	3.10%
4 SECRETARY TO THE TREASURY	5,700,834	1.68%
5 LANKEM TEA & RUBBER PLANTATIONS (PVT) LIMITED	5,550,000	1.64%
6 NUWARA ELIYA PROPERTY DEVELOPERS (PVT) LTD	4,963,662	1.47%
7 HATTON NATIONAL BANK PLC/ALMAS HOLDINGS (PRIVATE) LIMITED	3,037,930	0.90%
8 MR. SUBRAMANIAM MOHANADAS	3,000,000	0.89%
9 MR. LOKU KATTOTAGE NIHAL KUMARA KULAWARDENA	2,558,059	0.76%
10 MR. NAVANEETHA RAJAH SELVADURAI	2,504,398	0.74%
11 HATTON NATIONAL BANK PLC/ARUNASALAM SITHAMPALAM	2,500,000	0.74%
12 MRS. PATTINIDEVA ASOKA SWARNA KANTHIE BERUWALAGE	1,700,000	0.50%
13 HATTON NATIONAL BANK PLC/ALMAS CAPITAL (PRIVATE) LIMITED	1,676,596	0.50%
14 MR. ARUNASALAM SITHAMPALAM	1,372,569	0.41%
15 MR. KAURACHCHIGE SUDATH MALCOLM RODRIGO	1,300,000	0.38%
16 HATTON NATIONAL BANK PLC/PALANIYANDY MURALITHARAN	1,121,133	0.33%
17 MR. DARSHANA SHASTHRI NAKANDALA	1,100,000	0.32%
18 MR. THISE APPUHAMILAGE DON GAMINI SIRIWARDANE	1,067,600	0.32%
19 MERCHANT BANK OF SRI LANKA & FINANCE PLC/K.K. WICKRAMASINGHE	1,053,085	0.31%
20 DFCC BANK PLC/B. SUTHARSHAN	1,050,000	0.31%
Total	248,153,809	73.31%

10). Rights Issue

The Company made a Rights Issue of 263,287,500 Ordinary Shares at a price of Rs. 3/- per Share to the holders of the Issued Ordinary Shares of the Company as at end of trading on 19th July, 2021, in the proportion of Seven (7) new Ordinary Shares for every Two (2) existing issued Ordinary Shares held in the Capital of the Company. The Issue closed on 17th August, 2021. The Issue was fully subscribed and the consideration received was Rs. 789,862,500/-

Subsequent to the Rights Issue of Shares the Company's Stated Capital amounts to Rs.1,571,362,510/- represented by 338,512,500 Ordinary Shares and One Golden Share

The utilization of proceeds is as follows;

Objective Number	Objective as per circular	Amount allocated as per circular in LKR	Proposed date of utilization as per circular	Amount allocated from proceeds in LKR (A)	% of total proceeds	Amount utilized in LKR (B)	% of proceeds utilized against allocation (B/A)	Clarification, if not fully utilized including where funds are invested (eg. Whether lent to related party etc.)
1	To settle funds amounting to Rs,564,369,834/- already advanced and arranged by the major shareholders to support the working capital requirements of the company	Rs.564,369,834/-	Immediately after the conclusion and finalization of the Right Issue	Rs.564,369,834/-	71.5%	Rs.564,369,834/-	100%	Fully utilized for the purpose.
2	Funds amounting to Rs.225,492,666/- to be utilized to further support the working capital needs of the ongoing operations of the company	Rs.225,492,666/-	Will be deposited into a Call Deposit Account for periodic utilization as and when required over a period of approximately 12 months depending on the monthly deficit.	Rs.225,492,666/-	28.5%	Rs.175,492,666/-	78%	Utilized for working capital needs and the balance funds are invested in a call deposit.