

KOTAGALA PLANTATIONS PLC

**Interim Financial Statements
For the Year ended 31st March 2021**

Kotagala Plantations PLC
Statement of Profit or Loss and Other Comprehensive Income

Group	Company		Group		Company		Group		Company	
			Quarter ended	Quarter ended	Quarter ended	Quarter ended	12 months ended	12 months ended	12 months ended	12 months ended
Year ended	Year ended		31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Rs.'000	Rs.'000		Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
2,710,886	2,667,955	Revenue	989,960	672,154	964,658	662,243	3,203,138	2,710,886	3,157,494	2,667,955
(3,041,839)	(3,009,567)	Cost of Sales	(892,569)	(762,185)	(867,460)	(754,339)	(2,996,581)	(3,041,839)	(2,958,408)	(3,009,567)
(330,953)	(341,612)	Gross Profit	97,391	(90,031)	97,198	(92,096)	206,557	(330,953)	199,086	(341,612)
143,064	143,064	Fair Value Gain on Biological Assets	253,141	143,064	253,141	143,064	253,141	143,064	253,141	143,064
465,795	466,875	Other Operating Income	36,927	188,977	36,927	190,057	98,198	465,795	98,198	466,875
(668,017)	(623,811)	Administrative Expenses	(157,235)	(552,976)	(187,634)	(516,761)	(265,019)	(668,017)	(287,577)	(623,811)
(471,894)	(471,894)	Net Financing Costs	(123,924)	(186,524)	(123,924)	(186,524)	(368,023)	(471,894)	(368,023)	(471,894)
(56,401)	-	Share of Profit / (Loss) of equity accounted investee, net of tax	(35,027)	(56,401)	-	-	(35,027)	(56,401)	-	-
(918,406)	(827,378)	Loss before Income Tax Expense	71,273	(553,891)	75,708	(462,260)	(110,173)	(918,406)	(105,175)	(827,378)
-	-	provision for impairment in Investment in Associate	-	-	-	-	-	-	-	-
(1,865)	(1,865)	Income Tax Expense	-	(1,865)	-	(1,865)	-	(1,865)	-	(1,865)
(920,271)	(829,243)	Profit / (loss) from continued operation	71,273	(555,756)	75,708	(464,125)	(110,173)	(920,271)	(105,175)	(829,243)
(920,271)	(829,243)	Profit / (Loss) for the year	71,273	(555,756)	75,708	(464,125)	(110,173)	(920,271)	(105,175)	(829,243)
Other Comprehensive Income /(Expense) from continued operation										
Items that will not be reclassified to profit or loss										
5,229	5,229	Actuarial Gain/ (Loss) on Retirement Benefit Obligation	64,057	5,229	64,057	5,229	64,057	5,229	64,057	5,229
(732)	(732)	Tax effect on other comprehensive income	-	(732)	-	732	-	(732)	-	(732)
8,565	8,565	Fair value through OCI Investments - Net Change in Fair Value	-	(12,911)	-	12,911	4,849	8,565	4,849	8,565
(3,718)	-	Share of other comprehensive income of equity accounted investees	-	(3,718)	-	-	-	(3,718)	-	-
-	-	Available for Sale Financial Assets - Net Fair Change in Fair Value	-	-	-	-	-	-	-	-
691,213	691,213	Revaluation	-	84,633	-	84,633	-	691,213	-	691,213
(96,770)	(96,770)	Deferred tax on revaluation	-	-	-	-	-	(96,770)	-	(96,770)
-	-	Available for Sale Financial Assets - Reclassified to Profit or Loss	-	-	-	-	-	-	-	-
(8,877)	-	Foreign Currency Translation gain/ (Loss)	-	(8,877)	-	-	-	(8,877)	-	-
594,910	607,505	Other Comprehensive Income/(Expense) for the year, net of tax from continued op	64,057	63,624	64,057	76,219	68,906	594,910	68,906	607,505
594,910	607,505	Other Comprehensive Income /(Expense) for the Year, net of tax	64,057	63,624	64,057	76,219	68,906	594,908	68,906	607,505
(325,361)	(221,738)	Total Comprehensive Income /(Expense) for the Year	135,330	(492,132)	139,765	(387,906)	(41,267)	(325,361)	(36,269)	(221,738)
(12.23)	(11.02)	Loss Per Share (Rs.)	0.95	(7.39)	1.01	(6.17)	(1.46)	(12.23)	(1.40)	(11.02)

Kotagala Plantations PLC

Statement of Financial Position							
Group		Company		Group		Company	
As at		As at		As at		As at	
31.03.2020		31.03.2020		31.03.2021		31.03.2021	
Rs.'000		Rs.'000		Rs.'000		Rs.'000	
ASSETS							
1,356,631	1,356,111	Tangible Assets (Other than Mature /Immature Plantations)	1,308,511	1,356,631	1,304,841	1,356,111	
4,761,482	4,761,482	Biological Assets	4,952,771	4,761,482	4,952,771	4,761,482	
655,563	655,563	Leasehold Properties	622,415	655,563	622,415	655,563	
-	-	Investments in Subsidiaries	-	-	-	-	
198,110	152,986	Investment in Associates	163,083	198,110	119,986	152,986	
285,464	285,464	Fair value through OCI Investments	290,312	285,464	290,312	285,464	
7,257,250	7,211,606	Total Non - Current Assets	7,337,092	7,257,250	7,290,325	7,211,606	
200,177	185,123	Inventories	259,044	200,177	253,307	185,123	
182,535	201,964	Trade and Other Receivables	276,784	182,535	296,693	201,964	
937	937	Fair value of growing produce of bearer biological assets	937	937	937	937	
55,142	55,141	Amounts due from Related Parties	19,196	55,142	22,176	55,141	
20,580	20,428	Cash and Cash Equivalents	73,058	20,580	67,878	20,428	
459,371	463,593	Total Current Assets	629,019	459,371	640,991	463,593	
7,716,622	7,675,199	Total Assets	7,966,111	7,716,621	7,931,317	7,675,199	
EQUITY							
781,500	781,500	Stated Capital	781,500	781,500	781,500	781,500	
240,000	240,000	Capital Reserves	240,000	240,000	240,000	240,000	
594,443	594,443	Revaluation Reserve	594,443	594,443	594,443	594,443	
(10,739)	-	Foreign Exchange Translation Reserve	(10,739)	(10,739)	-	-	
20,528	26,509	Fair Value through Other Comprehensive Income Reserve	25,377	20,528	31,358	26,509	
(1,074,277)	(1,122,622)	Retained Earnings	(1,120,393)	(1,074,277)	(1,163,740)	(1,122,622)	
551,455	519,830	Total Equity	510,188	551,455	483,561	519,830	
LIABILITIES							
1,186,219	1,186,219	Interest bearing Borrowings	1,114,967	1,186,219	1,114,967	1,186,219	
330,309	330,309	Deferred Income - Capital Grant	323,403	330,309	323,403	330,309	
403,003	403,003	Deferred Tax Liabilities	403,004	403,003	403,004	403,003	
644,540	644,540	Net Obligation to Lessor of JEDB/SLSPC	637,180	644,540	637,180	644,540	
874,322	873,812	Retirement Benefit Obligations	891,873	874,322	886,613	873,812	
3,438,393	3,437,883	Total Non - Current Liabilities	3,370,426	3,438,393	3,365,166	3,437,883	
668,042	668,042	Interest bearing Borrowings	678,370	668,042	678,370	668,042	
2,022,395	2,013,108	Trade & Other Payables	2,182,668	2,022,395	2,179,760	2,013,108	
440,286	440,286	Amounts due to Related Parties	657,622	440,286	657,622	440,286	
596,050	596,050	Bank Overdraft	566,838	596,050	566,838	596,050	
3,726,773	3,717,486	Total Current Liabilities	4,085,498	3,726,773	4,082,590	3,717,486	
7,165,166	7,155,369	Total Liabilities	7,455,924	7,165,166	7,447,756	7,155,369	
7,716,621	7,675,199	Total Equity and Liabilities	7,966,111	7,716,621	7,931,317	7,675,199	
7.33	6.91	Net Assets per Share (Rs.)	6.78	7.33	6.43	6.91	

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

sgd.

M Kowdu

General Manager - Finance

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

sgd.

S S Poholiyadde

Director

sgd.

M Madugalle

Director

Colombo

20th May 2021

Kotagala Plantations PLC

COMPANY

STATEMENT OF CHANGES IN EQUITY

	Attributable to Owners of the Company						Total Rs. '000
	Stated Capital Rs. '000	Revaluation Reserve Rs.000	Available for Sale Reserves Rs. '000	General Reserves Rs. '000	Retained Profit / (Loss) Rs. '000		
Balance as at 01.04.2019	781,500		17,944	240,000	(490,113)	549,331	
Impact on Initial application of SLFRS 16					192,237	192,237	
Profit for the Period					(829,243)	(829,243)	
Other Comprehensive Income for the Period	-	691,213	8,565		4,497	704,275	
Deferred tax on revaluation	-	(96,770)	-	-	-	(96,770)	
Balance as at 31.03.2020	781,500	594,443	26,509	-	240,000	(1,122,622)	
Balance as at 01.04.2020	781,500	594,443	26,509	240,000	(1,122,622)	519,831	
Profit for the Period					(105,175)	(105,175)	
Other Comprehensive Income for the Period			4,849		64,057	68,906	
Dividend paid	-		-	-	-	-	
Balance as at 31.03.2021	781,500	594,443	31,358	-	240,000	(1,163,740)	

STATEMENT OF CHANGES IN EQUITY

Group

	Attributable to Owners of the Company						Total Rs. '000
	Stated Capital Rs. '000	Revaluation Reserve Rs.000	Available for Sale Reserves Rs. '000	Foreign Currency translation reserve Rs. '000	General Reserves Rs. '000	Retained Profit / (Loss) Rs. '000	
Balance as at 01.04.2019	781,500		14,689	(1,862)	240,000	(349,623)	684,704
Impact on Initial application of SLFRS 16						192,112	192,112
Profit for the Period						(920,271)	(920,271)
Other Comprehensive Income for the Period	-	691,213	5,839	(8,877)		3,505	691,680
Other Comprehensive Income for the Period		(96,770)					(96,770)
Dividend paid	-		-		-	-	-
Balance as at 31.03.2020	781,500	594,443	20,528	(10,739)	240,000	(1,074,277)	551,455
Balance as at 01.04.2020	781,500	594,443	20,528	(10,739)	240,000	(1,074,277)	551,455
Profit for the Period						(110,173)	(110,173)
Other Comprehensive Income for the Period			4,849			64,057	68,906
Dividend paid							
Balance as at 31.03.2021	781,500	594,442	25,377	(10,739)	240,000	(1,120,393)	510,187

Kotagala Plantations PLC

CASH FLOW STATEMENT

For the Twelve Months ended 31st March	Group		Company	
	2021 Rs.'000	2020 Rs.'000	2021 Rs.'000	2020 Rs.'000
Cash Flows from Operating Activities				
Profit before Taxation	(110,173)	(918,406)	(105,175)	(827,378)
Adjustments for :				
Depreciation /Amortization on Property, Plant & Equipment	289,527	268,766	288,458	268,652
Fair Value Gain on Biological Assets	(253,141)	(143,064)	(253,141)	(143,064)
Write off on Other Receivable		300,994		
Provision for Impairment on Inventory		4,018		4,018
Provision for Impairment on Other Receivable		45,760		45,760
Interest Expenses	368,447	467,583	368,447	467,583
Profit on Disposal	(3,731)	(42,478)	(3,731)	(42,478)
Exchange Gain/(Loss)		4,390		4,390
Write back on Other Payable		(57,502)		(57,502)
Provision for Impairment on Related Party		(2,202)		210,127
Provision for Impairment on Investment in Subsidiary				115
Provision for Impairment on Investment in Associates	35,027		33,000	53,798
Interest Income	(424)	(79)	(424)	(79)
Defined Benefit Plan Cost - Retiring Gratuity	146,569	143,397	146,466	143,357
Share of Loss of Equity accounted Investee		56,401		
Amortization of Deferred Income	(13,178)	(12,214)	(13,178)	(12,214)
Operating Profit before Working Capital Changes	458,923	115,364	460,722	115,085
(Increase)/Decrease in Inventories	(58,867)	100,208	(68,184)	110,302
(Increase)/Decrease in Trade & other Receivables	(94,249)	65,855	(94,729)	61,188
(Increase)/Decrease in Amounts due from Related Parties	35,946	108,530	32,965	98,738
Increase/(Decrease) in Trade & Other Payables	62,438	95,958	68,389	91,908
Increase/(Decrease) in Amounts due to Related Parties	217,336	251,187	217,336	251,188
Net Cash Flow from Operating Activities	621,526	737,102	616,498	728,409
Interest Income	424	79	424	79
Interest Paid	(335,439)	(424,848)	(335,439)	(424,848)
Retiring Gratuity Paid	(69,609)	(21,872)	(69,609)	(21,872)
Net Cash Flow from Operating Activities	216,902	290,461	211,874	281,768
Cash Flows from Investing Activities				
Purchase & Construction of Property, Plant & Equipment	(37,133)	(32,076)	(37,133)	(32,076)
Investment in immature plantations	(47,058)	(53,875)	(47,058)	(53,875)
Investment in Subsidiaries				
Interest Received				
Dividends Received				
Net Investments in Short Term Investments				
Proceeds on Disposal of Property, Plant & Equipment	3,731		3,731	
Net Proceeds on acquisition /Disposal of Investments classified as FVTPL				
Net Proceeds on Disposal of Investments				
Net Cash generated from/(used in) Investing Activities	(80,460)	(85,951)	(80,460)	(85,951)
Cash Flows from Financing Activities				
Payment of finance lease rentals	(11,710)	(4,097)	(11,710)	(4,097)
Payment to lessor on leasehold rights		(12,448)	-	(12,448)
Proceeds from Rights Issue of Shares				
Capital Grants Received	6,272	14,166	6,272	14,166
Long Term Loans obtained from Related Parties				
Long Term Loans Receipts/(granted) to Related Parties				
Repayment of Debenture	(18,877)	(250,000)	(18,877)	(250,000)
Proceeds from Long Term Loans	41,524	105,022	41,524	105,022
Repayment of Long Term Loans	(110,962)	(170,990)	(110,962)	(170,990)
Interest Loan	39,000		39,000	
Net Transactions with minority				
Direct cost on Right Issue				
Net Movement in Short Term Borrowings				
Net Cash generated from/(used in) Financing Activities	(54,753)	(318,347)	(54,753)	(318,347)
Net Increase in Cash & Cash Equivalents	81,690	(113,837)	76,661	(122,530)
Cash & Cash Equivalents at the beginning of the year	(575,470)	(452,532)	(575,622)	(452,868)
Effect of Exchange Rate Changes		(9,101)		(224)
Cash & Cash Equivalents at the end of the period	(493,780)	(575,470)	(498,960)	(575,622)
Analysis of Cash & Cash Equivalents at the end of the Period				
Cash in Hand & Bank	73,058	20,580	67,878	20,428
Bank & Other Borrowings	(566,838)	(596,050)	(566,838)	(596,050)
	(493,780)	(575,470)	(498,960)	(575,622)

Segmental Information

Group		Company		Group		Company		Group		Company	
Year ended	Year ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended	12 months ended	12 months ended	12 months ended	12 months ended	12 months ended	12 months ended
31/03/2020	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2021	31/03/2020	31/03/2020
Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Revenue											
2,138,475	2,138,475	721,085	508,494	721,085	508,494	2,426,968	2,097,311	2,426,968	2,138,475		
463,304	420,373	248,932	151,255	223,630	141,344	653,385	420,373	607,741	420,373		
							84,095				
109,107	109,107	19,944	12,405	19,944	12,405	122,785	109,107	122,785	109,107		
2,710,886	2,667,956	989,961	672,154	964,659	662,243	3,203,138	2,710,886	3,157,494	2,667,956		
Gross Profit											
(141,031)	(141,031)	81,904	(45,297)	81,904	(45,297)	276,181	(141,031)	276,181	(141,031)		
(231,527)	(242,186)	17,601	(48,642)	17,408	(50,706)	(106,105)	(231,527)	(113,576)	(242,186)		
41,605	41,605	(2,114)	3,908	(2,114)	3,908	36,481	41,605	36,481	41,605		
(330,953)	(341,612)	97,391	(90,031)	97,198	(92,095)	206,557	(330,953)	199,086	(341,612)		

	Company			
	For the 12 months Ended			
	Tea	Rubber	Oil Palm	Total
Gross Profit/(Loss)	276,181	(113,576)	36,481	199,086
Fair Value Gain on Biological Assets	240,483	12,658	-	253,141
Other Operating Income	71,171	27,027	-	98,198
Administrative Expenses	(218,122)	(65,540)	(3,914)	(287,576)
Net Financing Costs	(145,879)	(184,911)	(37,233)	(368,023)
Profit/(Loss) Before Income Tax	223,834	(324,342)	(4,666)	(105,175)

Information on Debentures

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	5.18%
3 years	6.50%
5 years	7.25%

Company - End March 2021	
Debt/Equity Ratio	3.71
Quick asset Ratio	0.09
Interest Cover	0.71

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) The Company on 30.12.2020 announced a Rights Issue of Two Hundred and Sixty Three Million Two Hundred and Eighty Seven Thousand Five Hundred (263,287,500) Ordinary Shares at a price of Rs.3/- per share in the proportion of Seven (07) new Ordinary Shares for every Two(02) existing issued Ordinary Shares held, subject to approval by the Shareholders. An application having been made to the Colombo Stock Exchange, the Company is in the process of obtaining approval for the issue and listing of the said shares.
- 5) The retirement benefit obligation as at 31st march 2021 has been arrived based on worker basic wage at Rs.700/- due to the fact that the Wage rate of Rs.1000/= is in abeyance, as the Court decision is still pending. However, if the Court decision is in favour of Rs.1000/=, there will be a contingent liability of Rs.122m based on the projected of actuarial valuation carried out by Ms. Actuarial and Management Consultants (Pvt) Ltd
- 6) The applicable option under CSE Rule 7.13.1 on minimum public holding is option 5 and the Float Adjusted Market Capitalization as of 31.03.2021 was Rs.130,651Mn
- 7) Market Prices Recorded during the quarter ended 31st March

	2021	2020
Highest - (Rs.)	8.90	7.30
Lowest - (Rs.)	5.20	4.90
Last Traded - (Rs.)	5.30	5.00
- 8) The Stated Capital of the Company of Rs.781,500,010/- is represented by 75,225,000 Ordinary Shares and 01 Golden Share.
- 9) The percentage of Shares held by the public as at 31st March 2021 was 32.77% and the number of public shareholders are 13,435.
- 10) The applicable option under CSE Rule 7.13.1 on minimum public holding is option 5 and the Float Adjusted Market Capitalization as of 31.03.2021 was Rs.130,651Mn
- 11) Details pertaining to Directors direct shareholdings as at 31.03.2021 are given below

Name of Director	No.of Shares
Mr. S. D. R. Arudpragasam	150,375
Mr. C. P. R. Perera	112,500
Mr. M. S. Madugalle	7185*
*Aggregate of 2,603 Fractional Shares held in trust consequent to subdivision of shares in 2018	
Mr. G. D. V. Perera	600
Mr. S. S. Poholiyadde	1,500

- 12) Major Shareholders as at 31st March 2021

	Name	No of Shares	%
1	CONSOLIDATED TEA PLANTATIONS LIMITED	31,650,000	42.07%
2	LANKEM TEA & RUBBER PLANTATIONS (PVT) LIMITED	11,103,150	14.76%
3	SECRETARY TO THE TREASURY	5,700,834	7.58%
4	NATIONAL DEVELOPMENT BANK PLC/LANKEM TEA AND RUBBER PLANTATIONS (PVT) LTD	5,251,960	6.98%
5	NATIONAL DEVELOPMENT BANK PLC/CONSOLIDATED TEA PLANTATIONS LTD	2,223,980	2.96%
6	MR. SIVAN GNANASEKARAN	810,000	1.08%
	MRS. MANIMEKALANI GNANASEKARAN		
7	BANK OF CEYLON NO. 1 ACCOUNT	729,997	0.97%
8	SEYLAN BANK PLC/ K.S. BALASURIYA	400,000	0.53%
9	SAMPATH BANK PLC/ DR.T.SENTHILVERL	375,363	0.50%
10	MR. KANDASAMY PARAMESWARAN	352,749	0.47%
11	COMMERCIAL BANK OF CEYLON PLC A/C NO. 04	302,625	0.40%
12	MR. MUHAMED NALEEM MUHAMMED ABDUL CAADER	300,926	0.40%
	MRS. MAZEENA MUHAMMED ABDUL CAADER		
13	MRS. SHIELA IRANGANIE HEENETIMULLA	270,000	0.36%
14	POLGAHAWELA SANASA SOCIETIES UNION LTD	227,000	0.30%
15	MR. SENAKA JAYANTHA RANASINGHE	206,684	0.27%
16	MR. WEERATHUNGA ARACHCHIGE SAMPATH PALITHA DE SARAM	192,196	0.26%
17	MR. PELI ARACHCHIGE LUKSHAMAN	190,000	0.25%
18	MR. SEMASINGHE NAWARATHNE MUDIYANSELAGE SEMASINGHE	165,349	0.22%
19	MR. MAPA MUDIYANSELAGE SAMANTHA INDUNIL	156,496	0.21%
20	DR. PRADHANA MUDIYANSELAGE CHANDRASEKARA BANDARA DIGANA	156,320	0.21%
	Total	60,765,629	80.78%