

KOTAGALA PLANTATIONS PLC

**Interim Financial Statements
For the Year ended 31st March 2023**

Kotagala Plantations PLC

STATEMENT OF COMPREHENSIVE INCOME - GROUP

	(Unaudited) Quarter ended 31.03.2023 Rs.'000	(Audited) Quarter ended 31.03.2022 Rs.'000	(Unaudited) 12 months ended 31.03.2023 Rs.'000	(Audited) 12 months ended 31.03.2022 Rs.'000
Revenue	1,588,075	948,188	5,019,399	3,496,784
Cost of Sales	(1,271,264)	(771,683)	(3,720,902)	(3,120,619)
Gross Profit	316,811	176,505	1,298,496	376,165
Fair value gain on timber	90,787	35,349	90,787	35,349
Other Income / (Expenses)	31,531	35,006	128,960	172,548
				-
Administration Expenses	(130,062)	(96,765)	(323,063)	(202,422)
Financing Income / (Cost)	(60,586)	(104,754)	(394,392)	(313,715)
Share of Profit / (Loss) of equity accounted investee, net of tax	-	(53,384)	-	(53,384)
Profit before Tax Expense	248,481	(8,044)	800,789	14,541
Tax Expense	-	83,937	-	83,937
Profit / (Loss) for the period	248,481	75,893	800,789	98,478
Other Comprehensive Income				
Actuarial Gain/ (Loss) on Retirement Benefit Obligation	88,492	290,419	88,492	290,419
Tax effect on other comprehensive income	-	(30,494)	-	(30,494)
Fair value through OCI Investments - Net Change in Fair Value	17,025	4,787	17,025	4,787
Share of other comprehensive income of equity accounted investees	-	43,622	-	43,622
Foreign currency transaction loss	-	(578)	-	(578)
Total Comprehensive Income For The Period	353,998	383,649	906,306	406,234
Earnings per Share (Rs.)	0.73	0.22	2.37	0.29

Kotagala Plantations PLC

STATEMENT OF COMPREHENSIVE INCOME - COMPANY

	(Unaudited) Quarter ended 31.03.2023 Rs.'000	(Unaudited) Quarter ended 31.03.2022 Rs.'000	(Unaudited) 12 months ended 31.03.2023 Rs.'000	(Audited) 12 months ended 31.03.2022 Rs.'000
Revenue	1,540,699	939,841	4,946,028	3,472,020
Cost of Sales	(1,233,011)	(768,567)	(3,665,328)	(3,103,695)
Gross Profit	307,688	171,274	1,280,699	368,325
Fair value gain on timber	90,787	35,349	90,787	35,349
Other Income	35,985	39,750	128,960	173,855
Administration Expenses	(131,565)	(62,448)	(311,352)	(159,655)
Net Finance Cost	(59,785)	(104,754)	(393,591)	(313,715)
Profit before Tax Expense	243,110	79,170	795,504	104,159
Tax Expense	-	83,937	-	83,837
Profit / (Loss) for the period	243,110	163,107	795,504	187,996
Other Comprehensive Income				
Actuarial Gain/ (Loss) on Retirement Benefit Obligation	88,492	290,419	88,492	290,419
Tax effect on other comprehensive income	-	- 30,494	-	- 30,494
Fair value through OCI Investments - Net Change in Fair Value	17,025	4,787	17,025	4,787
Share of other comprehensive income of equity accounted investees	-	-	-	-
Total Comprehensive Income For The Period	348,627	427,819	901,022	452,708
Earnings per Share (Rs.)	0.72	0.48	2.35	0.56

Kotagala Plantations PLC

Statement of Financial Position							
Group		Company		Group		Company	
As at	As at			As at	As at	As at	As at
31.03.2022	31.03.2022			31.03.2023	31.03.2022	31.03.2023	31.03.2022
Rs.'000	Rs.'000			Rs.'000	Rs.'000	Rs.'000	Rs.'000
(Audited)	(Audited)			(Unaudited)	(Audited)	(Unaudited)	(Audited)
ASSETS							
1,233,983	1,235,939	Tangible Assets (Other than Mature /Immature Plantations)		1,237,076	1,233,983	1,237,076	1,235,939
4,886,239	4,886,239	Biological Assets		4,996,598	4,886,239	4,996,598	4,886,239
623,056	623,056	Leasehold Properties		588,852	623,056	588,852	623,056
-	29,030	Investments in Subsidiaries		-	-	29,030	29,030
91,484	91,442	Investment in Associates		91,484	91,484	91,442	91,442
327,442	327,442	Fair value through OCI Investments		122,881	327,442	122,881	327,442
7,162,204	7,193,148	Total Non - Current Assets		7,036,891	7,162,204	7,065,879	7,193,148
295,610	290,874	Inventories		538,578	295,610	519,779	290,874
320,509	308,630	Trade and Other Receivables		342,119	320,509	326,351	308,630
7,841	7,841	Fair value of growing produce of bearer biological assets		7,841	7,841	7,841	7,841
40,879	55,338	Amounts due from Related Parties		78,311	40,879	109,813	55,338
132,731	131,854	Cash and Cash Equivalents		179,719	132,731	171,870	131,854
797,570	794,537	Total Current Assets		1,146,568	797,570	1,135,655	794,537
7,959,774	7,987,685	Total Assets		8,183,460	7,959,774	8,201,535	7,987,685
EQUITY							
1,571,362	1,571,362	Stated Capital		1,571,362	1,571,362	1,571,362	1,571,362
240,000	240,000	Capital Reserves		240,000	240,000	240,000	240,000
641,690	594,443	Revaluation Reserve		641,689	641,690	594,442	594,443
(11,377)	-	Foreign Exchange Translation Reserve		(11,377)	(11,377)	-	-
48,455	51,369	Fair Value through Other Comprehensive Income Reserve		65,480	48,455	68,396	51,369
(887,456)	(821,981)	Retained Earnings		1,825	(887,456)	62,015	(821,981)
1,602,674	1,635,193	Total Equity		2,508,979	1,602,674	2,536,217	1,635,193
LIABILITIES							
954,413	954,413	Interest bearing Borrowings		1,402,301	954,413	1,401,795	954,413
328,132	328,132	Deferred Income - Capital Grant		317,311	328,132	317,311	328,132
358,102	358,102	Deferred Tax Liabilities		358,102	358,102	358,102	358,102
672,689	672,689	Net Obligation to Lessor of JEDB/SLSPC		672,689	672,689	672,689	672,689
659,181	658,471	Retirement Benefit Obligations		598,629	659,181	597,731	658,471
2,972,517	2,971,807	Total Non - Current Liabilities		3,349,031	2,972,517	3,347,627	2,971,807
602,796	602,796	Interest bearing Borrowings		323,523	602,796	321,942	602,796
2,096,136	2,092,238	Trade & Other Payables		1,834,600	2,096,136	1,828,423	2,092,238
70,348	70,348	Amounts due to Related Parties		80,945	70,348	80,945	70,348
615,303	615,303	Bank Overdraft		86,382	615,303	86,382	615,303
3,384,583	3,380,685	Total Current Liabilities		2,325,450	3,384,583	2,317,692	3,380,685
6,357,100	6,352,492	Total Liabilities		5,674,481	6,357,100	5,665,319	6,352,492
7,959,774	7,987,685	Total Equity and Liabilities		8,183,460	7,959,774	8,201,535	7,987,685
4.73	4.83	Net Assets per Share (Rs.)		7.41	4.73	7.49	4.83

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

General Manager Finance

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

Sgd.

S D R Arudpragasam

Director

Sgd.

K Mohideen

Director

Colombo

26th May 2023

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	Fair value through Other Comprehensive Income Rs. '000		General Reserves Rs. '000	Retained Profit / (Loss) Rs. '000	
Balance as at 01.04.2021	781,500	594,443	46,583		240,000	(1,270,002)	392,524
Right Issue	789,862						789,862
Profit for the Period						188,096	188,096
Other Comprehensive Income for the Period	-	-	4,787			259,925	264,712
Deferred tax on revaluation	-	-	-		-	-	-
Balance as at 31.03.2022	1,571,362	594,443	51,369	-	240,000	(821,981)	1,635,193
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	-	-	-	-	-	795,504	795,504
Other Comprehensive Income for the Period	-	-	17,025	-	-	88,492	105,518
Dividend paid	-		-		-	-	-
Balance as at 31.03.2023	1,571,362	594,443	68,396	-	240,000	62,015	2,536,217

STATEMENT OF CHANGES IN EQUITY

Group

	Attributable to Owners of the Company						Total Rs. '000	
	Stated Capital Rs. '000	Revaluation Reserve Rs.000	Fair value through Other Comprehensive Income Rs. '000		Foreign Currency translation reserve	General Reserves Rs. '000		Retained Profit / (Loss) 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	-	47,247	-		-	-	-	47,247
Profit for the Period	-	-	-		-	-	98,478	98,478
Other Comprehensive Income for the Period	-	-	1,622		(578)	-	259,465	260,509
Balance as at 31.03.2022	1,571,362	641,690	48,456	(11,377)	240,000	(887,456)	1,602,674	
Balance as at 01.04.2022	1,571,362	641,690	48,455	(11,377)	240,000	(887,456)	1,602,675	
Revaluation							-	-
Profit for the Period							800,789	800,789
Other Comprehensive Income for the Period			17,025				88,492	105,517
Dividend paid								
Balance as at 31.03.2023	1,571,362	641,689	65,480	(11,377)	240,000	1,825	2,508,979	

Kotagala Plantations PLC

CASH FLOW STATEMENT

For the year ended 31st March	Group		Company	
	2023	2022	2023	2022
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Cash Flows from Operating Activities				
Profit before Taxation	800,789	14,541	795,504	104,159
Adjustments for :				
Depreciation /Amortization	287,477	290,490	287,477	288,128
Fair value gain on biological assets	(90,787)	(35,349)	(90,787)	(35,349)
Profit on disposal of assets	(14,650)	(2,900)	(14,650)	(2,900)
Interest Expenses	412,418	286,715	412,418	286,716
Interest Income	(18,826)	(4,874)	(18,826)	(4,874)
Exchange gain/loss	-	31,875	-	31,875
Provision for impairment of amount due from related parties	-	3,345	-	3,739
Reversal of impairment of amount due to related parties	(7,700)	(871)	(7,700)	(44,984)
Provision for impairment of investment in subsidiaries	-	-	-	970
Provision for impairment of investment in associates	-	-	-	9,772
Defined Benefit Plan Cost - Retiring Gratuity	139,121	106,610	138,933	106,480
Share of profit/loss of equity accounted investee	-	53,384	-	-
Amortization of Deferred Income	(13,176)	(14,337)	(13,176)	(14,336)
Operating Profit before Working Capital Changes	1,494,665	728,629	1,489,192	729,396
(Increase)/Decrease in Inventories	(242,968)	(34,794)	(228,905)	(35,783)
(Increase)/Decrease in Trade & other Receivables	(13,910)	(25,394)	(10,021)	(23,933)
(Increase)/Decrease in Amounts due from Related Parties	(37,432)	(20,393)	(54,475)	11,970
Increase/(Decrease) in Trade & Other Payables	(211,715)	(190,648)	(214,122)	(197,475)
Increase/(Decrease) in Amounts due to Related Parties	10,597	(584,062)	10,597	(584,061)
Cash Flow from Operating Activities	999,237	(126,662)	992,265	(99,886)
Income Tax Paid		(4,717)	-	-
Interest Income	18,826	4,874	18,826	4,874
Interest Paid	(359,774)	(195,954)	(359,774)	(195,954)
Retiring Gratuity Paid	(111,180)	(44,383)	(111,180)	(44,204)
Net Cash Flow from Operating Activities	547,109	(366,842)	540,137	(335,170)
Cash Flows from Investing Activities				
Purchase & Construction of Property, Plant & Equipment	(81,004)	(13,163)	(81,004)	(13,163)
Investment in immature plantations	(143,053)	(78,475)	(143,053)	(78,476)
Proceeds from disposal of assets	14,650	2,900	14,650	2,900
Investment in subsidiary			-	(30,000)
Investment in fair value through OCI investment		(17,117)	-	(17,117)
Right Issue			-	-
Net Cash generated from/(used in) Investing Activities	(209,408)	(105,855)	(209,408)	(135,856)
Cash Flows from Financing Activities				
Payment of lease rentals	(143,749)	(13,229)	(143,749)	(13,229)
Capital Grants Received	2,355	19,066	2,355	19,066
Repayment of Debenture	(73,997)	(73,994)	(73,997)	(73,994)
Proceeds from Long Term Loans	847,218	92,500	847,218	92,500
Repayment of Long Term Loans	(393,620)	(329,806)	(393,620)	(329,806)
Proceeds from right issue		789,862	-	789,862
Net Cash generated from/(used in) Financing Activities	238,208	484,399	238,208	484,399
Net Increase in Cash & Cash Equivalents	575,909	11,702	568,937	13,373
Cash & Cash Equivalents at the beginning of the year	(482,572)	(493,695)	(483,449)	(498,875)
Effect of Exchange Rate Changes		(578)		2,057
Cash & Cash Equivalents at the end of the period	93,337	(482,571)	85,488	(483,449)
Analysis of Cash & Cash Equivalents at the end of the Period				
Cash in Hand & Bank	179,719	132,731	171,870	131,854
Bank & Other Borrowings	(86,382)	(615,303)	(86,382)	(615,303)
	93,337	(482,571)	85,488	(483,449)

Segmental Information

Group	Company	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
31/03/2022	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022
Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Revenue									
2,389,302	2,389,302	1,215,836	619,469	1,215,836	619,469	3,707,438	2,389,302	3,707,438	2,389,302
799,789	775,025	281,647	288,510	234,271	280,163	917,841	799,789	844,470	775,025
307,693	307,693	90,591	40,209	90,591	40,209	394,120	307,693	394,120	307,693
3,496,784	3,472,020	1,588,075	948,188	1,540,699	939,841	5,019,399	3,496,784	4,946,028	3,472,020

Gross Profit									
116,774	116,774	312,405	81,650	312,738	81,650	1,043,864	116,774	1,043,864	116,774
49,026	41,186	(51,262)	69,588	(60,731)	64,358	16,080	49,026	(1,717)	41,186
210,367	210,367	55,668	25,267	55,680	25,267	238,553	210,367	238,553	210,367
376,166	368,326	316,811	176,505	307,688	171,274	1,298,496	376,165	1,280,699	368,325

	Company			
	For the 12 months ended 31.03.2023			
	Tea	Rubber	Oil Palm	Total
Gross Profit/(Loss)	1,043,864	(1,717)	238,553	1,280,699
Fair Value Gain on Biological Assets	90,787	-	-	90,787
Other Operating Income	102,548	26,412	-	128,960
Administrative Expenses	(208,593)	(93,368)	(9,391)	(311,352)
Net Financing Costs	(207,421)	(176,262)	(9,908)	(393,591)
Profit/(Loss) Before Income Tax	821,185	(244,935)	219,254	795,504

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	24.31%
2 years	29.99%

Company - End March 2023	
Debt/Equity Ratio	0.68
Quick asset Ratio	0.27
Interest Cover	0.59

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 March

	2023	2022
Highest - (Rs.)	8.00	8.70
Lowest - (Rs.)	6.00	4.00
Last Traded - (Rs.)	6.10	4.30

- 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 March 2023 was 40.17% and the number of public shareholders are 16,524.
- 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 31.03.2023 was Rs.829,480,874.63
- 8) Details pertaining to Directors direct shareholdings as at 31.03.2023 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. S. S. Poholiyadde	7,972

- 9) Major Shareholders as at 31st March 2023

Name	No of Shares	%
1 CONSOLIDATED TEA PLANTATIONS LIMITED	183,823,231	54.30%
2 AMANA BANK PLC/DARLEY BUTLER AND COMPANY LIMITED	10,487,299	3.10%
3 HATTON NATIONAL BANK PLC/SUBRAMANIAM VASUDEVAN	10,133,036	2.99%
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	3,348,511	0.99%
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 MR. MOHAMED ISMAIL MOHAMED SHAFIE/MRS. FATHIMA RAZANA SHAFIE	2,000,128	0.59%
13 MRS. PATTINIDEVA ASOKA SWARNA KANTHIE BERUWALAGE	1,700,000	0.50%
14 HATTON NATIONAL BANK PLC/ALMAS CAPITAL (PRIVATE) LIMITED	1,676,596	0.50%
15 MR. ARUNASALAM SITHAMPALAM	1,372,569	0.41%
16 MR. KAUARACHCHGE SUDATH MALCOLM RODRIGO	1,300,000	0.38%
17 MRS. FATHIMA SALMA SHAFIE/MR. SILMY AHMED MOHAMED BASHEER	1,186,610	0.35%
18 HATTON NATIONAL BANK PLC/PALANIYANDY MURALITHARAN	1,121,133	0.33%
19 MR. DARSHANA SHASTHRI NAKANDALA	1,100,000	0.32%
20 DFCC BANK PLC/B. SUTHARSHAN	1,050,000	0.31%
Total	247,076,066	72.99%

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.