

KOTAGALA PLANTATIONS PLC

**Interim Financial Statements
For the Period ended 31st December 2020**

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	9 months ended	9 months ended	9 months ended	9 months ended
31.03.2020	31.03.2020		31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019
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	763,579	636,311	761,445	642,932	2,213,178	2,038,732	2,192,836	2,005,712
(3,041,839)	(3,009,567)	Cost of Sales	(681,925)	(653,454)	(683,284)	(661,482)	(2,104,012)	(2,279,654)	(2,090,948)	(2,255,228)
(330,953)	(341,612)	Gross Profit	81,654	(17,143)	78,161	(18,550)	109,166	(240,922)	101,888	(249,516)
143,064	143,064	Fair Value Gain on Biological Assets					-	-		
465,795	466,875	Other Operating Income	22,929	125,867	22,929	125,867	61,271	276,818	61,271	276,818
(668,000)	(623,811)	Administrative Expenses	(36,890)	(49,618)	(33,314)	(29,880)	(107,784)	(115,041)	(99,943)	(107,050)
(471,894)	(471,894)	Net Financing Costs	(82,506)	(116,053)	(82,506)	(81,017)	(244,099)	(285,370)	(244,099)	(285,370)
(56,401)		- Share of Profit / (Loss) of equity accounted investee, net of tax					-	-		
(918,389)	(827,378)	Loss before Income Tax Expense	(14,813)	(56,947)	(14,730)	(3,580)	(181,446)	(364,515)	(180,883)	(365,118)
		- Share of Profit/(loss) of Associate Company					-	-		
		- provision for impairment in Investment in Associate					-	-		
(1,865)	(1,865)	Income Tax Expense					-	-		
(920,254)	(829,243)	Profit / (loss) from continued operation	(14,813)	(56,947)	(14,730)	(3,580)	(181,446)	(364,515)	(180,883)	(365,118)
		Profit / (loss) from discontinued operation					-	-		
		- Profit (loss) from discontinued operation, net of tax					-	-		
(920,254)	(829,243)	Profit / (Loss) for the year	(14,813)	(56,947)	(14,730)	(3,580)	(181,446)	(364,515)	(180,883)	(365,118)
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								
(732)	(732)	Tax effect on other comprehensive income								
8,564	8,564	Fair value through OCI Investments - Net Change in Fair Value	-	21,476	-	21,476	4,849	21,476	4,849	21,476
(3,718)		Share of other comprehensive income of equity accounted investees								
-		Items that are or may be reclassified subsequently to profit or loss								
-		Available for Sale Financial Assets - Net Fair Change in Fair Value								
691,212	691,212	Revaluation						509,810		509,810
(96,770)	(96,770)	Deferred tax on revaluation								
-		Available for Sale Financial Assets - Reclassified to Profit or Loss								
(8,877)	-	Foreign Currency Translation gain/ (Loss)								
594,908	607,503	Other Comprehensive Income/(Expense) for the year, net of tax	-	21,476	-	21,476	4,849	531,286	4,849	531,286
594,908	607,503	Other Comprehensive Income /(Expense) for the Year, net of tax					4,849	531,286	4,849	531,286
(325,346)	(221,740)	Total Comprehensive Income /(Expense) for the Year	(14,813)	35,471	(14,730)	17,896	(176,597)	166,771	(176,034)	166,168
(21.25)	(19.15)	Loss Per Share (Rs.)	(0.20)	(0.76)	(0.20)	(0.05)	(2.41)	(4.85)	(2.40)	(4.85)

Kotagala Plantations PLC

Statement of Financial Position								
Group		Company		Group		Company		
As at	As at	As at	As at	As at	As at	As at	As at	
31.03.2020	31.03.2020	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	
Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	
ASSETS								
1,356,630	1,356,110	Tangible Assets (Other than Mature /Immature Pla	1,313,374	1,264,429	1,309,436	1,263,881		
4,761,482	4,761,482	Biological Assets	4,740,352	4,618,151	4,740,352	4,618,151		
655,563	655,563	Leasehold Properties	630,700	463,431	630,700	463,431		
-	-	Investments in Subsidiaries	-	-	-	115		
198,110	152,986	Investment in Associates	198,110	258,354	152,986	206,784		
285,464	285,464	Fair value through OCI Investments	290,312	298,375	290,312	298,375		
7,257,249	7,211,605	Total Non - Current Assets	7,172,848	6,902,739	7,123,787	6,850,736		
200,177	185,122	Inventories	299,585	293,756	277,377	286,510		
182,535	201,964	Trade and Other Receivables	240,571	681,279	260,716	381,577		
937	937	Fair value of growing produce of bearer biological	937	5,000	937	5,000		
55,142	55,142	Amounts due from Related Parties	26,642	85,975	30,239	300,567		
20,597	20,428	Cash and Cash Equivalants	37,911	55,314	34,709	45,380		
459,388	463,592	Total Current Assets	605,646	1,121,325	603,977	1,019,035		
7,716,638	7,675,199	Total Assets	7,778,494	8,024,064	7,727,764	7,869,769		
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		
594,442	594,442	Revaluation Reserve	594,442	509,810	594,442	509,810		
(10,739)	-	Foreign Exchange Translation Reserve	(10,739)	(1,862)	-	-		
20,527	26,508	Fair Value through Other Comprehensive Income I	25,377	36,165	31,358	39,421		
(1,074,260)	(1,122,622)	Retained Earnings	(1,255,723)	(714,138)	(1,303,499)	(855,231)		
551,470	519,828	Total Equity	374,857	851,475	343,801	715,500		
LIABILITIES								
1,186,219	1,186,219	Interest bearing Borrowings	1,155,027	1,229,560	1,155,027	1,229,560		
330,309	330,309	Deferred Income - Capital Grant	323,047	339,558	323,047	339,558		
403,003	403,003	Deferred Tax Liabilities	403,004	386,629	403,004	386,629		
644,540	644,540	Net Obligation to Lessor of JEDB/SLSPC	644,539	633,058	644,539	633,058		
874,322	873,812	Retirement Benefit Obligations	919,450	846,987	914,201	846,987		
3,438,393	3,437,883	Total Non - Current Liabilities	3,445,068	3,435,792	3,439,819	3,435,792		
668,042	668,042	Interest bearing Borrowings	651,952	707,371	651,952	707,371		
2,022,396	2,013,109	Trade & Other Payables	2,162,333	1,993,365	2,147,908	1,975,045		
440,287	440,287	Amounts due to Related Parties	637,181	443,586	637,181	443,586		
596,050	596,050	Bank Overdraft	507,102	592,474	507,102	592,474		
3,726,775	3,717,488	Total Current Liabilities	3,958,568	3,736,797	3,944,143	3,718,476		
7,165,168	7,155,371	Total Liabilities	7,403,636	7,172,589	7,383,962	7,154,268		
7,716,638	7,675,199	Total Equity and Liabilities	7,778,494	8,024,064	7,727,764	7,869,769		
7.33	6.91	Net Assets per Share (Rs.)	4.98	11.33	4.57	9.51		

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

M Kowdu
General Manager - Finance

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

S S Poholiyadde
Director
11th February 2021
Colombo

M S Madugalle
Director

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
Profit for the Period						(365,118)	(365,118)
Other Comprehensive Income for the Period	-	592,802	21,476				614,278
Deferred tax on revaluation	-	(82,992)	-			-	(82,992)
Balance as at 31.12.2019	781,500	509,810	39,421	-	240,000	(855,231)	715,500
Balance as at 01.04.2020	781,500	594,442	26,508		240,000	(1,122,622)	519,829
Profit for the Period						(180,883)	(180,883)
Other Comprehensive Income for the Period			4,849				4,849
Dividend paid	-		-		-	-	-
Balance as at 31.12.2020	781,500	594,442	31,358	-	240,000	(1,303,499)	343,801

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	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	
Net changes in fair value gain transferred								
Profit for the Period						(364,515)	(364,515)	
Other Comprehensive Income for the Period	-	592,802	21,476				614,278	
Other Comprehensive Income for the Period		(82,992)					(82,992)	
Dividend paid	-		-		-	-	-	
Balance as at 31.12.2019	781,500	509,810	36,165	(1,862)	240,000	(714,138)	851,475	
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						(181,446)	(181,446)	
Other Comprehensive Income for the Period			4,849				4,849	
Dividend paid								
Balance as at 31.12.2020	781,500	594,442	25,377	(10,739)	240,000	(1,255,723)	374,857	

Kotagala Plantations PLC

CASH FLOW STATEMENT

For the Nine Month ended 31st December	Group		Company	
	2020 Rs.'000	2019 Rs.'000	2020 Rs.'000	2019 Rs.'000
Cash Flows from Operating Activities				
Profit before Taxation	(181,446)	(364,515)	(180,883)	(365,118)
Adjustments for :				
Depreciation /Amortisation on Property, Plant & Equipment	216,338	196,568	215,703	196,047
Interest Expense	244,172	285,384	244,172	285,384
Interest Income	(74)	(14)	(74)	(14)
Deined Benefit Plan Cost - Retiring Gratuity	59,720	102,681	59,648	102,000
Amortisation of Deffered Income	(8,900)	(8,914)	(8,900)	(8,914)
Operating Profit before Working Capital Changes	329,810	211,190	329,666	209,385
(Increase)/Decrease in Inventories	(99,408)	10,647	(92,255)	12,933
(Increase)/Decrease in Trade & other Receivables	(58,036)	(86,135)	(58,752)	(72,665)
(Increase)/Decrease in Amounts due from Related Parties	28,500	26,645	24,903	14,589
Increase/(Decrease) in Trade & Other Payables	72,113	169,694	66,366	158,200
Increase/(Decrease) in Amounts due to Related Parties	196,894	254,487	196,894	254,487
Net Cash Flow from Operating Activities	469,873	586,528	466,823	576,929
Income Tax Paid	74	14	74	14
Interest Paid	(243,135)	(253,175)	(243,135)	(253,175)
Retiring Gratuity Paid	(19,259)	(15,241)	(19,259)	(15,241)
Net Cash Flow from Operating Activities	207,553	318,126	204,503	308,527
Cash Flows from Investing Activities				
Purchase & Construction of Property, Plant & Equipment	(24,814)	(16,802)	(24,814)	(16,802)
Investment in immature plantations	(30,721)	(147,295)	(30,721)	(147,295)
Net Cash generated from/(used in) Investing Activities	(55,535)	(164,097)	(55,535)	(164,097)
Cash Flows from Financing Activities				
Payment of finance lease rentals	-	(70)	-	(70)
Payment to lessor on leasehold rights	-	(12,448)	-	(12,448)
Capital Grants Received	1,638	11,200	1,638	11,200
Long Term Loans obtained from Related Parties	-	120,021	-	120,021
Repayment of Debeture	-	(250,000)	-	(250,000)
Proceeds from Long Term Loans	32,000	(107,359)	32,000	(107,359)
Repayment of Long Term Loans	(79,377)		(79,377)	
Net Cash generated from/(used in) Financing Activities	(45,739)	(238,656)	(45,739)	(238,656)
Net Increase in Cash & Cash Equivalents	106,279	(84,627)	103,229	(94,226)
Cash & Cash Equivalents at the beginning of the year	(575,470)	(452,532)	(575,622)	(452,868)
Cash & Cash Equivalents at the end of the period	(469,191)	(537,159)	(472,393)	(547,094)
Analysis of Cash & Cash Equivalents at the end of the Period				
Cash in Hand & Bank	37,911	55,314	34,709	45,380
Bank & Other Borrowings	(507,102)	(592,474)	(507,102)	(592,474)
	(469,191)	(537,160)	(472,393)	(547,094)

Segmental Information

Group		Company		Group		Company		Group		Company	
Year ended	Year ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended	9 months ended	9 months ended	9 months ended	9 months ended	9 months ended	9 months ended
31/03/2020	31/03/2020	31/12/2020	31/12/2019	31/12/2020	31/12/2019	31/12/2020	31/12/2019	31/12/2020	31/12/2019	31/12/2020	31/12/2019
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											
2,097,311	2,138,475	552,700	504,948	552,700	504,948	1,705,883	1,629,981	1,705,883	1,629,981		
420,373	420,373	193,887	108,897	191,754	115,518	404,453	312,049	384,111	279,029		
84,095											
109,107	109,107	16,991	22,466	16,991	22,466	102,841	96,702	102,841	96,702		
2,710,886	2,667,956	763,578	636,311	761,445	642,932	2,213,177	2,038,732	2,192,835	2,005,712		
Gross Profit											
(141,031)	(141,031)	71,591	16,926	71,591	16,927	194,277	(95,734)	194,277	(95,734)		
(231,527)	(242,186)	9,772	(37,703)	6,279	(39,112)	(123,706)	(182,885)	(130,984)	(191,480)		
41,605	41,605	291	3,634	291	3,634	38,595	37,697	38,595	37,697		
(330,953)	(341,612)	81,654	(17,143)	78,161	(18,551)	109,166	(240,922)	101,888	(249,517)		

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.

Company - End December 2020	
Debt/Equity Ratio	5.26
Quick asset Ratio	0.08
Interest Cover	0.26

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) The business operation of the third quarter too got impacted again by the second wave of the pandemic with curfew restrictions imposed in certain parts of the Island from October 2020 onwards
- 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.
- 5) There has been no material events subsequent to the interim period which require disclosure in the provisional Interim Financial Statements.
- 6) There has not been a significant change in the nature of contingent liabilities which were disclosed in the Annual Report for the year ended 31st March 2020
- 7) Market Prices Recorded during the quarter ended 31st December

	2020	2019
Highest - (Rs.)	12.50	7.80
Lowest - (Rs.)	6.70	6.80
Last Traded - (Rs.)	9.00	7.20
- 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 December 2020 was 30.39% and the number of public shareholders is 13,199.
- 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 31.12.2020 was Rs. 205.75Mn
- 11) Details pertaining to Directors direct shareholdings as at 31.12.2020 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	7,185
	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 December 2020

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 NATIONAL DEVELOPMENT BANK PLC/LANKEM TEA AND RUBBER PLANTATIONS (PVT) LTD	6,045,787	8.04%
4 SECRETARY TO THE TREASURY	5,700,834	7.58%
5 NATIONAL DEVELOPMENT BANK PLC/CONSOLIDATED TEA PLANTATIONS LTD	3,223,980	4.29%
6 BANK OF CEYLON NO. 1 ACCOUNT	729,997	0.97%
7 MR. KUSHAN SAPUMAL BALASURIYA	400,000	0.53%
8 SAMPATH BANK PLC/ DR.T.SENTHILVERL	375,363	0.50%
9 MR KANDASAMY PARAMESWARAN	352,749	0.47%
10 MR. SIVAN GNANASEKARAN	306,954	0.41%
MRS MANIMEKALANI GNANASEKARAN		
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 PEOPLE'S LEASING & FINANCE PLC/MR.R.L. PERERA	255,833	0.34%
15 POLGAHAWELA SANASA SOCIETIES UNION LTD	225,000	0.30%
16 MR. PELI ARACHCHIGE LUKSHAMAN	200,000	0.27%
17 MR. RATHGAMA HANDALAGE PUSHPIKA JANADHEERA	174,456	0.23%
18 MR. SEMASINGHE NAWARATHNE MUDIYANSELAGE SEMASINGHE	165,349	0.22%
19 MR. SRI DHAMAN RAJENDRAM ARUDPRAGASAM	150,375	0.20%
20 MR. RAJAKARUNA SENEVIRATHNE MUDALIGE AKILA PRAGEETH SENEVIRATHNE	150,000	0.20%
Total	62,083,378	82.53%