

KOTAGALA PLANTATIONS PLC

**Interim Financial Statements
For the Period ended 30th September 2022**

Kotagala Plantations PLC

STATEMENT OF COMPREHENSIVE INCOME - GROUP

	<i>(Unaudited)</i> Quarter ended 30.09.2022 Rs.'000	<i>(Unaudited)</i> Quarter ended 30.09.2021 Rs.'000	<i>(Unaudited)</i> Six months ended 30.09.2022 Rs.'000	<i>(Unaudited)</i> Six months ended 30.09.2021 Rs.'000
Revenue	1,165,942	925,000	2,194,575	1,844,737
Cost of Sales	(821,381)	(865,869)	(1,568,648)	(1,655,632)
Gross Profit	344,561	59,131	625,927	189,105
Other Income / (Expenses)	57,656	76,203	107,198	101,868
Distribution Costs	-	-	-	-
Administration Expenses	(47,750)	(20,739)	(90,575)	(61,580)
Financing Income / (Cost)	(114,992)	(67,305)	(188,502)	(144,628)
Share of Profit / (Loss) of equity accounted investee, net of tax	-	-	-	-
Profit before Tax Expense	239,475	47,290	454,048	84,765
Tax Expense	-	-	-	-
Profit / (Loss) for the period	239,475	47,290	454,048	84,765
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	239,475	47,290	454,048	84,765
Earnings per Share (Rs.)	0.71	0.26	1.34	0.60

Kotagala Plantations PLC

STATEMENT OF COMPREHENSIVE INCOME - COMPANY

	<i>(Unaudited)</i> Quarter ended 30.09.2022 Rs.'000	<i>(Unaudited)</i> Quarter ended 30.09.2021 Rs.'000	<i>(Unaudited)</i> Six months ended 30.09.2022 Rs.'000	<i>(Unaudited)</i> Six months ended 30.09.2021 Rs.'000
Revenue	1,164,785	919,582	2,188,546	1,832,339
Cost of Sales	(825,653)	(861,487)	(1,569,618)	(1,645,327)
Gross Profit	339,132	58,095	618,928	187,012
Other Income	53,594	74,450	102,351	99,681
Distribution Costs	-	-	-	-
Administration Expenses	(43,350)	(21,582)	(82,693)	(60,071)
Net Finance Cost	(112,072)	(67,305)	(185,582)	(144,628)
Profit before Tax Expense	237,304	43,658	453,004	81,994
Tax Expense	-	-	-	-
Profit / (Loss) for the period	237,304	43,658	453,004	81,994
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	237,304	43,658	453,004	81,994
Earnings per Share (Rs.)	0.70	0.24	1.34	0.58

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
31.03.2022	31.03.2022	30.09.2022	30.09.2021	30.09.2022	30.09.2021	30.09.2022	30.09.2021
Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
ASSETS							
1,233,983	1,235,939	1,213,040	1,274,033	1,214,996	1,270,898		
4,886,239	4,886,239	4,875,981	4,880,221	4,875,981	4,880,221		
623,056	623,056	605,757	619,226	605,757	619,226		
-	29,030	-	-	29,030	-		
91,484	91,442	91,484	101,246	91,443	101,214		
327,442	327,442	327,442	305,538	327,442	305,538		
7,162,204	7,193,148	7,113,703	7,180,264	7,144,647	7,177,097		
Total Non - Current Assets							
295,610	290,874	411,533	241,950	374,484	236,419		
320,509	308,630	457,714	263,801	452,644	268,123		
7,841	7,841	7,841	6,526	7,841	6,526		
40,879	55,338	93,857	73,005	123,013	73,005		
132,731	131,854	146,286	195,765	146,042	192,625		
797,570	794,537	1,117,231	781,047	1,104,023	776,698		
7,959,774	7,987,685	8,230,933	7,961,311	8,248,670	7,953,795		
Total Current Assets							
Total Assets							
EQUITY							
1,571,362	1,571,362	1,571,362	1,571,362	1,571,362	1,571,362		
240,000	240,000	240,000	240,000	240,000	240,000		
641,690	594,443	641,690	594,442	594,442	594,442		
(11,377)	-	(11,377)	(10,799)	-	-		
48,455	51,369	48,455	46,834	51,371	46,584		
(887,456)	(821,981)	(433,408)	(1,160,634)	(368,977)	(1,188,008)		
1,602,674	1,635,193	2,056,722	1,281,206	2,088,198	1,264,380		
Total Equity							
LIABILITIES							
954,413	954,413	818,838	913,171	818,838	913,171		
328,132	328,132	322,987	323,198	322,987	323,198		
358,102	358,102	358,102	419,209	358,102	419,209		
672,689	672,689	672,689	654,594	672,689	654,594		
659,181	658,471	666,468	944,754	662,464	944,754		
2,972,517	2,971,807	2,839,084	3,254,927	2,835,080	3,254,926		
Total Non - Current Liabilities							
602,796	602,796	602,796	756,620	602,796	756,620		
2,096,136	2,092,238	1,975,137	2,019,148	1,965,402	2,028,457		
70,348	70,348	39,615	55,428	39,615	55,428		
615,303	615,303	717,580	593,982	717,580	593,982		
3,384,583	3,380,685	3,335,128	3,425,178	3,325,393	3,434,487		
6,357,100	6,352,492	6,174,211	6,680,106	6,160,472	6,689,414		
Total Current Liabilities							
Total Liabilities							
7,959,774	7,987,685	8,230,933	7,961,311	8,248,670	7,953,795		
Total Equity and Liabilities							
4.73	4.83	6.08	3.78	6.17	3.74		
Net Assets per Share (Rs.)							

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

Director - Finance

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

Sgd.

S S Poholiyadde

Director

08th November 2022

Colombo

Sgd.

M 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 01.04.2021	781,500	594,442	46,583	240,000	(1,270,002)	392,524	
Rights Issue	789,862					789,862	
Profit for the Period					81,994	81,994	
Other Comprehensive Income for the Period	-	-			-	-	
Deferred tax on revaluation	-	-	-	-	-	-	
Balance as at 30.09.2021	1,571,362	594,442	46,584	-	(1,188,002)	1,264,380	
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					453,004	453,004	
Other Comprehensive Income for the Period	-	-	-	-	-	-	
Dividend paid	-		-	-	-	-	
Balance as at 30.09.2022	1,571,362	594,443	51,371	-	(368,977)	2,088,198	

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 01.04.2021	781,500	594,443	46,834	(10,799)	240,000	(1,245,399)	406,579	
Rights Issue	789,862					-	789,862	
Profit for the Period						84,765	84,765	
Other Comprehensive Income for the Period	-	-		-	-	-	-	
Other Comprehensive Income for the Period	-	-				-	-	
Dividend paid	-		-		-	-	-	
Balance as at 30.09.2021	1,571,362	594,443	46,834	(10,799)	240,000	(1,160,634)	1,281,206	
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						454,048	454,048	
Other Comprehensive Income for the Period						-	-	
Dividend paid								
Balance as at 30.09.2022	1,571,362	641,690	48,455	(11,377)	240,000	(433,408)	2,056,722	

Kotagala Plantations PLC

CASH FLOW STATEMENT

For the Six Months ended 30th September	Group		Company	
	2022	2021	2022	2021
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Cash Flows from Operating Activities				
Profit before Taxation	454,048	84,765	453,004	81,994
Adjustments for :				
Depreciation /Amortization	147,213	136,007	144,066	135,473
Interest Expenses	193,048	144,799	193,048	144,799
Interest Income	(7,970)	(172)	(7,970)	(172)
Defined Benefit Plan Cost - Retiring Gratuity	53,974	59,746	53,880	59,746
Amortization of Deferred Income	(6,588)	(6,588)	(6,588)	(6,588)
Operating Profit before Working Capital Changes	833,725	418,557	829,440	415,252
(Increase)/Decrease in Inventories	(115,923)	18,866	(83,610)	18,672
(Increase)/Decrease in Trade & other Receivables	(137,205)	27,288	(144,014)	16,575
(Increase)/Decrease in Amounts due from Related Parties	(52,978)	(50,045)	(67,675)	(46,942)
Increase/(Decrease) in Trade & Other Payables	(117,119)	(214,175)	(123,004)	(201,025)
Increase/(Decrease) in Amounts due to Related Parties	(30,733)	(598,982)	(30,733)	(598,982)
Cash Flow from Operating Activities	379,767	(398,491)	380,405	(396,449)
Income Tax Paid	-	-	-	-
Interest Income	7,970	172	7,970	172
Interest Paid	(169,008)	(125,302)	(169,008)	(125,302)
Retiring Gratuity Paid	(49,887)	(1,605)	(49,887)	(1,605)
Net Cash Flow from Operating Activities	168,843	(525,226)	169,480	(523,184)
Cash Flows from Investing Activities				
Purchase & Construction of Property, Plant & Equipment	(20,092)	(10,257)	(20,092)	(10,257)
Investment in immature plantations	(50,507)	(32,529)	(50,507)	(32,529)
Right Issue	0	789,862	0	789,862
Net Cash generated from/(used in) Investing Activities	(70,598)	747,076	(70,598)	747,076
Cash Flows from Financing Activities				
Payment of finance lease rentals	(51,490)	-	(51,490)	-
Capital Grants Received	1,443	6,384	1,443	6,384
Repayment of Debenture	(57,816)	(57,816)	(57,816)	(57,816)
Proceeds from Long Term Loans	60,723	7,500	60,723	7,500
Repayment of Long Term Loans	(139,825)	(82,441)	(139,825)	(82,441)
Net Cash generated from/(used in) Financing Activities	(186,966)	(126,373)	(186,966)	(126,373)
Net Increase in Cash & Cash Equivalents	(88,721)	95,477	(88,084)	97,519
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	(571,294)	(398,218)	(571,538)	(401,356)
Analysis of Cash & Cash Equivalents at the end of the Period				
Cash in Hand & Bank	146,286	195,765	146,042	192,625
Bank & Other Borrowings	(717,580)	(593,982)	(717,580)	(593,982)
	(571,294)	(398,218)	(571,538)	(401,356)

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

Tea
Rubber
Oil Palm

Group		Company		Group		Company	
Quarter ended 30/09/2022 Rs. '000	Quarter ended 30/09/2021 Rs. '000	Quarter ended 30/09/2022 Rs. '000	Quarter ended 30/09/2021 Rs. '000	06 Months ended 30/09/2022 Rs. '000	06 Months ended 30/09/2021 Rs. '000	06 Months ended 30/09/2022 Rs. '000	06 Months ended 30/09/2021 Rs. '000
732,003	620,721	732,003	620,721	1,569,745	1,340,910	1,569,745	1,340,910
301,804	192,225	300,648	186,807	425,992	308,582	419,963	296,184
132,134	112,055	132,134	112,055	198,838	195,245	198,838	195,245
1,165,942	925,000	1,164,785	919,582	2,194,575	1,844,737	2,188,546	1,832,339
148,650	(24,496)	148,650	(24,496)	413,256	87,136	413,256	87,136
109,863	3,052	104,434	2,016	83,833	(34,537)	76,834	(36,630)
86,048	80,575	86,048	80,575	128,839	136,506	128,839	136,506
344,561	59,131	339,132	58,095	625,927	189,105	618,928	187,012

**Company
For the 06 months ended 30.09.2022**

	Tea	Rubber	Oil Palm	Total
Gross Profit/(Loss)	413,256	76,834	128,839	618,928
Fair Value Gain on Biological Assets	-	-	-	-
Other Operating Income	89,306	13,045	-	102,351
Administrative Expenses	(56,924)	(23,229)	(2,540)	(82,693)
Net Financing Costs	(122,745)	(47,591)	(15,247)	(185,583)
Profit/(Loss) Before Income Tax	322,893	19,059	111,052	453,004

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	30.50%
3 years	29.16%

Company - End September 2022	
Debt/Equity Ratio	0.68
Quick asset Ratio	0.22
Interest Cover	1.26

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) 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 30th September

	2022	2021
Highest - (Rs.)	12.90	9.20
Lowest - (Rs.)	3.40	4.20
Last Traded - (Rs.)	11.20	5.70
- 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 30th September 2022 was 39.49% and the number of public shareholders are 16,135.
- 7) The applicable option under CSE Rule 7.14.1 on minimum public holding is option 5 and the Float Adjusted Market Capitalization as of 30.09.2022 was Rs.1,497,200,166.00
- 8) Details pertaining to Directors direct shareholdings as at 30.09.2022 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	7,972

- 9) Major Shareholders as at 30th September 2022

Name	No of Shares	%
1 CONSOLIDATED TEA PLANTATIONS LIMITED	183,823,231	54.30%
2 HATTON NATIONAL BANK PLC/SUBRAMANIAM VASUDEVAN	13,858,501	4.09%
3 AMANA BANK PLC/DARLEY BUTLER AND COMPANY LIMITED	12,747,910	3.77%
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 MR. SUBRAMANIAM MOHANADAS	3,854,082	1.14%
8 MR. LOKU KATTOTAGE NIHAL KUMARA KULAWARDENA	2,653,459	0.78%
9 MR. NAVANEETHA RAJAH SELVADURAI	2,504,398	0.74%
10 HATTON NATIONAL BANK PLC/ARUNASALAM SITHAMPALAM	2,500,000	0.74%
11 HATTON NATIONAL BANK PLC/ALMAS HOLDINGS (PRIVATE) LIMITED	1,727,930	0.51%
12 MRS. PATTINIDEVA ASOKA SWARNA KANTHIE BERUWALAGE	1,700,000	0.50%
13 HATTON NATIONAL BANK PLC/BISWAIITH UDAYAPRIYA HETTIARACHCHI	1,607,221	0.47%
14 MR. ARUNASALAM SITHAMPALAM	1,372,569	0.41%
15 MR. KAARACHCHGE SUDATH MALCOLM RODRIGO	1,300,000	0.38%
16 MR. THISE APPUHAMILAGE DON GAMINI SIRIWARDANE	1,181,900	0.35%
17 HATTON NATIONAL BANK PLC/PALANIYANDY MURALITHARAN	1,121,133	0.33%
18 ACUITY PARTNERS (PVT) LIMITED/MR.ELAYATHAMBY THAVAGNANASOORIYAM/MR.ELAYATHAMBY THAVAGNANASUNDARAM	1,100,000	0.32%
19 DFCC BANK PLC/B. SUTHARSHAN	1,050,000	0.31%
20 MR. ELLEKUTTIGE JOHN BAPTIST UDAYAKANTH FERNANDO	1,000,000	0.30%
21 COMMERCIAL BANK OF CEYLON PLC/G.S.N.PEIRIS	1,000,000	0.30%
22 HATTON NATIONAL BANK PLC/SRI DHAMAN RAJENDRAM ARUDPRAGASAM	1,000,000	0.30%
Total	253,316,830	74.83%

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 as at 30th September 2022 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.174,492,666/-	77%	Utilized for working capital needs and the balance funds are invested in a call deposit.