

Company Reg No PQ 214

Agalawatte Plantations PLC



Interim Financial Statements

For the Quarter Ended 31st December 2023

AGALAWATTE PLANTATIONS PLC

Company Reg No PQ 214

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME-COMPANY

	Company			Company		
	Quarter ended 31st December			Twelve months ended 31st December		
	2023 Unaudited Rs. 000	2022 Unaudited Restated Rs. 000	Change %	2023 Unaudited Rs. 000	2022 Unaudited Restated Rs. 000	Change %
Revenue	1,122,955	1,279,134	(12.21)	5,120,166	5,127,380	(0.14)
Cost of sales	(1,048,471)	(1,028,308)	1.96	(4,382,997)	(3,550,327)	23.45
Gross Profit/ (Loss)	74,484	250,826	(70.30)	737,169	1,577,053	(53.26)
Operating Income	169,927	160,966	5.57	425,212	339,517	25.24
Gain/(Loss) on changes in fair value of biological assets	272,861	(12,048)	(2,364.79)	272,861	(12,048)	(2364.79)
Selling and distribution expenses	-	-	-	-	-	-
Administration expenses	(50,020)	(31,905)	56.78	(149,658)	(94,310)	58.69
Other Expenses	-	(7,531)	-	(79)	(8,090)	(99.03)
Results from Operating Activities	467,252	360,308	29.68	1,285,505	1,802,122	(28.67)
Finance income	14	10	39.17	86	67	28.23
Finance costs	(24,598)	(43,727)	(43.75)	(132,902)	(109,219)	21.68
Net finance costs	(24,585)	(43,717)	(43.76)	(132,816)	(109,152)	21.68
Share of profit/(loss) in jointly controlled entity	22,445	64,540	(65.22)	141,005	230,595	(38.85)
Profit/(Loss) Before Taxation	465,113	381,131	22.03	1,293,694	1,923,565	(32.74)
Income tax (expense)/reversal	(212,758)	(158,113)	-	(212,758)	(158,113)	-
Profit/(Loss) for the Period	252,354	223,018	13.15	1,080,936	1,765,452	(38.77)
Other comprehensive income						
Actuarial gain/(loss) on retirement benefit obligation	(202,348)	(81,051)	-	(202,348)	(81,051)	-
Equity Investment measured at FVOCI - net change in fair Value	-	-	-	-	-	-
Tax on other comprehensive income	60,704	24,315	-	60,704	24,315	-
Other comprehensive income for the period, net of taxes	(141,644)	(56,736)	-	(141,644)	(56,736)	-
Total comprehensive income/(expense) for the period	110,711	166,282	(33.42)	939,292	1,708,716	(45.03)
Profit/(Loss) attributable to:						
Equity holders of the company	252,354	223,018	13.15	1,080,936	1,765,452	(38.77)
Non controlling interests	-	-	-	-	-	-
Profit/(Loss) for the period	252,354	223,018	13.15	1,080,936	1,765,452	(38.77)
Total comprehensive income/(expense) attributable to:						
Equity holders of the company	110,711	166,282	(33.42)	939,292	1,708,716	(45.03)
Non controlling interests	-	-	-	-	-	-
Total comprehensive income/(expense) for the period	110,711	166,282	(33.42)	939,292	1,708,716	(45.03)
Basic profit/(loss) per share (Rs.)	1.62	1.43	13.15	6.92	11.30	(38.77)

Figures in brackets indicate deductions

AGALAWATTE PLANTATIONS PLC

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STATEMENT OF FINANCIAL POSITION

	Company		
	Unaudited	Unaudited	Unaudited
AS AT	31.12.2023	31.12.2022	01.01.2022
	Rs. 000	Rs. 000	Rs. 000
ASSETS			
Non-current assets			
Right of Use Assets	506,132	448,089	429,326
Property, plant and equipment	639,786	670,052	728,190
Bearer biological assets	3,569,997	2,941,018	2,470,714
Consumable biological assets	931,665	657,160	680,679
Investment in jointly controlled entity	515,536	424,857	294,922
Total non current assets	6,163,116	5,141,176	4,603,831
Current assets			
Produce on bearer biological assets	22,421	22,421	16,979
Inventories	503,684	728,579	388,549
Trade and other receivables	86,197	88,494	122,216
Amount due from related parties	108,062	219,012	28,548
Cash and cash equivalents	153,991	55,679	41,870
Total current assets	874,355	1,114,185	598,162
Total Assets	7,037,471	6,255,361	5,201,993
EQUITY AND LIABILITIES			
Stated capital and reserves			
Stated capital	2,258,125	2,258,125	2,258,125
Accumulated Profit/(Losses)	2,221,543	1,282,251	(426,465)
Equity attributable to owners of the Company	4,479,668	3,540,376	1,831,660
Non-current liabilities			
Loans and borrowings	-	-	-
Lease Liability	574,101	501,022	468,575
Deferred tax liabilities	543,553	391,498	257,699
Retirement benefit obligations	847,481	606,659	524,567
Deferred income	250,897	188,107	144,739
Total non current liabilities	2,216,032	1,687,286	1,395,580
Current liabilities			
Trade and other payables	339,006	459,178	468,873
Amounts due to related parties	-	50,491	774,961
Loans and borrowings	-	300,391	612,400
Lease Liability	2,765	4,570	3,750
Bank overdrafts	-	213,069	114,769
Total current liabilities	341,771	1,027,699	1,974,753
Total Liabilities	2,557,803	2,714,985	3,370,333
Total Equity and Liabilities	7,037,471	6,255,361	5,201,993
Net asset/(liability) value per share	28.67	22.66	11.72

Figures in brackets indicate deductions

The interim financial statements are to be read in conjunction with the related notes, which form an integral part of these Financial Statements.

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



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Manager-Finance

Isuru Hatangala

The Board of Directors is responsible for the preparation and presentation of these financial statements.

Approved and signed for and on behalf of the Board of Directors of Agalawatte Plantations PLC.



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Director

Colombo
27th February 2024



.....

Director

Director

STATEMENT OF CASH FLOWS

	Company	
	31.12.2023 Rs. 000	31.12.2022 Rs. 000 Restated
For the Twelve months ended		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	1,293,694	1,923,565
<i>Adjustments for :</i>		
Share of profit of equity accounted investee	(141,005)	(230,595)
(Gain)/Loss on Changes in fair Value of biological assets	(272,861)	12,047
Depreciation and amortization	201,544	211,033
Provision of retirement benefit obligation	86,928	87,087
Under/(over) provision of unsettled gratuity payable	68,698	4,540
Write off of bearer biological assets	-	2,669
Write off of obsolete Inventories	-	2,672
Write off of other receivables	-	2,121
Write back of Payable	-	(3,595)
Gain on disposal of rubber/firewood trees	(297,682)	(302,580)
Gain on disposal of Property, Plant and Equipment	(5,890)	-
Interest expenses	132,902	109,219
Interest income	(86)	(67)
Amortization of government grants	(3,548)	(3,384)
Operating profit / (loss) before working capital changes	1,062,693	1,814,732
Working capital changes		
(Increase) / decrease in inventories	224,894	(340,029)
(Increase) / decrease in trade and other receivables	2,297	33,722
(Increase) / decrease in amounts due from related parties	110,950	(190,464)
Increase/(decrease) in trade and other payables	(120,172)	(9,691)
Increase / (decrease) in amounts due to related parties	(50,491)	(724,470)
Cash generated from operations	1,230,171	583,800
Interest paid	(51,357)	(49,017)
Gratuity paid	(117,152)	(90,584)
Net cash generated from / (used in) operating activities	1,061,663	444,198
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment in bearer biological assets	(781,276)	(595,238)
Investment in consumable biological assets	(1,383)	(56)
Purchase of property, plant and equipment	(19,918)	(14,155)
Proceeds from disposal of property, plant and equipment	5,890	-
Proceed from disposal of rubber/firewood trees	317,874	304,134
Proceeds from sale of timber trees	2,517	6,084
Interest Income received	86	67
Capital Grant Received	66,338	46,752
Divident Received	50,326	100,660
Net cash from / (used in) investing activities	(359,547)	(151,752)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term/short term borrowings	(600,391)	(612,400)
Proceeds Froms Short Term loan borrowings	300,000	300,391
Lease rentals paid	(90,344)	(64,927)
Net cash generated from / (used in) financing activities	(390,735)	(376,936)
Net increase in cash and cash equivalents	311,381	(84,490)
Cash and cash equivalents at beginning of the year	(157,390)	(72,899)
Cash and cash equivalents at end of the period (a)	153,991	(157,390)
(a) Analysis of cash and cash equivalents at end of the period		
Cash in hand and at bank	153,991	55,679
Bank overdrafts	-	(213,069)
	153,991	(157,390)

Figures in brackets indicate deductions

AGALAWATTE PLANTATIONS PLC

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STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Accumulated Gain/(Losses)	Total
Company	Rs. 000	Rs. 000	Rs. 000
Balance as at 1st January 2022	2,258,125	(714,397)	1,543,728
Adjustment due to the change of Accounting Policy	-	287,932	287,932
Restated Balance as at 1st January 2022	2,258,125	(426,465)	1,831,660
<u>Total comprehensive expense for the period</u>			
Profit/(Loss) for the period	-	1,765,452	1,765,452
Other comprehensive income/(expense)for the period, net of taxes	-	(56,736)	(56,736)
Restated Balance as at 31st December 2022	<u>2,258,125</u>	<u>1,282,251</u>	<u>3,540,376</u>
Balance as at 1st January 2023	2,258,125	1,282,251	3,540,376
<u>Total comprehensive income/(expense) for the period</u>			
Profit/(Loss) for the period	-	1,080,936	1,080,936
Other comprehensive income/(expense)for the period, net of taxes	-	(141,644)	(141,644)
Balance as at 31st December 2023	<u>2,258,125</u>	<u>2,221,543</u>	<u>4,479,668</u>

Figures in brackets indicate deductions

AGALAWATTE PLANTATIONS PLC

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SEGMENTAL ANALYSIS - COMPANY

For the Twelve months ended	Tea		Rubber		Oil Palm		Other		Total	
	31.12.2023 Rs.000	31.12.2022 Rs.000	31.12.2023 Rs.000	31.12.2022 Rs.000	31.12.2023 Rs.000	31.12.2022 Rs.000	31.12.2023 Rs.000	31.12.2022 Rs.000	31.12.2023 Rs.000	31.12.2022 Rs.000
Revenue	2,284,864	2,208,367	759,516	1,397,850	1,226,785	1,217,935	849,001	303,228	5,120,166	5,127,380
Cost of Sales	(2,205,842)	(1,776,366)	(1,122,014)	(1,205,089)	(465,953)	(348,699)	(589,188)	(220,172)	(4,382,997)	(3,550,327)
Gross Profit/ (Loss)	79,022	432,001	(362,498)	192,761	760,832	869,236	259,813	83,056	737,169	1,577,053
Operating Income	-	-	297,682	302,580	-	-	-	-	297,682	302,580
Segment Result	79,022	432,001	(64,816)	495,341	760,832	869,236	259,813	83,056	1,034,851	1,879,633
Operating Income	-	-	-	-	-	-	-	-	127,530	36,937
Gain/(Loss) on Changes in Fair Value of Biological Assets									272,861	(12,048)
Selling and distribution expenses									-	-
Administration expenses									(149,658)	(94,310)
Other expenses									(79)	(8,090)
Results from Operating Activities									1,285,505	1,802,122
Finance Income									86	67
Finance Cost									(51,357)	(49,017)
Bank & Other									(81,545)	(60,202)
Interest Paid on Government Lease									(132,816)	(109,152)
Net Finance Costs									141,005	230,595
Share of profit/(loss) in jointly controlled entity									1,293,694	1,923,565
Profit / (Loss) before Taxation									1,293,694	1,923,565

AGALAWATTE PLANTATIONS PLC

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NOTES TO THE INTERIM FINANCIAL STATEMENTS

01. Domicile and Legal form

Agalawatte Plantations PLC is a limited liability Company incorporated and domiciled in Sri Lanka, under the Companies Act No. 17 of 1982 (re-registered under the Companies Act No. 7 of 2007) in terms of the provisions of the Conversion of Public Corporation and Government Owned Business Undertaking into Public Companies Act No. 23 of 1987. The registered office of the Company is located at No. 361, Kandy Road, Nittambuwa and the Plantations are situated in Nuwara Eliya, Rathnapura and Kalutara districts.

02. Interim Consolidated Financial Statements

The financial statements of the Company as at and for the quarter ended 31st December 2023 comprise the Company and its Joint venture (together referred to as the "Company").

03. Authorization of Interim Financial Statements

The Interim Financial Statements of the Company for the period ended 31st December 2023 were authorized for issue by the Board of Directors on 27th February 2024.

04. Principal Activities

During the year the principal activities of Agalawatte Plantations PLC consist of cultivation, production, processing and sale of tea, rubber and oil palm.

4.1 Joint Venture

AEN Palm Oil Processing (Private) Limited has a financial year ended on 31st March other than Agalawatte Plantations PLC which prepares financial statements for the year ended 31st December.

Name of the Company	Relationship	Principal business activities
AEN Palm Oil Processing (Private) Limited	Joint Venture	Processing and selling of palm oil

05. Basis of Preparation

These Interim Financial Statements of the Company has been prepared in accordance with Sri Lanka Accounting Standards (SLFRS/LKAS) and provisions of the Companies Act No. 07 of 2007. There were no changes to the Accounting Policies Except the Note 5.1 mentioned below and methods of computation since the publication of the financial statements for the period ended 31st December 2022. Further, these Interim Financial Statements have been prepared in compliance with the requirements of the Sri Lanka Accounting Standard - LKAS 34 on 'Interim Financial Reporting'. Previous year figures and phrases have been re-arranged wherever necessary to conform to the current presentation.

5.1 Changes in accounting policies

The company changed its accounting policy on accounting for investment in joint ventures in its separate financial statements from cost model to equity method as allowed under LKAS 27- "Separate Financial Statements" w.e.f 31st December 2023. This changed accounting policy is applied retrospectively as required by LKAS 8 – "Accounting Policies Changes in accounting estimates and errors"

Accordingly, restated amounts for the previous year ended 31st December 2022 and as of 01st January 2022, presented in these financial statements includes the effects of the financial position and performance of the company and its joint venture by applying equity method. As such amounts presented previously during the year ended 31st December 2022 under the heading "Company & Equity Accounted Investee" are identical to that of these restated amounts of the company for the year ended 31st December 2022. Therefore, the comparative amounts under the heading "Company & Equity Accounted Investee" are not represented in these financial statements.

AGALAWATTE PLANTATIONS PLC

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTD.)

06. Directors' Responsibility

The Directors of Agalawatte Plantations PLC acknowledged that they are responsible to prepare Financial Statements and maintain proper Books of account , under the Sections 150(1), 151, 152(1) and 153 of the Companies Act No. 7 of 2007. The Directors also ensure that these financial statements have been prepared on the going concern basis.

The Interim Financial Statements of the Company for the period ended 31st December 2023 included in this Report, have been prepared and presented in accordance with the Sri Lanka Accounting Standards and they provide the information as required by the Companies Act No. 7 of 2007, Sri Lanka Accounting Standards and the Listing Rules of the Colombo Stock Exchange. The Directors confirmed that suitable accounting policies have been used and applied consistently, and that all applicable accounting standards have been followed in the preparation of the Financial Statements. The judgments and estimates made in the preparation of these Financial Statements are reasonable and prudent.

07. Contingent Liabilities and Assets since End of 31st December 2023

There were no changes in the nature of the contingent liabilities since the publication of Audited Financial Statements for the year ended 31st December 2022.

08.Events Occurring After the Reporting Date

There were no significant events after the reporting date which requires disclosure or adjustments in the Interim Financial Statements.

AGALAWATTE PLANTATIONS PLC

Company Reg No PQ 214

SHARE TRADING INFORMATION

01. Public share holdings

	As at 31.12.2023	As at 31.12.2022
The percentage of shares held by the public (%)	20.00	20.00
Number of public shareholders	14,957	15,472
Number of shares	31,250,000	31,250,000

Minimum public holding requirement

Float adjusted market capitalisation as at 31.12.2023 (Rs.) 1,375,312,500

The Company has met the minimum public holding requirements as per the CSE Listing Rule No 7.14.1 of the CSE Listing Rules.

1.1 The float adjusted market capitalization of the Company falls under "Option 5" of Section 7.13.1(a) of the Listing Rules of the Colombo Stock Exchange, (Public Holding Percentage is 20% and Floated Adjusted Market Capitalization is less than Rs. 2.5 Bn). The Company has complied with the minimum public holding requirement applicable under the said option.

02. Directors' share holdings

The number of shares held by the Board of Directors are as follows:

	As at 31.12.2023
Mr. A.S. Amarasuriya	Nil
Mr. R.K.A. Ranaweera	Nil
Mr. G.P.N.A.G. Gunathilake	Nil
Mr. R.P.L. Ramanayake	Nil
Mr. W.A.A. Asanga	Nil
Mr. L.R.W.S. Rajasekara	Nil

03. TWENTY (20) LARGEST SHAREHOLDERS

	As at 31.12.2023	
	No of Shares held	% of the holding
DAMRO HOLDINGS (PRIVATE) LIMITED	114,062,500	73.00
F L M C PLANTATIONS (PRIVATE) LIMITED	10,937,500	7.00
MISS SONIA WIN-YEN NG	3,570,100	2.28
SEYLAN BANK PLC/MOHAMED MUSHTAQ FUAD	506,830	0.32
MR. AKARAVITAGE OSHAN SAMITHA KUMARA	457,481	0.29
SEYLAN BANK PLC/SENTHILVERL HOLDINGS (PVT) LTD	423,753	0.27
MR. KARUNA RANARAJA EKANAYAKE MUDIYANSELAGE DHARSHAN MADURANGA BANDARA JAYASUNC	398,593	0.26
MR. AJITH HARINDRA WEERASURIYA	376,094	0.24
MR. SUGATH WEERARATNE	341,894	0.22
MR. MOHAMED RIYAAZ RASHEED	322,091	0.21
RAVI EXPORTS PRIVATE LIMITED	270,000	0.17
DFCC BANK PLC/B. SUTHARSHAN	255,000	0.16
HATTON NATIONAL BANK PLC/MUSHTAQ MOHAMED FUAD	227,933	0.15
MR. MOHAMED ZAREEN RASHEED	226,800	0.15
MERCHANT BANK OF SRI LANKA & FINANCE PLC/A.C.SENANKA	224,548	0.14
DEUTSCHE BANK AG SINGAPORE A/C 2 (DCS CLT ACC FOR DEUTSCHE BANK AG SINGAPORE- PWM WI	220,000	0.14
MR. VASHI CHANDIRAM MAHTANI	208,829	0.13
DR. ATHUGODAGE ARUNA MAHESH DHARMADASA	206,103	0.13
MR. GEETH THINETH MAPALANA	200,000	0.13
MR. ANTON VASANTHAKUMAR EMMANUEL	199,300	0.13
	133,635,349	85.52
Balance held by 15073 shareholders	22,614,651	14.48
	156,250,000	100

AGALAWATTE PLANTATIONS PLC

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SHARE TRADING INFORMATION (CONTD.)

04. Stated Capital

Stated capital is represented by shares in issue as given below:

	As at 31.12.2023	As at 31.12.2022
Ordinary Shares	156,250,000	156,250,000
Golden Share	1	1
	<u>156,250,001</u>	<u>156,250,001</u>

05. Market Price per Share

	As at 31.12.2023	As at 31.12.2022
Highest during the period	39.00	43.90
Lowest during the period	27.20	27.00
Closing price	32.60	31.90

AGALAWATTE PLANTATIONS PLC

Company Reg No PQ 214

CORPORATE INFORMATION

Name of the Company

Agalawatte Plantations PLC

Legal Form

A Public Quoted Company With Limited Liability Incorporated in Sri Lanka on 22nd June 1992

Registration No

PQ 214

Accounting Year

31 December

Directors

Mr. A.S. Amarasuriya -Chairman

Mr. R.K.A. Ranaweera

Mr. G.P.N.A.G. Gunathilake

Mr. R.P.L. Ramanayake

Mr. W.A.A. Asanga

Mr. L.R.W.S. Rajasekara

Registered Office

No. 361

Kandy Road, Nittambuwa.

Tel : 033 4 679 200/ 033 2 299 000

Fax: 033 2 285 681

Email: apl@sitnet.lk

Secretaries

Nexia Corporate Consultants (Private) Limited

No: 181 ,Nawala Road, Colombo 05.

Tel - 0114-510709 / 0112-368154

Fax -0112-368621

Auditors

KPMG

No: 32A, Sir Mohamed Macan Markar Mawatha,

P. O. Box 186, Colombo 03.

Tel : +94 115 426426

Bankers

Hatton National Bank PLC

Sampath Bank PLC

NDB Bank

Commercial Bank of Ceylon PLC

Bank of Ceylon