



KEGALLE PLANTATIONS PLC

INTERIM FINANCIAL STATEMENTS  
FOR SIX MONTHS ENDED

30 SEPTEMBER

| 2019


INTERIM FINANCIAL STATEMENTS - KEGALLE PLANTATIONS PLC

STATEMENT OF FINANCIAL POSITION

	Group			Company		
	2019	2018	Year Ended 31 March 2019	2019	2018	Year Ended 31 March 2019
As at 30 September	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>ASSETS</b>						
<b>Non - Current Assets</b>						
Leasehold property, plant and equipment	174,064	187,563	180,798	174,064	187,563	180,798
Freehold property, plant and equipment	287,672	314,144	298,989	260,641	283,696	270,466
Bearer biological assets	2,517,257	2,361,121	2,431,448	2,517,257	2,361,121	2,431,448
Consumable biological assets	135,878	125,818	135,878	135,878	125,818	135,878
Financial Assets	243,960	1,246,600	243,960	243,960	1,246,600	243,960
Long term investments	1,388,596	1,065,483	1,245,807	491,850	491,850	491,850
	<b>4,747,427</b>	<b>5,300,730</b>	<b>4,536,880</b>	<b>3,823,650</b>	<b>4,696,649</b>	<b>3,754,400</b>
<b>Current Assets</b>						
Produce on bearer biological assets	3,758	5,815	3,758	3,758	5,815	3,758
Inventories	314,255	328,796	350,652	314,255	329,469	350,538
Trade and other receivables	287,367	228,423	356,581	278,607	223,505	348,287
VAT recoverable	24,301	23,280	24,301	24,294	23,272	24,294
ESC Recoverable	37,582	28,562	34,408	37,582	28,562	34,408
Income tax recoverable	16,131	11,695	16,131	16,131	11,695	16,131
Amounts due from related Companies	11,064	10,803	10,879	43,243	90,421	43,570
Short term investment	924,046	1,545,177	1,611,090	924,046	1,545,177	1,611,090
Financial Assets	-	-	1,000,000	-	-	1,000,000
Cash and bank balances	21,914	21,335	16,970	21,914	21,335	16,970
	<b>1,640,419</b>	<b>2,203,885</b>	<b>3,424,770</b>	<b>1,663,829</b>	<b>2,279,251</b>	<b>3,449,045</b>
<b>Total Assets</b>	<b>6,387,846</b>	<b>7,504,615</b>	<b>7,961,650</b>	<b>5,487,480</b>	<b>6,975,900</b>	<b>7,203,445</b>
<b>EQUITY &amp; LIABILITIES</b>						
<b>Capital &amp; Reserves</b>						
Stated capital (Note 1)	250,000	250,000	250,000	250,000	250,000	250,000
General reserve	225,000	225,000	225,000	225,000	225,000	225,000
Timber reserve	31,521	30,008	31,521	31,521	30,008	31,521
Fair Value Through Other Comprehensive Income Reserve	48,588	89,736	48,588	48,600	89,748	48,600
Retained profit	2,884,081	2,682,343	2,808,897	1,997,033	2,166,812	2,063,962
<b>Shareholders' Fund</b>	<b>3,439,190</b>	<b>3,277,087</b>	<b>3,364,007</b>	<b>2,552,154</b>	<b>2,761,568</b>	<b>2,619,083</b>
<b>Non - Current Liabilities</b>						
Loans & borrowings	293,964	775,011	524,661	293,964	775,011	524,661
Retirement benefit obligations	479,597	426,222	488,519	479,502	426,127	488,424
Deferred income	209,838	211,840	212,753	209,838	211,840	212,753
Deferred tax liability	145,319	150,262	145,319	145,319	150,262	145,319
Liability to make lease payment after one year	244,202	249,948	247,242	244,202	249,948	247,242
	<b>1,372,920</b>	<b>1,813,283</b>	<b>1,618,494</b>	<b>1,372,825</b>	<b>1,813,188</b>	<b>1,618,399</b>
<b>Current Liabilities</b>						
Loans & borrowings	1,268,162	2,111,917	2,606,429	1,268,162	2,111,917	2,606,429
Liability to make lease payment within one year	5,855	5,630	5,630	5,855	5,630	5,630
Trade and other payables	208,419	224,543	251,692	200,303	216,560	243,625
Dividend payable	33,438	23,963	29,484	33,438	23,963	29,484
Amounts due to related Companies	59,862	48,193	85,915	54,743	43,074	80,796
	<b>1,575,736</b>	<b>2,414,246</b>	<b>2,979,149</b>	<b>1,562,501</b>	<b>2,401,144</b>	<b>2,965,963</b>
<b>Total Equity &amp; Liabilities</b>	<b>6,387,846</b>	<b>7,504,615</b>	<b>7,961,650</b>	<b>5,487,480</b>	<b>6,975,900</b>	<b>7,203,445</b>
<b>Net Asset Value per Share (Rs.)</b>	<b>137.57</b>	<b>131.08</b>	<b>134.56</b>	<b>102.09</b>	<b>110.46</b>	<b>104.76</b>

The above figures are subject to audit

These Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007.

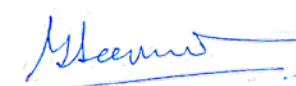
  
**Sudheera Eritakumbura**  
 Financial Controller

The Board of Directors is responsible for these Financial Statements.

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

  
**S S G Liyanage**  
 Director

Colombo  
 08 November 2019

  
**Dr. S S B D G Jayawardena**  
 Director

**INTERIM FINANCIAL STATEMENTS - KEGALLE PLANTATIONS PLC**

**STATEMENT OF PROFIT OR LOSS**

**Group**

For the six months ended 30 September	Quarter Ended			Six Months Ended			Year Ended
	2019	2018	Variance + / (-)	2019	2018	Variance + / (-)	31 March 2019
	Rs. '000	Rs. '000	%	Rs. '000	Rs. '000	%	Rs. '000
Revenue	598,071	598,644	(0)	1,221,523	1,186,730	3	2,421,797
Cost of sales	(573,227)	(508,414)	(13)	(1,195,876)	(1,070,692)	(12)	(2,309,743)
<b>Gross profit</b>	<b>24,844</b>	<b>90,230</b>	<b>(72)</b>	<b>25,647</b>	<b>116,038</b>	<b>(78)</b>	<b>112,054</b>
Gain/(Loss) on fair value of biological assets	-	-	-	-	-	-	(543)
Other income	9,033	10,276	(12)	22,880	19,033	20	37,383
Administrative expenses	(14,805)	(15,430)	4	(27,277)	(28,684)	5	(57,526)
Management fee	(5,668)	(17,302)	67	(8,358)	(23,567)	65	(25,510)
<b>Profit/(loss) from operations</b>	<b>13,405</b>	<b>67,774</b>	<b>(80)</b>	<b>12,893</b>	<b>82,820</b>	<b>(84)</b>	<b>65,858</b>
Finance income	8,832	55,623	(84)	34,615	96,898	(64)	188,899
Finance cost	(44,097)	(68,199)	35	(115,113)	(135,463)	15	(284,575)
<b>Net finance income/(loss)</b>	<b>(35,266)</b>	<b>(12,577)</b>	<b>(180)</b>	<b>(80,498)</b>	<b>(38,565)</b>	<b>(109)</b>	<b>(95,676)</b>
Share of result of associates	90,931	70,141	30	163,292	136,079	20	358,851
<b>Profit before taxation</b>	<b>69,069</b>	<b>125,337</b>	<b>(45)</b>	<b>95,687</b>	<b>180,334</b>	<b>(47)</b>	<b>329,033</b>
Tax (expenses) / reversal	(11,546)	(9,297)	(24)	(20,503)	(19,516)	(5)	69,048
<b>Profit for the period</b>	<b>57,523</b>	<b>116,040</b>	<b>(50)</b>	<b>75,184</b>	<b>160,818</b>	<b>(53)</b>	<b>398,081</b>
Basic earnings per share (Rs.)	2.30	4.64		3.01	6.43		15.92
Dividend per share (Rs.)	-	-		-	-		-

**Company**

For the six months ended 30 September	Quarter Ended			Six Months Ended			Year Ended
	2019	2018	Variance + / (-)	2019	2018	Variance + / (-)	31 March 2019
	Rs. '000	Rs. '000	%	Rs. '000	Rs. '000	%	Rs. '000
Revenue	598,071	598,644	(0)	1,221,523	1,186,730	3	2,421,797
Cost of sales	(573,227)	(508,414)	(13)	(1,195,876)	(1,070,692)	(12)	(2,309,743)
<b>Gross profit</b>	<b>24,844</b>	<b>90,230</b>	<b>(72)</b>	<b>25,647</b>	<b>116,038</b>	<b>(78)</b>	<b>112,054</b>
Gain/(Loss) on fair value of biological assets	-	-	-	-	-	-	(543)
Other income	8,568	59,308	(86)	21,978	67,605	(67)	163,680
Administrative expenses	(14,015)	(14,262)	2	(25,698)	(26,332)	2	(52,907)
Management fee	(5,668)	(17,302)	67	(8,358)	(23,567)	65	(25,510)
<b>Profit/(loss) from operations</b>	<b>13,729</b>	<b>117,974</b>	<b>(88)</b>	<b>13,569</b>	<b>133,743</b>	<b>(90)</b>	<b>196,773</b>
Finance income	8,832	55,623	(84)	34,615	96,898	(64)	188,899
Finance cost	(44,097)	(68,199)	35	(115,113)	(135,463)	15	(284,575)
<b>Net finance income/(loss)</b>	<b>(35,266)</b>	<b>(12,577)</b>	<b>(180)</b>	<b>(80,498)</b>	<b>(38,565)</b>	<b>(109)</b>	<b>(95,676)</b>
Share of result of associates	-	-	-	-	-	-	-
<b>Profit/(loss) before taxation</b>	<b>(21,536)</b>	<b>105,397</b>	<b>(120)</b>	<b>(66,929)</b>	<b>95,178</b>	<b>(170)</b>	<b>101,097</b>
Tax (expenses) / reversal	-	(496)	100	-	(993)	100	941
<b>Profit/(loss) for the period</b>	<b>(21,536)</b>	<b>104,901</b>	<b>(121)</b>	<b>(66,929)</b>	<b>94,185</b>	<b>(171)</b>	<b>102,038</b>
Basic earnings/(loss) per share (Rs.)	(0.86)	4.20		(2.68)	3.77		4.08
Dividend per share (Rs.)	-	-		-	-		5.00

*Figures in brackets indicate deductions*

*The above figures are subject to audit*

INTERIM FINANCIAL STATEMENTS - KEGALLE PLANTATIONS PLC

STATEMENT OF COMPREHENSIVE INCOME

Group							
For the six months ended 30 September	Quarter Ended			Six Months Ended			Year Ended
	2019	2018	Variance + / (-)	2019	2018	Variance + / (-)	31 March 2019
	Rs. '000	Rs. '000	%	Rs. '000	Rs. '000	%	Rs. '000
Profit for the period	57,523	116,040	(50)	75,184	160,818	(53)	398,081
<b>Other Comprehensive Income</b>							
Other Comprehensive income not to be reclassified to profit or loss in Subsequent periods (net of tax)							
Actuarial Gain/(Loss) on Defined Benefit Plans	-	-	-	-	-	-	(26,699)
Income tax effect	-	-	-	-	-	-	3,738
Other Comprehensive income not to be reclassified to profit or loss in Subsequent periods	-	-	-	-	-	-	(22,962)
Share of Other Comprehensive Income of Equity Accounted Investees							
Other Comprehensive income not to be reclassified to profit or loss in Subsequent periods (net of tax)							
Actuarial Gain/(Loss) on Defined Benefit Plans	-	-	-	-	-	-	(3)
Income tax effect	-	-	-	-	-	-	(3)
	-	-	-	-	-	-	(6)
Net Gain/(Loss) on FVTOCI financial assets	-	-	-	-	-	-	(2,640)
Income tax effect	-	-	-	-	-	-	264
	-	-	-	-	-	-	(2,376)
Other Comprehensive income not to be reclassified to profit or loss in Subsequent periods	-	-	-	-	-	-	(2,382)
Other Comprehensive income to be reclassified to profit or loss in Subsequent periods (net of tax)	-	-	-	-	-	-	-
Other Comprehensive Income/(Loss) for the period, net of tax	-	-	-	-	-	-	(25,344)
<b>Total Comprehensive Income for the period, net of tax</b>	<b>57,523</b>	<b>116,040</b>	<b>(50)</b>	<b>75,184</b>	<b>160,818</b>	<b>(53)</b>	<b>372,738</b>

Company							
For the six months ended 30 September	Quarter Ended			Six Months Ended			Year Ended
	2019	2018	Variance + / (-)	2019	2018	Variance + / (-)	31 March 2019
	Rs. '000	Rs. '000	%	Rs. '000	Rs. '000	%	Rs. '000
Profit for the period	(21,536)	104,901	(121)	(66,929)	94,185	(171)	102,038
<b>Other Comprehensive Income</b>							
Other Comprehensive income not to be reclassified to profit or loss in Subsequent periods (net of tax)							
Actuarial Gain/(Loss) on Defined Benefit Plans	-	-	-	-	-	-	(26,699)
Income tax effect	-	-	-	-	-	-	3,738
Other Comprehensive income not to be reclassified to profit or loss in Subsequent periods	-	-	-	-	-	-	(22,962)
Share of Other Comprehensive Income of Equity Accounted Investees							
Other Comprehensive income not to be reclassified to profit or loss in Subsequent periods (net of tax)							
Actuarial Gain/(Loss) on Defined Benefit Plans	-	-	-	-	-	-	-
Income tax effect	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Net Gain/(Loss) on FVTOCI financial assets	-	-	-	-	-	-	(2,640)
Income tax effect	-	-	-	-	-	-	264
	-	-	-	-	-	-	(2,376)
Other Comprehensive income not to be reclassified to profit or loss in Subsequent periods	-	-	-	-	-	-	(2,376)
Other Comprehensive income to be reclassified to profit or loss in Subsequent periods (net of tax)	-	-	-	-	-	-	-
Other Comprehensive Income/(Loss) for the period, net of tax	-	-	-	-	-	-	(25,338)
<b>Total Comprehensive Income for the period, net of tax</b>	<b>(21,536)</b>	<b>104,901</b>	<b>(121)</b>	<b>(66,929)</b>	<b>94,185</b>	<b>(171)</b>	<b>76,701</b>

Figures in brackets indicate deductions

The above figures are subject to audit

**INTERIM FINANCIAL STATEMENTS - KEGALLE PLANTATIONS PLC**

**STATEMENT OF CHANGES IN EQUITY**

**Group**

For the six months ended 30 September	Stated Capital Rs. '000	General Reserve Rs. '000	Timber Reserve Rs. '000	FVTOCI Reserve Rs. '000	Retained Profit Rs. '000	Total Rs. '000
Balance as at 31 March 2018	250,000	225,000	30,008	48,588	2,562,673	3,116,269
Profit for the Period	-	-	-	-	160,818	160,818
Other Comprehensive Income	-	-	-	-	-	-
Timber Reserve	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	-
<b>Balance as at 30 September 2018</b>	<b>250,000</b>	<b>225,000</b>	<b>30,008</b>	<b>48,588</b>	<b>2,723,491</b>	<b>3,277,087</b>
Balance as at 31 March 2019	250,000	225,000	31,521	48,588	2,808,897	3,364,007
Profit for the Period	-	-	-	-	75,184	75,184
Other Comprehensive Income	-	-	-	-	-	-
Timber Reserve	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	-
<b>Balance as at 30 September 2019</b>	<b>250,000</b>	<b>225,000</b>	<b>31,521</b>	<b>48,588</b>	<b>2,884,081</b>	<b>3,439,190</b>

**Company**

For the six months ended 30 September	Stated Capital Rs. '000	General Reserve Rs. '000	Timber Reserve Rs. '000	FVTOCI Reserve Rs. '000	Retained Profit Rs. '000	Total Rs. '000
Balance as at 31 March 2018	250,000	225,000	30,008	48,600	2,113,775	2,667,383
Profit for the Period	-	-	-	-	94,185	94,185
Other Comprehensive Income	-	-	-	-	-	-
Timber Reserve	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	-
<b>Balance as at 30 September 2018</b>	<b>250,000</b>	<b>225,000</b>	<b>30,008</b>	<b>48,600</b>	<b>2,207,960</b>	<b>2,761,568</b>
Balance as at 31 March 2019	250,000	225,000	31,521	48,600	2,063,962	2,619,083
Profit/(Loss) for the Period	-	-	-	-	(66,929)	(66,929)
Other Comprehensive Income	-	-	-	-	-	-
Timber Reserve	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	-
<b>Balance as at 30 September 2019</b>	<b>250,000</b>	<b>225,000</b>	<b>31,521</b>	<b>48,600</b>	<b>1,997,033</b>	<b>2,552,154</b>

*Figures in brackets indicate deductions*

*The above figures are subject to audit*

CASH FLOW STATEMENT

For the six months ended 30 September	Group			Company		
	2019 Rs. '000	2018 Rs. '000	Year Ended 31 March 2019 Rs. '000	2019 Rs. '000	2018 Rs. '000	Year Ended 31 March 2019 Rs. '000
<b>CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES</b>						
Net Profit/(Loss) before Taxation	95,687	180,334	329,033	(66,929)	95,178	101,097
<b>ADJUSTMENTS FOR</b>						
Interest income	(34,615)	(96,898)	(188,899)	(34,615)	(96,898)	(188,899)
Depreciation, amortization and Impairment Loss	64,034	65,585	131,714	62,543	63,333	127,536
Provision for defined benefit plan costs	26,271	21,965	83,385	26,271	21,965	83,385
Amortization of grants	(5,544)	(5,346)	(11,089)	(5,544)	(5,346)	(11,089)
Share of result of associates	(163,292)	(136,079)	(358,851)	-	-	-
Profit on sale of property, plant & equipment	-	-	3,850	-	-	3,850
Finance costs	115,113	135,463	284,575	115,113	135,463	284,575
Dividend Received from Associates	-	-	-	-	(49,469)	(128,030)
(Gains)/losses on fair value of biological assets	-	-	543	-	-	543
<b>Operating profit before working capital changes</b>	<b>97,654</b>	<b>165,024</b>	<b>274,262</b>	<b>96,838</b>	<b>164,227</b>	<b>272,970</b>
(Increase)/decrease in trade & other receivables	69,214	15,086	(110,097)	69,679	15,551	(110,251)
(Increase)/decrease in inventories	36,283	624	(20,189)	36,283	624	(20,446)
(Increase)/decrease in amounts due from related companies	327	(42,397)	2,731	327	(42,397)	4,455
Increase/(decrease) in trade & other payables	(43,672)	(14,913)	12,504	(43,322)	(14,581)	12,483
Increase/(decrease) in amounts due to related companies	(26,053)	24,563	62,285	(26,053)	24,563	62,285
<b>Cash generated from operations</b>	<b>133,752</b>	<b>147,986</b>	<b>221,495</b>	<b>133,752</b>	<b>147,986</b>	<b>221,495</b>
Defined benefit plan costs paid	(35,193)	(35,912)	(61,734)	(35,193)	(35,912)	(61,734)
Finance cost paid	(84,641)	(106,254)	(226,158)	(84,641)	(106,254)	(226,158)
Income tax/ESC paid	(3,174)	(3,019)	(12,307)	(3,174)	(3,019)	(12,307)
<b>Net cash from / (used in) operating activities</b>	<b>10,744</b>	<b>2,800</b>	<b>(78,704)</b>	<b>10,744</b>	<b>2,800</b>	<b>(78,704)</b>
<b>CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES</b>						
Redemption of debentures	1,000,000	-	-	1,000,000	-	-
Interest received	34,615	96,898	188,899	34,615	96,898	188,899
Grant received	2,630	5,355	12,010	2,630	5,355	12,010
Proceeds from sale of property, plant & equipment	-	-	1,000	-	-	1,000
Field development expenditure	(127,975)	(141,166)	(260,837)	(127,975)	(141,166)	(260,837)
Purchase of property, plant & equipment	(3,818)	(13,655)	(21,915)	(3,818)	(13,655)	(21,915)
<b>Net cash from / (used in) investing activities</b>	<b>905,452</b>	<b>(52,568)</b>	<b>(80,843)</b>	<b>905,452</b>	<b>(52,568)</b>	<b>(80,843)</b>
<b>CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES</b>						
Dividend paid	3,955	-	(119,479)	3,955	-	(119,479)
Dividend Received from Associates	-	49,469	128,030	-	49,469	128,030
Payment of Government lease rentals	(30,473)	(29,209)	(58,417)	(30,473)	(29,209)	(58,417)
Payment of Government lease rentals - Capital	(2,815)	(2,706)	(5,413)	(2,815)	(2,706)	(5,413)
Proceeds from loans	-	50,000	50,000	-	50,000	50,000
Repayment of loans	(347,465)	(258,703)	(668,332)	(347,465)	(258,703)	(668,332)
<b>Net Cash from / (used in) Financing Activities</b>	<b>(376,798)</b>	<b>(191,150)</b>	<b>(673,612)</b>	<b>(376,798)</b>	<b>(191,150)</b>	<b>(673,612)</b>
Net increase/(decrease) in cash & cash equivalents	539,398	(240,917)	(833,158)	539,398	(240,917)	(833,158)
<b>Cash &amp; cash equivalents at the beginning of the year</b>	<b>(328,655)</b>	<b>504,503</b>	<b>504,503</b>	<b>(328,655)</b>	<b>504,503</b>	<b>504,503</b>
<b>Cash &amp; cash equivalents at the end of the period</b>	<b>210,743</b>	<b>263,586</b>	<b>(328,655)</b>	<b>210,743</b>	<b>263,586</b>	<b>(328,655)</b>
<b>NOTES :</b>						
<b>A. Cash &amp; cash equivalents at the beginning of the year</b>						
Cash in Hand & at Bank	16,970	18,649	18,649	16,970	18,649	18,649
Bank Overdraft	(1,956,715)	(1,108,954)	(1,108,954)	(1,956,715)	(1,108,954)	(1,108,954)
Investment in Treasury Bills, REPO, USD Deposits & Others	1,611,090	1,594,809	1,594,809	1,611,090	1,594,809	1,594,809
	<b>(328,655)</b>	<b>504,503</b>	<b>504,503</b>	<b>(328,655)</b>	<b>504,503</b>	<b>504,503</b>
<b>B. Cash &amp; cash equivalents at the end of the period</b>						
Cash in Hand & at Bank	21,914	21,335	16,970	21,914	21,335	16,970
Bank Overdraft	(735,217)	(1,302,925)	(1,956,715)	(735,217)	(1,302,925)	(1,956,715)
Investment in Treasury Bills, REPO, USD Deposits & Others	924,046	1,545,177	1,611,090	924,046	1,545,177	1,611,090
	<b>210,743</b>	<b>263,586</b>	<b>(328,655)</b>	<b>210,743</b>	<b>263,586</b>	<b>(328,655)</b>

Figures in brackets indicate deductions  
The above figures are subject to audit

**NOTES TO THE FINANCIAL STATEMENTS**

1. Stated Capital of Kegalle Plantations PLC amounts to Rs. 250,000,010 represented by 25,000,001 Ordinary Shares.
2. The Interim Financial Statements of the Company/Group are unaudited and have been prepared in accordance with Sri Lanka Financial Reporting Standards (SLFRS/LKAS) and are in compliance with Sri Lanka Accounting Standard 34 - Interim Financial Reporting. Further, provisions of the Companies Act No. 7 of 2007 have been considered in preparing the Interim Financial Statements of the Company/Group.
3. The Interim Financial Statements of the Company/Group have been prepared on the basis of the same accounting policies and methods applied for the year ended 31 March 2019.
4. The Company complies with Option 5 of the Listing Rules 7.13.1 (a) - Less than Rs. 2.5 Bn, Float Adjusted Market Capitalization which requires 20% minimum Public Holding.

	Quarter Ended	Year Ended
	30 September 2019	31 March 2019
Market Capitalization - Rs.'000	1,450,000	1,375,000
Price Earning Ratio - Times	-	13.48
Public Holding Percentage	20.86%	20.86%
Total number of Shareholders representing the Public Holding	8,912	8,908
Float Adjusted Market Capitalization - Rs.'000	302,535	286,887

5. The Interim Financial Statements of the Company have been prepared on the basis of the same accounting policies and methods applied for year ended 31 March 2019, except for the Accounting Policies and methods of computation adopted to be in compliance with the requirement of the Sri Lanka Accounting Standard SLFRS 16 - "Leases", which became effective from January 01, 2019. SLFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract (i.e. Lessee and Lessor). SLFRS 16 replaced LKAS 17 - "Leases" and related interpretations.

Leasehold Land - The Statement of Recommended Practice (SoRP) for Right-to-use of Land on Lease was approved by the Council of the Institute of Chartered Accountants of Sri Lanka on 19 December 2012. Subsequently, the amendment to the SoRP along with the modification to the title as Statement of Alternative Treatment (SoAT) were approved by the Council on 21 August 2013. The Company is in the process of re-assessing the impact of the Right-to-use of Land and the impact to the Financial Statements yet to be quantified.

6. The presentation and classification of figures for the corresponding period of the previous quarter have been amended, where relevant, for better presentation and to be comparable with those of the current quarter.
7. Other than contingent liabilities which may arise from the fair value adjustments, there has been no material changes in the nature of the contingent liabilities, what was disclosed in the Annual Report for the year ended 31 March 2019.
8. Interim Financial Statements does not include/classify actuarial gain/(loss) on defined benefit plans costs as the valuation is done at the year end.

Further management is assessed that, the fair values of financial assets & financial liabilities are approximate to their carrying values of these instruments.

9. In May 2014, the Company invested in 10.0 Mn, Rs. 100/- each five year fixed rated listed debentures (11.25% p.a.) payable semi annually issued by the ultimate parent Company (Richard Pieris and Company PLC) amounting to Rs. 1.0 Bn. This 10.0 Mn fixed rated listed debenture investment at Richard Pieris and Company PLC was matured on 15 May 2019.
10. No circumstances have arisen since the Statement of Financial Position date, which would require adjustment or disclosure in the Interim Financial Statements.

**INTERIM FINANCIAL STATEMENTS - KEGALLE PLANTATIONS PLC**

**SHAREHOLDER & INVESTOR INFORMATION**

**Market price per share**

For the six months ended 30 September

	Quarter Ended		Six Months Ended		Year Ended
	2019	2018	2019	2018	31 March 2019
Market Value	Rs.	Rs.	Rs.	Rs.	Rs.
Highest Price	64.00	66.50	64.90	70.00	70.00
Lowest Price	58.00	52.00	55.00	52.00	50.00
Last Traded Price	58.00	53.70	58.00	53.70	55.00

**Twenty largest shareholders of the Company are as follows;**

As at	30 September 2019		31 March 2019	
Name of the Shareholder	Number of Shares	% of the Holding	Number of Shares	% of the Holding
1 RPC Plantation Management Services (Pvt) Ltd	19,770,477	79.08%	19,770,477	79.08%
2 Dhanasiri Recreation (Pvt) Ltd	319,305	1.28%	319,305	1.28%
3 Mr. D. F. G. Dalpethado	201,119	0.80%	193,050	0.77%
4 SSBT - Deutsche Bank AG Singapore A/c 01	200,000	0.80%	200,000	0.80%
5 Tranz Dominion, L.L.C	185,000	0.74%	185,000	0.74%
6 Pershing LLC S/A Averbach Grauson & Co.	127,631	0.51%	132,000	0.53%
7 Employees Provident Fund	122,300	0.49%	122,300	0.49%
8 Mubasher Financial Services BSC	107,370	0.43%	107,370	0.43%
9 Asha Financial Services Ltd/Ms. H. C. Kalansooriya	100,000	0.40%	74,555	0.30%
10 Mr. D. M. Kodikara	95,000	0.38%	95,000	0.38%
11 Mrs. M. S. E. V. E. A. U. Von Stumm	59,349	0.24%	59,349	0.24%
12 Mr. N. Balasingam	50,600	0.20%	50,600	0.20%
13 Bank of Ceylon - No. 1 Account	50,600	0.20%	50,600	0.20%
14 Mr. P. F. Nandasiri	42,500	0.17%	42,500	0.17%
15 Mr. I. S. P. Perera	40,105	0.16%	40,105	0.16%
16 Mr. J. G. De Mel	40,000	0.16%	40,000	0.16%
17 Alliance Finance Company PLC	37,100	0.15%	37,100	0.15%
18 Mrs. C. A. D. S. Woodward	35,706	0.14%	35,706	0.14%
19 Mr. R. Gautam	35,000	0.14%	35,000	0.14%
20 Mr. G. Hettige	32,011	0.13%	-	-
<b>Sub Total</b>	<b>21,651,173</b>	<b>86.60%</b>	<b>-</b>	<b>-</b>
Balance held by 8,895 Shareholders (31 March 2019 - 8,891 Shareholders)	3,348,828	13.40%	3,369,984	13.48%
<b>Total Shares</b>	<b>25,000,001</b>	<b>100.00%</b>	<b>25,000,001</b>	<b>100.00%</b>

**The percentage of shares held as follows;**

As at	30 September 2019			31 March 2019		
Distribution of Shareholders	Number of Shareholder	Number of Shares	% of the Holding	Number of Shareholder	Number of Shares	% of the Holding
Public Holding	8,912	5,216,124	20.86%	8,908	5,216,124	20.86%
Other Holding	3	19,783,877	79.14%	3	19,783,877	79.14%
	<b>8,915</b>	<b>25,000,001</b>	<b>100.00%</b>	<b>8,911</b>	<b>25,000,001</b>	<b>100.00%</b>

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

Name of the Director	As at	Number of Shares	
		30 September 2019	31 March 2019
Dr. Sena Yaddhige		-	-
Prof. R C W M R A Nugawela		-	-
Dr. S S B D G Jayawardena		-	-
Mr. Shaminda Yaddhige		-	-
Mr. S S G Liyanage		-	-



**INTERIM FINANCIAL STATEMENTS - KEGALLE PLANTATIONS PLC**

**SEGMENT INFORMATION**

For the six months ended 30 September	Group			Company		
	2019	2018	Year Ended 31 March 2019	2019	2018	Year Ended 31 March 2019
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Rubber</b>						
Revenue	626,305	555,254	1,206,202	626,305	555,254	1,206,202
Revenue expenditure	(592,226)	(489,065)	(1,111,867)	(592,226)	(489,065)	(1,111,867)
Depreciation / amortization	(47,210)	(44,543)	(87,688)	(47,210)	(44,543)	(87,688)
Other non cash expenses - gratuity	(14,835)	(12,469)	(47,203)	(14,835)	(12,469)	(47,203)
<b>Segment Result - Gross Profit/(Loss)</b>	<b>(27,965)</b>	<b>9,177</b>	<b>(40,557)</b>	<b>(27,965)</b>	<b>9,177</b>	<b>(40,557)</b>
<b>Tea</b>						
Revenue	501,304	504,088	960,089	501,304	504,088	960,089
Revenue expenditure	(502,649)	(489,220)	(963,750)	(502,649)	(489,220)	(963,750)
Depreciation / amortization	(14,489)	(17,167)	(36,414)	(14,489)	(17,167)	(36,414)
Other non cash expenses - gratuity	(11,314)	(9,497)	(36,181)	(11,314)	(9,497)	(36,181)
<b>Segment Result - Gross Profit/(Loss)</b>	<b>(27,149)</b>	<b>(11,796)</b>	<b>(76,256)</b>	<b>(27,149)</b>	<b>(11,796)</b>	<b>(76,256)</b>
<b>Coconut</b>						
Revenue	19,375	29,270	51,845	19,375	29,270	51,845
Revenue expenditure	(13,067)	(8,184)	(25,848)	(13,067)	(8,184)	(25,848)
<b>Segment Result - Gross Profit</b>	<b>6,308</b>	<b>21,087</b>	<b>25,997</b>	<b>6,308</b>	<b>21,087</b>	<b>25,997</b>
<b>Others</b>						
Revenue	74,539	98,118	203,661	74,539	98,118	203,661
Revenue expenditure	(86)	(548)	(790)	(86)	(548)	(790)
<b>Segment Result - Gross Profit</b>	<b>74,453</b>	<b>97,570</b>	<b>202,871</b>	<b>74,453</b>	<b>97,570</b>	<b>202,871</b>
<b>Total Segments</b>						
Revenue	1,221,523	1,186,730	2,421,797	1,221,523	1,186,730	2,421,797
Revenue expenditure	(1,108,028)	(987,017)	(2,102,256)	(1,108,028)	(987,017)	(2,102,256)
Depreciation / amortization	(61,699)	(61,710)	(124,102)	(61,699)	(61,710)	(124,102)
Other non cash expenses - gratuity	(26,149)	(21,965)	(83,385)	(26,149)	(21,965)	(83,385)
<b>Total Segment Results - Gross Profit</b>	<b>25,647</b>	<b>116,038</b>	<b>112,054</b>	<b>25,647</b>	<b>116,038</b>	<b>112,054</b>
Gain/(Loss) on fair value of biological assets	-	-	(543)	-	-	(543)
Other income	22,880	19,033	37,383	21,978	67,605	163,680
Administrative expenses	(27,277)	(28,684)	(57,526)	(25,698)	(26,332)	(52,907)
Management fee	(8,358)	(23,567)	(25,510)	(8,358)	(23,567)	(25,510)
Finance income	34,615	96,898	188,899	34,615	96,898	188,899
Finance cost	(115,113)	(135,463)	(284,575)	(115,113)	(135,463)	(284,575)
Share of result of associates	163,292	136,079	358,851	-	-	-
<b>Profit/(loss) Before Tax</b>	<b>95,687</b>	<b>180,334</b>	<b>329,033</b>	<b>(66,929)</b>	<b>95,178</b>	<b>101,097</b>

*The above figures are subject to audit*

## CORPORATE INFORMATION

<b>Name of the Company</b>	: KEGALLE PLANTATIONS PLC
<b>Legal Form</b>	: A Quoted Public Company with limited liability, Incorporated in Sri Lanka under the Companies Act No. 07 of 2007.
<b>Date of Incorporation</b>	: 22 June 1992
<b>Company Registration No</b>	: New Registration No. P Q 135 [Old No. N (PBS/CGB) 140]
<b>Head/Registered Office</b>	: No. 310, High Level Road, Nawinna, Maharagama, Sri Lanka.
<b>Principal Business Activities</b>	: Cultivation, Manufacture and Sale of Rubber, Tea, Coconut, Cardamom & other agricultural produce.
<b>Ultimate Parent Enterprise</b>	: Richard Pieris & Company PLC No. 310, High Level Road, Nawinna, Maharagama, Sri Lanka.
<b>Board of Directors</b>	: Dr. Sena Yaddehige - Chairman Prof. R C W M R A Nugawela Dr. S S B D G Jayawardena Mr. Shaminda Yaddehige Mr. S S G Liyanage
<b>Stock Exchange Listing</b>	: The Ordinary Shares of the Company are listed with the Colombo Stock Exchange of Sri Lanka.
<b>Secretaries</b>	: Richard Pieris Group Services (Pvt) Limited No. 310, High Level Road, Nawinna, Maharagama, Sri Lanka. Telephone : + (94) 11 4310500
<b>Auditors</b>	: Messrs. Ernst & Young, Chartered Accountants, No. 201, De Saram Place, Colombo 10.
<b>Bankers</b>	: National Development Bank PLC Bank of Ceylon - Corporate Branch & Regional Branches Hatton National Bank PLC Peoples Bank Seylan Bank PLC Commercial Bank of Ceylon PLC Indian Overseas Bank/Indian Bank/State Bank of India Nations Trust Bank PLC DFCC Bank PLC
<b>Contact Details</b>	: Telephone : + (94) 11 4310500 Facsimile : + (94) 11 4310799 Internet : <a href="http://www.arpico.com">www.arpico.com</a> E-mail : <a href="mailto:kpl.rpk@arpico.com">kpl.rpk@arpico.com</a>



## KEGALLE PLANTATIONS PLC

NO. 310, HIGH LEVEL ROAD,  
NAWINNA, MAHARAGAMA,  
SRI LANKA.

TELEPHONE: + (94) 11 4310500

FAX: + (94) 11 4310799

E-MAIL: [KPL.RPK@ARPICO.COM](mailto:KPL.RPK@ARPICO.COM)

WEBSITE: [WWW.ARPICO.COM](http://WWW.ARPICO.COM)