

**BALANGODA PLANTATIONS PLC**

**110, Norris Canal Road - Colombo -10**

INTERIM FINANCIAL STATEMENT  
AS AT 30 June 2023



**BALANGODA PLANTATIONS PLC**  
**110, Norris Canal Road - Colombo -10**  
**Provisional Financial Statement for 06 months ended 30th June 2023**

**CORPORATE INFORMATION**

Company	: Balangoda Plantations PLC	
Legal Form	: Quoted Public Company	
Date of Incorporation	: 11th June 1992	
Company Registration No	: P Q 165	
Registered Office	: 110, Norris Canal Road, Colombo 10	
Board of Directors	: Mr.D.H.S Jayawardena Mr.M A N S Perera Mr.D Hasitha S Jayawardena Mr.C R Jansz Mr.K Dayaparan Dr.A.Shakthevale Mr.D.S.K.Amarasekera	- Chairman/MD - Executive Director - Non Executive Director - Non Executive Director - Non Executive Director - Independent Director - Independent Director
Secretary	: Mr. P A Jayatunga, 833, Sirimavo Bandaranaike Mawatha, Colombo 14. Telephone 2524734 / 2522871	
Registrars	: Central Depositor Systems (Pvt) Limited (CSD) Ground Floor,M & M Center 341/5, Kotte Road,Rajagiriya	
Auditors	: Messrs. KPMG Sri Lanka, 32A, Sir Mohomad Macan Markar Mawatha, Colombo 03	
Legal Advisors	: Prasanna Goonewardene & Company, Attorneys-at-Law, Solicitors & Notaries Public, 26/01, Colonel T. G. Jayawardena Mawatha, Colombo 3.	
Bankers	: Hatton National Bank PLC, Head Office Branch, 481, Darley Road, Colombo -10	
Managing Agents	: Melstacorp PLC 110,Norris Canal Road Colombo 10	

**BALANGODA PLANTATIONS PLC**

110, Norris Canal Road - Colombo -10

Statement of Financial Position for 06 months ended 30th June 2023

**STATEMENT OF FINANCIAL POSITION**

	As at 30/06/2023 Rs '000	As at 30/06/2022 Rs '000	(Audited) As at 31/12/2022 Rs '000
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Right of Use Assets	261,944	251,937	267,797
Immovable Leased Assets	3,593	10,016	6,819
Property, Plant and Equipment	1,488,414	1,543,242	1,475,122
Intangible Assets	1,401	1,937	1,672
Investment Property	404,651	328,881	389,051
Bearer Biological Assets	1,779,809	1,822,420	1,832,870
Consumable Biological Assets	2,686,880	2,461,548	2,586,879
Financial Assets Measured at FVOCI	315	197	192
	<b>6,627,007</b>	<b>6,420,178</b>	<b>6,560,402</b>
<b>Current Assets</b>			
Produce on Bearer Biological Assets	11,488	13,908	9,948
Inventories	599,003	591,645	675,600
Trade and Other Receivables	175,386	212,751	115,583
Amounts due from Related Company	33,441	25,159	26,699
Other Financial Assets Measured at Amortised Cost	-	454	-
Cash and Cash Equivalents	14,280	13,042	2,178,001
	<b>833,598</b>	<b>856,959</b>	<b>3,005,831</b>
<b>Total Assets</b>	<b>7,460,605</b>	<b>7,277,137</b>	<b>9,566,233</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Stated Capital	2,359,091	350,000	350,000
Revaluation Reserves	741,689	948,302	741,689
Timber Reserves	2,363,625	2,150,793	2,363,625
FVOCI Reserve	166	49	43
Accumulated Losses	(2,270,644)	(2,127,537)	(2,344,665)
Share Application Pending Allotment	-	-	2,169,642
<b>Total Equity</b>	<b>3,193,927</b>	<b>1,321,607</b>	<b>3,280,334</b>
<b>Non Current Liabilities</b>			
Interest Bearing Loans and Borrowings	736,589	2,865,328	2,753,826
Retirement Benefit Obligations	857,987	915,460	903,017
Deferred Tax Liability	1,140,386	472,196	1,140,386
Deferred Income	116,471	125,562	121,078
Lease Liability	300,914	281,761	301,721
	<b>3,152,347</b>	<b>4,660,307</b>	<b>5,220,028</b>
<b>Current Liabilities</b>			
Interest Bearing Loans and Borrowings	200,000	600,000	575,000
Lease Liability	2,200	1,160	2,552
Trade and Other Payables	423,247	475,559	413,585
Amounts due to Related Companies	769	10,401	926
Bank Overdraft	488,115	208,103	73,808
	<b>1,114,331</b>	<b>1,295,223</b>	<b>1,065,871</b>
<b>Total Liabilities</b>	<b>4,266,678</b>	<b>5,955,530</b>	<b>6,285,899</b>
<b>Total Equity and Liabilities</b>	<b>7,460,605</b>	<b>7,277,137</b>	<b>9,566,233</b>
<b>Net Assets per Share</b>	<b>67.56</b>	<b>55.92</b>	<b>47.00</b>

\*These interim financial statements are provisional and subject to audit.

It is certified that the Financial Statements as at 30th June 2023 have been prepared in compliance with the provisions of the Companies Act No. 7 of 2007.

R T Kodikara  
General Manager - Finance

The board of directors are responsible for the preparation and presentation of these Financial Statements. Approved & Signed for and on behalf of the board of Directors of Balangoda Plantations PLC by,

D H S Jayawardena  
Chairman / Managing Director

C R Jansz  
Director

10-Aug-2023

**BALANGODA PLANTATIONS PLC**  
**110, Norris Canal Road - Colombo -10**  
**Statement of Financial Position for 06 months ended 30th June 2023**

**STATEMENT OF COMPREHENSIVE INCOME**

	03 Months ended 30/06/2023 Rs. '000	03 Months ended 30/06/2022 Rs. '000	06 Months ended 30/06/2023 Rs. '000	06 Months ended 31/06/2022 Rs. '000	<b>(Audited)</b> 12 Months ended 31/12/2022 Rs. '000
<b>Revenue</b>	1,086,931	1,769,593	2,277,046	2,814,403	6,070,594
Cost of Sales	(1,000,155)	(1,151,289)	(1,992,763)	(2,010,726)	(4,475,491)
<b>Gross Profit/(Loss)</b>	86,776	618,304	284,283	803,677	1,595,103
Other Income	33,479	36,574	65,302	72,462	153,831
Gain on Changes in Fair Value of Biological Assets	46,643	53,902	101,539	97,298	218,670
Administrative Expenses	(48,809)	(31,193)	(78,567)	(47,272)	(123,077)
Other Expenses	(8,500)	-	(8,500)	-	(39,711)
<b>Results from Operating Activities</b>	109,589	677,587	364,057	926,165	1,804,816
Finance Income	340	126	4,520	220	4,700
Finance Costs	(95,187)	(217,419)	(200,010)	(314,103)	(812,895)
Net Finance Costs	(94,847)	(217,293)	(195,490)	(313,883)	(808,195)
<b>Profit/(Loss) Before Taxation</b>	14,742	460,294	168,567	612,282	996,621
Income Tax Expenses					(439,695)
<b>Profit/ (Loss) for the Period</b>	14,742	460,294	168,567	612,282	556,926
<b>Other Comprehensive Income / (Expenses)</b>					
Gain from Fair Valuation - Assets Transferred from PPE to Investment Property					72,942
Actuarial Gain/(Loss) on Retirement Benefit Obligations		-			(206,613)
Deferred Tax Charge on Revaluation Surplus					(21,882)
Deferred Tax on Actuarial Gain/(Loss) on Retirement Benefit Obligation					(196)
Net Change in the Fair Value of Financial Assets Measured at FVOCI	50	(116)	123	(190)	(196)
<b>Total Other Comprehensive Income/(Expense)</b>	50	(116)	123	(190)	(155,749)
<b>Total Comprehensive Income/ (Expense)</b>	14,792	460,178	168,690	612,092	401,177
<b>Basic Profit (Loss) per Share</b>	0.31	19.47	3.57	25.90	23.56

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**BALANGODA PLANTATIONS PLC**  
**110, Norris Canal Road - Colombo -10**  
**Provisional Financial Statement for 06 months ended 30 June 2023**

**STATEMENT OF CHANGES IN EQUITY**

	Stated Capital <i>Rs.'000</i>	Revaluation Reserves <i>Rs.'000</i>	Timber Reserves <i>Rs.'000</i>	Available for Sale Reserves <i>Rs.'000</i>	Pending Allotment <i>Rs.'000</i>	Retained Profit/(Loss) <i>Rs.'000</i>	Total Equity <i>Rs.'000</i>
Balance as at 31st December 2021	350,000	948,302	2,150,793	240		(2,739,820)	709,515
Net Profit/(Loss) for the period						612,282	612,282
Transferred to Timber Reserve							
Other Comprehensive Income				(190)			(190)
Balance as at 30th June 2022	350,000	948,302	2,150,793	50	-	(2,127,538)	1,321,607
Balance as at 31st December 2022	350,000	741,689	2,363,625	43	2,169,642	(2,344,665)	3,280,334
Net Profit/(Loss) for the period						168,567	168,567
Transferred to Timber Reserve							-
Other Comprehensive Income				123			123
Transferred to Right Issue	2,009,091				(2,009,091)		-
Refund of Unaccepted Shares Applications					(160,551)		(160,551)
Dividend Paid						(94,545)	(94,545)
Balance as at 30th June 2023	2,359,091	741,689	2,363,625	166	-	(2,270,643)	3,193,928

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# BALANGODA PLANTATIONS PLC

Provisional Financial Statement for 06 months ended 30 June 2023

110, Norris Canal Road - Colombo -10

## STATEMENT OF CASHFLOW

	As at 30/06/2023 Rs. '000	(Audited) As at 31/12/2022 Rs. '000
<b>Cash Flows From Operating Activities</b>		
Loss Before Taxation	168,567	996,622
<b>Adjustments for</b>		
Depreciation and Amortization	96,790	223,628
Impairment of Immature Plantation- Rubber	8,500	20,163
Write Off of Bearer Biological Assets	-	7,097
Provision for Write off of other Receivables	-	12,450
Gain on Disposal of Property, Plant and Equipment	(6,350)	(10,050)
Interest Income	(4,520)	(4,700)
Provision for Retirement Benefit Obligations	45,126	165,102
Amortization of Government Grants	(4,607)	(9,214)
Interest Expenses	200,010	812,895
Fair Value Gain on Investment properties	(15,600)	(40,404)
Gain on Changes in Fair Value of Biological Assets	(100,000)	(218,670)
<b>Operating Profit before Working Capital Changes</b>	<b>387,916</b>	<b>1,954,919</b>
<b>Working Capital Changes</b>		
Decrease/ (Increase) in inventories	75,057	(239,923)
(Increase) / Decrease in Trade and Other Receivables	(59,802)	(9,464)
Decrease/ (Increase) in Amounts Due From Related Companies	(6,742)	(11,207)
Increase / (Decrease) in Trade and Other Payables	9,662	(69,261)
Increase / (Decrease) in Amounts Due to Related Companies	(157)	(6,380)
<b>Cash Generated from Operations</b>	<b>405,934</b>	<b>1,618,684</b>
Gratuity Paid	(90,155)	(116,504)
Interest Paid	(33,734)	(38,699)
Tax Paid	-	(7,318)
<b>Net Cash Generated from / (Used in) Operating Activities</b>	<b>282,045</b>	<b>1,456,163</b>
<b>Cash Flows From Investing Activities</b>		
Interest Received	4,520	402
Purchase of Property, Plant and Equipment	(19,933)	(41,482)
Acquisition of Intangible Assets	-	(25)
Acquisition of Investment Property	-	(1,200)
Investment in Immature Bearer Biological Assets	(36,239)	(90,827)
Proceeds from Disposal of Property, Plant And Equipment	6,350	10,050
Disposal of other Financial Assets Measured at Amortised Cost	-	454
<b>Net Cash Used In Investing Activities</b>	<b>(45,302)</b>	<b>(122,628)</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from Long Term Borrowings	-	50,000
Repayment of Long Term Borrowings	(2,534,091)	(951,593)
Repayment of Lease Liabilities	(25,582)	(40,377)
Cash Proceeds from Right Issue	-	2,169,642
Refund of Unaccepted Shares Applications	(160,551)	
Dividend Paid	(94,546)	
<b>Net Cash Generated from Financing Activities</b>	<b>(2,814,770)</b>	<b>1,227,672</b>
Net Decrease in Cash and Cash Equivalents	(2,578,027)	2,561,207
Cash and Cash Equivalents at Beginning of the Year	2,104,192	(457,015)
Cash and Cash Equivalents at End of the Year	<b>(473,835)</b>	<b>2,104,192</b>

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**BALANGODA PLANTATIONS PLC**  
**110, Norris Canal Road - Colombo -10**  
**Provisional Financial Statement for 06 months ended 30 June 2023**

**NOTE TO THE FINANCIAL STATEMENT**

	06 Months ended 30/06/2023	06 Months ended 30/06/2022	12 Months ended 31/12/2022
<b>01</b> Market Price Per Share			
Market Value of Share			
Highest (for the period)	88.00	42.00	139.00
Lowest (for the period)	60.00	13.40	13.40
Last Traded Price (for the period)	63.20	33.00	82.00
<b>02</b> Market Capitalization & Ratios			
Market Capitalization (Rs. '000)	2,987,654	779,988	1,938,152
Float adjusted Market Capitalization (Rs. '000)	737,641	322,823	802,141
Price Earning Ratio (times)	17.72	1.27	3.48

The Float adjusted market capitalization of the company falls under option 5 of Rule 7.13.1(a) of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option.

- 03** There was no change to the Accounting Policies and methods of computation since the publication of the Annual Report 2021 and These financial statements comply with the Sri Lanka Accounting Standards (SLFRS/LKAS) and the Statements of Recommended Practices (SoRP) and provide the information required by the Colombo Stock Exchange and LKAS 34.
- 04** Other than contingent liabilities which may arise from fair value adjustments, there has not been a significant change in the nature of contingent assets and contingent liabilities which were disclosed in the Annual Report for the year ended 31 December 2022.
- 05** No circumstances have arisen since the Balance Sheet date, which would require adjustments to or disclosure in the financial statements
- 06** 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 19th December 2012. Subsequently, the amendments to the SoRP along with the modification to the title as Statement of Alternative Treatment (SoAT) were approved by the Council on 21st August 2013.
- 07** Amendment to LKAS 16 and LKAS 41, on Bearer plants, harvestable biological assets growing on the bearer plants are measured at their fair value less cost to sell and accounted retrospectively
- 08** The aggregate value of the non-recurrent Related Party Transaction of the loans of Rs.937 Mn obtained from Melstacorp PLC has exceeded 10% of equity.
- 09** Stated Capital of Balangoda Plantations PLC amount to Rs.2,359,090,865 represented by 47,272,726 ordinary shares and a Golden share which has special rights held by the Secretary to the Treasury

# BALANGODA PLANTATIONS PLC

110, Norris Canal Road - Colombo -10

Provisional Financial Statement for 06 months ended 30 June 2023

## ADDITIONAL NOTE

The Names and the Numbers of shares held be the 20 largest holders of voting and non-voting shares and the percentage of such shares held - 30th June 2023

	NAME	NO. OF SHARES	%
1	MELSTACORP PLC	35,601,185	75.31%
2	SANDWAVE LIMITED	1,260,279	2.67%
3	J.B. COCOSHELL (PVT) LTD	615,092	1.30%
4	SEYLAN BANK PLC/MOHAMED MUSHTAQ FUAD	471,546	1.00%
5	SEYLAN BANK PLC/RIZMY AHAMED RISHARD	278,427	0.59%
6	SAMPATH BANK PLC/MR. GERARD SHAMIL NIRANJAN PEIRIS & MRS. INDRANI ROSHANI PEIRIS	258,000	0.55%
7	HATTON NATIONAL BANK PLC/MUSHTAQ MOHAMED FUAD	223,007	0.47%
8	DIALOG FINANCE PLC/F.F. HANIFFA	213,032	0.45%
9	DIALOG FINANCE PLC/ M.M. FUAD	199,400	0.42%
10	MACKSONS HOLDINGS ( PVT ) LTD	189,900	0.40%
11	HATTON NATIONAL BANK PLC/ALMAS HOLDINGS (PRIVATE) LIMITED	186,881	0.40%
12	ALMAS HOLDINGS (PRIVATE) LIMITED	125,000	0.26%
13	COCOSHELL ACTIVATED CARBON COMPANY (PRIVATE) LIMITED	120,400	0.25%
14	MR. A.K. PALLIYA GURUGE DON (DECEASED)	108,000	0.23%
15	HATTON NATIONAL BANK PLC/RAVINDRA ERLE RAMBUKWELLE	103,000	0.22%
16	MR. M.S.F. HAQQUE	102,396	0.22%
17	MR. K.D.Y. PATHIRAJA	100,000	0.21%
18	MR. L.D.S. CHANDRASIRI	100,000	0.21%
19	LOTUS GLOBAL INVESTMENTS LTD	100,000	0.21%
20	SEYLAN BANK PLC/MOHAMED SUBAIR FOUZAL HAQQUE	100,000	0.21%
		<b>40,455,545</b>	<b>85.58%</b>
	Other Shareholders	6,817,181	14.42%
	<b>TOTAL</b>	<b>47,272,726</b>	<b>100%</b>

Number of Public Shareholders - 18,586

The Public holding percentage - 24.69%

The float adjusted market capitalization as at 30 June 2023 737,641,391.20

A statement of each director's holding and Executive Director holding in shares of the entity at the end of each financial period 30 June 2023

Name	Non CDS	CDS	Total
Mr.D H S Jayawardena - Chairman/MD	-	-	-
Mr.D Hasitha S Jayawardena - Non Executive Director	-	-	-
Mr.C R Jansz - Non Executive Director	-	-	-
Mr.K Dayaparan - Non Executive Director	-	-	-
Mr.M A N S Perera - Executive Director	-	-	-
Dr.A.Shakthevale- Independent Director	-	-	-
Mr.D S K Amarasekera - Independent Director	-	-	-
<b>CEO'S Shareholding as at 30th June 2023</b>			
Mr. D D Wekunagoda	-	-	-

Number of shares representing the Entity's stated Capital

**BALANGODA PLANTATIONS PLC**  
**110, Norris Canal Road - Colombo -10**  
**Provisional Financial Statement for 06 months ended 30 June 2023**

**SEGMENT INFORMATION**

<b>REVENUE</b>						
<b>Sale of Goods</b>	As at 30/06/2023	As at 30/06/2022	As at 30/06/2023	As at 30/06/2022	As at 30/06/2023	As at 30/06/2022
<b>Segmental Information</b>	<b>Rs. '000</b>					
<b>Segment</b>	<b>Tea</b>	<b>Tea</b>	<b>Rubber</b>	<b>Rubber</b>	<b>Total</b>	<b>Total</b>
<b>(a) Segment Revenue</b>						
Revenue	2,085,996	2,479,289	191,050	335,114	2,277,046	2,814,403
Cost of Sales	(1,739,853)	(1,762,585)	(252,910)	(248,141)	(1,992,763)	(2,010,726)
Segment Results	346,143	716,704	(61,860)	86,973	284,283	803,677
<b>Unallocated</b>						
Other Operating Income					65,302	72,462
Administrative Expenses					(78,567)	(47,272)
Other Expenses					(8,500)	-
Finance Cost					(195,490)	(313,883)
Gain on Change in Fair Value of Biological Asset					101,539	97,298
Profit/(Loss) before Income Tax Expense					<b>168,567</b>	<b>612,282</b>
Less: Taxation					-	-
<b>Profit/(Loss) for the Period</b>					<b>168,567</b>	<b>612,282</b>
<b>(b) Segment Assets</b>						
Non Current Assets	2,056,399	2,009,757	1,808,192	1,866,121	3,864,591	3,875,878
Current Assets	724,915	726,448	72,552	80,463	797,467	806,911
	<b>2,781,314</b>	<b>2,736,205</b>	<b>1,880,744</b>	<b>1,946,584</b>	<b>4,662,058</b>	<b>4,682,789</b>
<b>Unallocated</b>						
Non Current Assets				-	2,762,416	2,544,300
Current Assets					36,131	50,048
Total Assets					<b>7,460,605</b>	<b>7,277,137</b>
<b>Segment Liabilities</b>						
Non Current Liabilities	645,744	804,553	212,243	110,907	857,987	915,460
Current Liabilities	302,338	362,323	64,932	79,089	367,270	441,412
Total Liabilities	<b>948,082</b>	<b>1,166,876</b>	<b>277,175</b>	<b>189,996</b>	<b>1,225,257</b>	<b>1,356,872</b>
<b>Unallocated</b>						
Non Current Liabilities					2,294,360	3,744,846
Current Liabilities					747,061	853,812
Total Liabilities					<b>4,266,678</b>	<b>5,955,530</b>
<b>Equity</b>					<b>3,193,927</b>	<b>1,321,607</b>

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