

BALANGODA PLANTATIONS PLC

110, Norris Canal Road - Colombo -10

Company Reg. No: P Q 165

INTERIM FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2023



BALANGODA PLANTATIONS PLC

INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

CORPORATE INFORMATION

Company	: Balangoda Plantations PLC	
Legal Form	: Public Listed 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.C R Jansz Mr.D Hasitha S Jayawardena Mr.M A N S Perera Mr.K Dayaparan Dr.A.Shakthevale Mr.D.S.K.Amarasekera	- Chairman - Non Executive Director - Non Executive Director - 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 (CDS) Ground Floor, M & M Centre 341/5, Kotte Road, Rajagiriya.	
Auditors	: Messrs. KPMG (Chartered Accountants) 32A, Sir Mohomad Macan Markar Mawatha Colombo 03.	
Bankers	: Hatton National Bank PLC Ratnapura Branch Senanayake Mawatha Ratnapura	
Managing Agents	: Melstacorp PLC 110,Norris Canal Road Colombo 10.	

BALANGODA PLANTATIONS PLC

INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

STATEMENT OF FINANCIAL POSITION

As at ,	Unaudited 31/12/2023 Rs '000	Audited 31/12/2023 Rs '000
ASSETS		
Non Current Assets		
Right of Use Assets	398,966	267,797
Immovable Leased Assets	366	6,819
Property, Plant and Equipment	1,426,403	1,475,122
Intangible Assets	1,281	1,672
Investment Property	404,651	389,051
Bearer Biological Assets	1,842,837	1,832,870
Consumable Biological Assets	2,786,879	2,586,879
Financial Assets Measured at FVOCI	409	192
	6,861,792	6,560,402
Current Assets		
Produce on Bearer Biological Assets	6,487	9,948
Inventories	520,559	675,600
Trade and Other Receivables	135,808	115,583
Amounts due from Related Company	30,103	26,699
Cash and Cash Equivalents	21,571	2,178,001
	714,528	3,005,831
Total Assets	7,576,320	9,566,233
EQUITY AND LIABILITIES		
Equity		
Stated Capital	2,359,091	350,000
Revaluation Reserves	741,689	741,689
Timber Reserves	2,563,625	2,363,625
FVOCI Reserve	260	43
Accumulated Losses	(2,413,086)	(2,344,665)
Share Application Pending Allotment	-	2,169,642
Total Equity	3,251,579	3,280,334
Non Current Liabilities		
Interest Bearing Loans and Borrowings	540,034	2,753,826
Retirement Benefit Obligations	861,635	903,017
Deferred Tax Liability	1,197,614	1,140,386
Deferred Income	111,864	121,078
Lease Liability	444,828	301,721
	3,155,975	5,220,028
Current Liabilities		
Interest Bearing Loans and Borrowings	450,000	575,000
Lease Liability	4,134	2,552
Trade and Other Payables	361,146	413,585
Amounts due to Related Companies	949	926
Bank Overdraft	352,537	73,808
	1,168,766	1,065,871
Total Liabilities	4,324,741	6,285,899
Total Equity and Liabilities	7,576,320	9,566,233
Net Assets per Share	68.78	47.00

It is certified that the Financial Statements as at 31st December 2023 have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.

Sgd.

D S Heenatigalage
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 ;

Sgd.

C R Jansz
Director

Colombo, 27 February 2024

Sgd.

K Dayaparan
Director

BALANGODA PLANTATIONS PLC

INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Unaudited Quarter ended 31/12/2023 Rs. '000	Unaudited Quarter ended 31/12/2022 Rs. '000	Variance %	Unaudited Year ended 31/12/2023 Rs. '000	Audited Year ended 31/12/2022 Rs. '000	Variance %
Revenue	835,510	1,397,472	(40)	4,129,862	6,070,594	(32)
Cost of sales	(807,663)	(1,270,682)	(36)	(3,686,652)	(4,475,491)	(18)
Gross profit	27,847	126,790	(78)	443,210	1,595,103	(72)
Other income	39,415	58,972	(33)	136,530	153,831	(11)
Administrative expenses	(41,423)	(76,815)	(46)	(159,764)	(123,077)	30
Other expenses	(471)	-		(10,121)	(39,711)	-
Profit from operating activities	25,368	108,947	(77)	409,855	1,586,146	(74)
Gain on changes in fair value of biological assets	47,012	55,431	(15)	196,539	218,671	(10)
Finance income	378	99	282	5,194	4,700	11
Finance costs	(57,281)	(249,410)	(77)	(328,235)	(812,895)	(60)
Net Finance costs	(56,903)	(249,311)	(77)	(323,041)	(808,195)	(60)
Profit before taxation	15,477	(84,933)	(118)	283,353	996,622	(72)
Income tax expenses	-	-	-	(57,228)	(439,695)	
Profit/(Loss) for the period	15,477	(84,933)	(118)	226,125	556,927	(59)
Other comprehensive income / (Expenses)						
Actuarial Gain / (Loss) on Retirement Benefit Obligations	77,513	368,694	(79)	77,513	72,942	6
Deferred Tax Charge on Revaluation Surplus					(206,613)	
Deferred Tax on Actuarial Gain/(Loss) on Retirement Benefit Obligation					(21,883)	
Net change in the fair value of financial assets measured at FVOCI	(24)	(62)	(61)	217	(196)	(211)
Total other comprehensive income/(Expense)	77,489	368,632	(79)	77,730	(155,750)	(150)
Total comprehensive income	92,966	283,699	- 67.23	303,855	401,177	(24)
Basic earnings /(Loss) per Share	0.33	(3.59)		4.78	23.56	

BALANGODA PLANTATIONS PLC

INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

STATEMENT OF CHANGES IN EQUITY

	Stated Capital <i>Rs. '000</i>	Revaluation Reserves <i>Rs. '000</i>	Timber Reserves <i>Rs. '000</i>	FVOCI Reserves <i>Rs. '000</i>	Pending Allotment <i>Rs. '000</i>	Accumulated Loss <i>Rs. '000</i>	Total Equity <i>Rs. '000</i>
Balance as at 1st January 2022	350,000	948,302	2,150,793	240	-	(2,739,820)	709,515
Profit for the period						556,927	556,927
Other comprehensive Income		(206,613)		(196)		51,059	(155,750)
Transferred to timber Reserve			212,831			(212,831)	-
Pending Allotment					2,169,642		2,169,642
Balance as at 31st December 2022	350,000	741,689	2,363,624	44	2,169,642	(2,344,665)	3,280,334
Balance as at 1st January 2023	350,000	741,689	2,363,625	43	2,169,642	(2,344,665)	3,280,334
Profit for the period						226,125	226,125
Transferred to timber Reserve			200,000			(200,000)	-
Other comprehensive Income				217			217
Transferred to right Issue	2,009,091				(2,009,091)		-
Refund of unaccepted shares applications					(160,551)		(160,551)
Dividend paid						(94,546)	(94,546)
Balance as at 31st December 2023	2,359,091	741,689	2,563,625	260	-	(2,413,086)	3,251,579

BALANGODA PLANTATIONS PLC

INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

STATEMENT OF CASHFLOWS

For the 12 months ended	Unaudited 31/12/2023 Rs. '000	Audited 31/12/2022 Rs. '000
Cash Flows From Operating Activities		
Profit Before Taxation	283,353	996,621
Adjustments for		
Depreciation and Amortization	190,177	223,628
Impairment of Immature Plantation- Rubber	12,500	20,163
Write off 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	(5,194)	(4,700)
Provision for Retirement Benefit Obligations	135,824	165,102
Amortization of Government Grants	(9,213)	(9,213)
Interest Expenses	328,234	812,895
Change in Fair Value Gain on Investment properties	(15,600)	(40,404)
Gain on Changes in Fair Value of Biological Assets	(200,000)	(218,670)
Operating Profit before Working Capital Changes	713,731	1,954,919
Working Capital Changes		
Decrease/ (Increase) in inventories	158,503	(239,922)
(Increase) / Decrease in Trade and Other Receivables	(16,141)	(9,464)
Decrease/ (Increase) in Amounts Due From Related Companies	(3,404)	(11,207)
Increase / (Decrease) in Trade and Other Payables	(52,389)	(69,261)
Increase / (Decrease) in Amounts Due to Related Companies	22	(6,381)
Cash Generated from Operations	800,322	1,618,684
Retirement Benefit Obligations Paid	(177,205)	(116,504)
Interest Paid	(59,136)	(38,699)
Tax Paid		(7,318)
Net Cash Generated from / (Used in) Operating Activities	563,981	1,456,163
Cash Flows From Investing Activities		
Interest Received	1,061	402
Purchase of Property, Plant and Equipment	(43,066)	(41,482)
Acquisition of Intangible Assets	(152)	(25)
Acquisition of Investment Property	-	(1,200)
Investment in Immature Bearer Biological Assets	(96,909)	(90,827)
Proceeds from Disposal of Property, Plant And Equipment	6,350	10,050
Disposals of other Financial Assets Measured at Amortised Cost	-	454
Net Cash Generated from (Used In) Investing Activities	(132,716)	(122,628)
Cash Flows from Financing Activities		
Proceeds from Long Term Borrowings	-	50,000
Repayment of Long Term Borrowings	(2,555,143)	(951,593)
Repayment of Lease Liabilities	(56,183)	(40,377)
Cash Proceeds from Right Issue		2,169,642
Refund of Unaccepted Shares Applications	(160,552)	
Dividend Paid	(94,545)	
Net Cash Generated from/(Used In) Financing Activities	(2,866,423)	1,227,672
Net Increase (Decrease) in Cash and Cash Equivalents	(2,435,158)	2,561,207
Cash and Cash Equivalents at Beginning of the Period	2,104,192	(457,015)
Cash and Cash Equivalents at End of the Period (Note A)	(330,966)	2,104,192
Note A		
Cash and Cash Equivalents	21,571	2,178,000.00
Bank Overdraft	(352,537)	(73,808.00)
Cash and Cash Equivalents at End of the Period	(330,966)	2,104,192

BALANGODA PLANTATIONS PLC

INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS

01. Segmental Information

For the 12 months ended

	31/12/2023	31/12/2022	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
	Tea	Tea	Rubber	Rubber	Total	Total
Revenue	3,783,093	5,406,572	346,769	664,022	4,129,862	6,070,594
Cost of Sales	(3,225,282)	(3,947,549)	(461,370)	(527,942)	(3,686,652)	(4,475,491)
Segment Results	557,811	1,459,023	(114,601)	136,080	443,210	1,595,103
Unallocated						
Other Operating Income					136,530	153,831
Administrative Expenses					(159,764)	(123,077)
Other Expenses					(10,121)	(39,711)
Finance Cost					(323,041)	(808,195)
Gain on Change in Fair Value of Biological Asset					196,539	218,671
Profit Before Taxation					283,353	996,622
(b) Segment Assets						
As at	31/12/2023	31/12/2022	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Non Current Assets	2,101,915	2,044,407	1,797,885	1,850,374	3,899,800	3,894,781
Current Assets	620,599	730,420	59,271	78,354	679,870	808,774
	2,722,514	2,774,827	1,857,156	1,928,728	4,579,670	4,703,555
Unallocated						
Non Current Assets				-	2,961,992	2,665,621
Current Assets					34,658	2,197,057
Total Assets					7,576,320	9,566,233
Segment Liabilities						
Non Current Liabilities	1,091,778	1,029,144	201,994	175,594	1,293,772	1,204,738
Current Liabilities	294,579	315,606	67,514	80,358	362,093	395,964
Total Liabilities	1,386,357	1,344,750	269,508	255,952	1,655,865	1,600,702
Unallocated						
Non Current Liabilities					1,862,203	4,015,290
Current Liabilities					806,673	669,907
Total Liabilities					4,324,741	6,285,899
Equity					3,251,579	3,280,334

BALANGODA PLANTATIONS PLC

INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS

- 02 These interim financial statements of the company for the twelve months ended 31st December were approved by the board of directors on 27th February 2024.
- 03 The interim Financial Statements have been prepared in accordance with the Accounting Policies set out in the most recent Annual Report and are in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting.
- 04 No circumstances have arisen since the Financial Position date, which would require adjustments to or disclosure in the financial statements.
- 05 The aggregate value of the non-recurrent Related Party Transaction of the loans of Rs.990 Mn obtained from Melstacorp PLC has exceeded 10% of equity.
- 06 Stated Capital of Balangoda Plantations PLC amount to Rs.2,789,090,834 represented by 47,272,726 ordinary shares and a Golden share which has special rights held by the Secretary to the Treasury.
- 07 There has not been a significant change in the nature of the contingent liabilities which were disclosed in the Annual Report for the year ended 31 December 2022.

INVESTOR INFORMATION

01 Market Price Per Share	Quarter ended 31/12/2023	Quarter ended 31/12/2022
Highest Price Rs.	88.00	139.00
Lowest Price Rs.	48.00	13.40
Last Traded Price Rs.	50.80	82.00

02 Directors' shareholding

A statement of each director's holding and Executive Director holding in shares of the entity at the end of each financial period 31st December 2023

Name	As at 31/12/2023	As at 31/12/2022
Mr.D H S Jayawardena - Chairman	-	-
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	-	-
CEO'S Shareholding as at 31st December 2023		
Mr. D D Wekunagoda	-	-

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INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

INVESTOR INFORMATION

03 Twenty (20) largest shareholders as at 31st December 2023

	NAME	No. of shares	% of issued capital
01	Melstacorp Plc	35,268,300	74.61%
02	Sandwave Limited	1,329,460	2.81%
03	J.B. Cocoshell (Pvt) Ltd	615,092	1.30%
04	Hatton National Bank PLC/Almas Holdings (Private) Limited	505,771	1.07%
05	Seylan Bank Plc/Mohamed Mushtaq Fuad	431,456	0.91%
06	Mr. R.A. Rishard	267,693	0.57%
07	Sampath Bank Plc/Mr. Gerard Shamil Niranjan Peiris & Mrs. Indrani	258,000	0.55%
08	Hatton National Bank Plc/Mushtaq Mohamed Fuad	242,361	0.51%
09	Dialog Finance Plc/F.F. Haniffa	201,100	0.43%
10	Dialog Finance Plc/ M.M. Fuad	199,400	0.42%
11	Almas Holdings (Private) Limited	131,738	0.28%
12	Cocoshell Activated Carbon Company (Private) Limited	120,400	0.25%
13	Mr. A.K. Palliya Guruge Don (Deceased)	108,000	0.23%
14	Hatton National Bank Plc/Ravindra Erle Rambukwelle	103,000	0.22%
15	Mr. M.S.F. Haqqe	102,396	0.22%
16	Mr. L.D.S. Chandrasiri	100,000	0.21%
17	Seylan Bank Plc/Mohamed Subair Fouzal Haqqe	100,000	0.21%
18	Mr. M.R. Rasheed	93,500	0.20%
19	Dr. A.A.M. Dharmadasa	90,000	0.19%
20	Hatton National Bank Plc/Arunasalam Sithampalam	89,442	0.19%
		40,357,109	85.37%
	Other Shareholders	6,915,617	14.63%
	TOTAL	47,272,726	100%

	31/12/2023	31/12/2022
Public holding % of the stated capital	25.39	41.39
Number of Shareholders representing public shareholdings	18,653	18,681
Float adjusted market capitalization (Rs. '000)	609,729	802,181

Minimum public holding

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.