

**TALAWAKELLE TEA ESTATES PLC**

**Interim Financial Statements**

**Three months ended 30th June 2019**

**Talawakelle Tea Estates PLC**  
**STATEMENT OF PROFIT OR LOSS**

Group Audited Year ended 31.03.2019 Rs.'000		Group		% Change
		Unaudited 03 months ended 30.06.2019 Rs.'000	Unaudited 03 months ended 30.06.2018 Rs.'000	
4,025,913	Revenue	884,664	1,121,053	-21%
(3,431,906)	Cost of Sales	(833,601)	(1,027,676)	-19%
594,007	<b>Gross profit</b>	<b>51,062</b>	93,376	-45%
7,457	Change in Fair Value of Biological Assets	-	-	-
40,200	Other Income and Gains	5,451	3,277	66%
(201,338)	Administrative Expenses	(51,192)	(48,236)	6%
440,326	<b>Results From Operating Activities</b>	<b>5,321</b>	48,417	
90,915	Finance Income	27,964	20,059	39%
(16,047)	Finance Expenses	(1,269)	(4,933)	-74%
(31,512)	Interest Paid to Government and Other Finance Leases	(9,722)	(7,587)	28%
43,356	Net Finance Income/ (Expenses)	16,972	7,539	
483,681	<b>Profit Before Tax</b>	<b>22,293</b>	55,957	-60%
(70,966)	Income Tax expenses	(21,658)	(8,261)	(>100%)
412,715	<b>Profit for the period</b>	<b>635</b>	47,695	
	<b>Attributable to :</b>			
404,837	Equity Holders of the Parent	4,950	46,271	
7,878	Non-Controlling Interest	(4,316)	1,425	
412,715	<b>Net profit /(Loss) for the period</b>	<b>635</b>	47,695	
17.05	Basic earnings per share (Rs.)	0.21	1.95	
8.50	Dividend per share (Rs.)	-	2.50	
	<b>STATEMENT OF COMPREHENSIVE INCOME</b>			
412,715	<b>Profit for the period</b>	<b>635</b>	47,695	
	<b>Other Comprehensive Income</b>			
	<b>Other Comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>			
(96,899)	Actuarial Gain/(Loss) on Defined Benefit Obligation	-	-	
13,566	Income Tax Effect	-	-	
(83,333)	<b>Other Comprehensive income for the period, net of tax</b>	-	-	
329,382	<b>Total comprehensive income for the period, net of tax</b>	<b>635</b>	47,695	
	<b>Attributable to:</b>			
321,492	Equity Holders of the Parent	4,950	46,271	
7,890	Non- Controlling Interest	(4,316)	1,425	
329,382		<b>635</b>	47,695	

Figures in brackets indicate deductions

**Talawakelle Tea Estates PLC**
**STATEMENT OF PROFIT OR LOSS**

Company Audited Year ended 31.03.2019 Rs.'000		Company		% Change
		Unaudited 03 months ended 30.06.2019 Rs.'000	Unaudited 03 months ended 30.06.2018 Rs.'000	
3,957,641	Revenue	880,668	1,102,590	-20%
(3,394,668)	Cost of Sales	(824,273)	(1,017,577)	-19%
562,973	<b>Gross profit</b>	<b>56,395</b>	85,013	-34%
7,457	Change in Fair Value of Biological Assets	-	-	-
42,130	Other Income and Gains	10,714	3,277	>100%
(190,341)	Administrative Expenses	(47,802)	(45,016)	6%
422,219	<b>Results From Operating Activities</b>	<b>19,308</b>	43,273	
90,730	Finance Income	27,790	20,059	39%
(15,210)	Finance Expenses	(1,269)	(3,997)	-68%
(31,512)	Interest Paid to Government and Other Finance Leases	(9,722)	(7,587)	28%
44,009	Net Finance Income/ (Expenses)	16,798	8,475	
466,228	<b>Profit Before tax</b>	<b>36,106</b>	51,748	-30%
(68,043)	Income Tax Expenses	(19,970)	(7,201)	(>100%)
398,185	<b>Profit /(Loss) for the period</b>	<b>16,136</b>	44,548	
	<b>Attributable to :</b>			
398,185	Equity Holders of the Parent	16,136	44,548	
-	- Non-Controlling Interest	-	-	
398,185	<b>Net profit /(Loss) for the period</b>	<b>16,136</b>	44,548	
16.77	Basic earnings per share (Rs.)	0.68	1.88	
8.50	Dividend per share (Rs.)	-	2.50	

**STATEMENT OF COMPREHENSIVE INCOME**

398,185	<b>Profit/ (Loss) for the period</b>	<b>16,136</b>	44,548
	<b>Other Comprehensive Income</b>		
	<b>Other Comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>		
(96,927)	Actuarial Gain/(Loss) on Defined Benefit Obligation	-	-
13,570	Income tax effect	-	-
(83,357)	<b>Other Comprehensive income for the period, net of tax</b>	-	-
314,827	<b>Total comprehensive income for the period, net of tax</b>	<b>16,136</b>	44,548
	<b>Attributable to:</b>		
314,827	Equity Holders of the Parent	16,136	44,548
-	Non- controlling Interest	-	-
314,827		<b>16,136</b>	44,548

Figures in brackets indicate deductions

**Talawakelle Tea Estates PLC**
**STATEMENT OF FINANCIAL POSITION**

Group Audited As at 31.03.2019 Rs.'000	Company Audited As at 31.03.2019 Rs.'000		Group		Company	
			Unaudited As at 30.06.2019 Rs.'000	Unaudited As at 30.06.2018 Rs.'000	Unaudited As at 30.06.2019 Rs.'000	Unaudited As at 30.06.2018 Rs.'000
		<b>ASSETS</b>				
		<b>Non Current Assets</b>				
154,735	154,735	Right-to-use of Land	153,264	159,202	153,264	159,202
-	-	Right-to-use of Asset	37,180	-	37,180	-
		Immovable estate assets on finance lease (other than Right to use of Land)	59,209	61,481	59,209	61,481
59,777	59,777					
1,074,021	758,718	Tangible assets other than Immature/Mature Plantations	1,073,044	1,075,194	761,733	748,112
1,765,545	1,765,545	Immature/Mature Plantations	1,772,349	1,779,809	1,772,349	1,779,809
273,159	273,159	Consumable Biological Assets	275,650	253,208	275,650	253,208
4,319	-	Development Cost	4,081	5,030	-	-
-	134,933	Investments in Subsidiaries	-	-	134,933	134,933
11,236	-	Deferred Tax Asset	11,227	13,404	-	-
3,342,791	3,146,866		3,386,005	3,347,328	3,194,318	3,136,744
		<b>Current Assets</b>				
8,456	8,456	Produce on Bearer Biological Assets	8,456	12,124	8,456	12,124
452,416	450,302	Inventories	582,175	339,039	580,062	336,696
203,694	190,888	Trade and Other Receivables	181,113	176,513	168,023	155,092
2,004	2,004	Amounts due from Related Companies	9,742	1,591	2,314	1,591
994,016	976,516	Short Term Investments	852,088	891,394	845,588	891,394
19,122	17,728	Cash and Bank Balances	19,158	22,425	16,009	20,540
1,679,708	1,645,894		1,652,732	1,443,087	1,620,452	1,417,438
5,022,499	4,792,760	<b>TOTAL ASSETS</b>	<b>5,038,737</b>	<b>4,790,415</b>	<b>4,814,770</b>	<b>4,554,182</b>
		<b>EQUITY AND LIABILITIES</b>				
		<b>Equity</b>				
350,000	350,000	Stated Capital	350,000	350,000	350,000	350,000
2,291,936	2,249,583	Revenue Reserves	2,296,885	2,159,213	2,265,718	2,121,803
2,641,936	2,599,583	<b>Equity attributable to equity holders of the parent</b>	<b>2,646,885</b>	<b>2,509,213</b>	<b>2,615,718</b>	<b>2,471,803</b>
176,828	-	Non-Controlling Interests	167,456	172,218	-	-
2,818,765	2,599,583	<b>Total Equity</b>	<b>2,814,341</b>	<b>2,681,431</b>	<b>2,615,718</b>	<b>2,471,803</b>
		<b>Non Current Liabilities &amp; Deferred Income</b>				
17,582	17,582	Interest Bearing Loans & Borrowings	15,716	84,845	15,716	84,845
969,573	967,294	Retiring Benefit Obligations	992,631	830,223	990,530	828,286
204,222	204,222	Deferred Tax Liability	216,480	159,177	216,480	159,177
144,826	144,826	Deferred Income	143,501	149,190	143,501	149,190
185,425	185,425	Liability to make Lease Payment after one year	185,193	186,148	185,193	186,148
-	-	Other Finance Lease after one year	29,876	-	29,876	-
1,521,628	1,519,349		1,583,398	1,409,582	1,581,296	1,407,646
		<b>Current Liabilities</b>				
616,830	608,084	Trade and Other Payables	578,571	598,694	564,648	584,770
22,444	22,444	Interest Bearing Loans & Borrowings	18,929	59,992	18,929	49,242
928	928	Liability to make Lease Payment within one year	928	821	928	821
-	-	Other Finance Lease within one year	7,827	-	7,827	-
14,250	14,716	Amounts due to Related Companies	19,443	14,265	10,122	14,756
27,656	27,656	Bank Overdraft	15,301	25,630	15,301	25,143
682,107	673,828		640,999	699,402	617,755	674,733
2,203,736	2,193,177	<b>TOTAL LIABILITIES</b>	<b>2,224,396</b>	<b>2,108,984</b>	<b>2,199,052</b>	<b>2,082,379</b>
5,022,500	4,792,760	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5,038,737</b>	<b>4,790,415</b>	<b>4,814,770</b>	<b>4,554,182</b>
111.24	109.46	Net assets per share	111.45	105.65	110.14	104.08

The Statements of Financial Position as at 30th June 2019 and the Statements of Profit or Loss, Statements of Comprehensive Income, the Statements of Changes in Equity and Cash flow statements for the three months then ended are drawn up from the unaudited Financial Statements of the Company; and its subsidiaries and provide the information required by the Colombo Stock Exchange

It is certified that the financial statements have been prepared in compliance with the requirements of Companies Act No.7 of 2007

(sgd)

Dilantha Seneviratne  
Director/ Chief Executive Officer

Signed on behalf of the Board of Directors of Talawakelle Tea Estates PLC

(sgd)

Mohan Pandithage  
Chairman  
31st July 2019

(sgd)

Roshan Rajadurai  
Managing Director

**Talawakelle Tea Estates PLC**
**STATEMENT OF CHANGES IN EQUITY**

<u>Group</u>	Attributable to equity holders of the parent							
	Stated Capital	Revenue Reserves				Total	Non Controlling Interest	Total Equity
		Rs.000	Retained Earnings Rs.000	Timber Reserve Rs.000	Biological Crop Reserve Rs.000			
Balance as at 01st April 2018	350,000	1,980,539	179,655	12,124	2,172,318	170,793	2,693,111	
Profit for the period	-	46,271	-	-	46,271	1,425	47,695	
Other comprehensive income	-	-	-	-	-	-	-	
Transferred to the timber reserve	-	-	-	-	-	-	-	
Realised gain on timber sales	-	-	-	-	-	-	-	
Transferred to the biological crop reserve	-	-	-	-	-	-	-	
Dividends Paid	-	(59,375)	-	-	(59,375)	-	(59,375)	
Balance as at 30th June 2018	350,000	1,967,434	179,655	12,124	2,159,213	172,218	2,681,431	
<b>Balance as at 01st April 2019</b>	<b>350,000</b>	<b>2,097,175</b>	<b>186,304</b>	<b>8,456</b>	<b>2,291,935</b>	<b>176,828</b>	<b>2,818,763</b>	
<b>Profit for the period</b>	-	<b>4,950</b>	-	-	<b>4,950</b>	<b>(4,316)</b>	<b>635</b>	
<b>Other comprehensive income</b>	-	-	-	-	-	-	-	
<b>Transferred to the timber reserve</b>	-	-	-	-	-	-	-	
<b>Realised gain on timber sales</b>	-	-	-	-	-	-	-	
<b>Transferred to the biological crop reserve</b>	-	-	-	-	-	-	-	
<b>Dividends Paid</b>	-	-	-	-	-	<b>(5,057)</b>	<b>(5,057)</b>	
<b>Balance as at 30th June 2019</b>	<b>350,000</b>	<b>2,102,125</b>	<b>186,304</b>	<b>8,456</b>	<b>2,296,885</b>	<b>167,456</b>	<b>2,814,341</b>	
<u>Company</u>	Revenue Reserves							
Stated Capital	Revenue Reserves				Total	Non Controlling Interest	Total Equity	
	Rs.000	Retained Earnings Rs.000	Timber Reserve Rs.000	Biological Crop Reserve Rs.000				Rs.000
Balance as at 01st April 2018	350,000	1,944,852	179,655	12,124	2,136,631	-	2,486,631	
Profit for the period	-	44,548	-	-	44,548	-	44,548	
Other comprehensive income	-	-	-	-	-	-	-	
Transferred to the timber reserve	-	-	-	-	-	-	-	
Realised gain on timber sales	-	-	-	-	-	-	-	
Transferred to the biological crop reserve	-	-	-	-	-	-	-	
Dividends Paid	-	(59,375)	-	-	(59,375)	-	(59,375)	
Balance as at 30th June 2018	350,000	1,930,024	179,655	12,124	2,121,803	-	2,471,803	
<b>Balance as at 01st April 2018</b>	<b>350,000</b>	<b>2,054,823</b>	<b>186,304</b>	<b>8,456</b>	<b>2,249,583</b>	-	<b>2,599,583</b>	
<b>Profit for the period</b>	-	<b>16,136</b>	-	-	<b>16,136</b>	-	<b>16,136</b>	
<b>Other comprehensive income</b>	-	-	-	-	-	-	-	
<b>Transferred to the timber reserve</b>	-	-	-	-	-	-	-	
<b>Realised gain on timber sales</b>	-	-	-	-	-	-	-	
<b>Transferred to the biological crop reserve</b>	-	-	-	-	-	-	-	
<b>Dividends Paid</b>	-	-	-	-	-	-	-	
<b>Balance as at 30th June 2019</b>	<b>350,000</b>	<b>2,070,958</b>	<b>186,304</b>	<b>8,456</b>	<b>2,265,718</b>	-	<b>2,615,718</b>	

Figures in brackets indicate deductions

**Talawakelle Tea Estates PLC**  
**STATEMENT OF CASH FLOW**

Group Audited	Company Audited	Year ended	CASH FLOWS FROM OPERATING ACTIVITIES	Group		Company	
				Unaudited 03 months ended	Unaudited 03 months ended	Unaudited 03 months ended	Unaudited 03 months ended
31.03.2019	31.03.2019		30.06.2019	30.06.2018	30.06.2019	30.06.2018	
Rs.'000	Rs.'000		Rs.'000	Rs.'000	Rs.'000	Rs.'000	
483,681	466,228	Net profit before Taxation	22,293	55,957	36,106	51,748	
		<b>ADJUSTMENTS FOR</b>					
143,884	143,437	Provision for defined benefit plan costs	53,075	42,710	53,046	42,605	
169,061	151,755	Depreciation/amortisation	49,060	45,110	44,758	40,301	
(5,300)	(5,300)	Amortisation of grants	(1,325)	(1,325)	(1,325)	(1,325)	
-	(1,931)	Dividend Income	-	-	(5,263)	-	
16,047	15,210	Finance costs	1,269	4,933	1,269	3,997	
31,512	31,512	Government Lease Interest	9,722	7,587	9,722	7,587	
(11,304)	(11,304)	Profit on disposal of assets	(4,271)	-	(4,271)	-	
(7,457)	(7,457)	(Gains)/ Loss on Fair Value of Biological Assets	-	-	-	-	
(16,111)	(16,111)	Profit on Sale of Trees	(252)	(98)	(252)	(98)	
2,425	2,425	Write off	-	-	-	-	
806,439	768,464	<b>Operating profit before working capital changes</b>	<b>129,572</b>	<b>154,873</b>	<b>133,791</b>	<b>144,816</b>	
2,468	2,238	(Increase)/Decrease in Inventories	(129,759)	115,845	(129,759)	115,845	
(5,738)	(6,846)	(Increase)/Decrease in Trade and Other Receivables	22,581	20,317	22,865	27,824	
(38,966)	(34,916)	Increase/(Decrease) in Trade and Other Payables	101,096	(7,129)	96,982	(9,293)	
(189)	(189)	(Increase)/Decrease in Amounts due from Related Companies	(7,738)	223	(310)	223	
3,574	3,477	Increase/(Decrease) in Amounts due to Related Companies	5,193	3,589	(4,594)	3,517	
767,587	732,228	<b>Cash generated from operations</b>	<b>120,944</b>	<b>287,718</b>	<b>118,975</b>	<b>282,933</b>	
(16,047)	(15,210)	Finance costs paid	(1,269)	(4,933)	(1,269)	(3,997)	
(39,080)	(39,080)	Payment of Super Gain Tax/ESC / Income Tax / SRL	(5,783)	(6,799)	(5,783)	(6,799)	
(83,062)	(83,062)	Defined benefit plan costs paid	(29,810)	(24,311)	(29,810)	(24,311)	
629,397	594,876	<b>Net cash from operating activities</b>	<b>84,081</b>	<b>251,676</b>	<b>82,112</b>	<b>247,826</b>	
		<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
-	-	Grant Received	-	388	-	388	
-	1,931	Dividend Income Received	-	-	5,263	-	
22,253	22,253	Proceeds from Sale of Trees	252	98	252	98	
12,480	12,480	Proceeds from Disposal of Property, Plant & Equipment	4,271	-	4,271	-	
(56,337)	(56,337)	Field Development Expenditure	(31,151)	(9,996)	(31,151)	(9,996)	
(112,604)	(112,109)	Purchase of Property, Plant & Equipment	(21,994)	(41,414)	(21,922)	(41,414)	
(134,208)	(131,783)	<b>Net cash used in investing activities</b>	<b>(48,622)</b>	<b>(50,923)</b>	<b>(43,287)</b>	<b>(50,923)</b>	
		<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
(59,375)	(59,375)	Dividend Paid	(148,380)	-	(142,500)	-	
(32,957)	(32,957)	Payment of Government lease rentals	(8,594)	-	(8,594)	-	
-	-	Payment of Other Finance lease rentals	(2,642)	-	(2,642)	-	
-	-	Proceeds from loans	-	-	-	-	
(121,974)	(105,850)	Repayment of loans	(5,380)	(17,163)	(5,380)	(11,788)	
(214,306)	(198,182)	<b>Net cash from financing activities</b>	<b>(164,995)</b>	<b>(17,163)</b>	<b>(159,115)</b>	<b>(11,788)</b>	
280,883	264,912	<b>Net increase / (decrease) in cash &amp; cash equivalents</b>	<b>(129,536)</b>	<b>183,590</b>	<b>(120,291)</b>	<b>185,115</b>	
704,599	701,676	<b>A. Cash &amp; cash equivalents at the beginning of the year</b>	<b>985,482</b>	<b>704,599</b>	<b>966,588</b>	<b>701,676</b>	
985,482	966,588	<b>B. Cash &amp; cash equivalents at the end of the period</b>	<b>855,946</b>	<b>888,189</b>	<b>846,297</b>	<b>886,791</b>	
		<b>NOTE A</b>					
		Cash & cash equivalents at the beginning of the year					
16,169	12,646	Cash & bank balances	19,122	16,169	17,728	12,646	
702,448	702,448	Short term Investments	994,016	702,448	976,516	702,448	
(14,018)	(13,419)	Bank overdrafts	(27,656)	(14,018)	(27,656)	(13,419)	
704,599	701,676		985,482	704,599	966,588	701,676	
		<b>NOTE B</b>					
		Cash & cash equivalents at the end of the period					
19,122	17,728	Cash & bank balances	19,158	22,425	16,009	20,540	
994,016	976,516	Short term Investments	852,088	891,394	845,588	891,394	
(27,656)	(27,656)	Bank overdrafts	(15,301)	(25,630)	(15,301)	(25,143)	
985,482	966,588		855,946	888,189	846,297	886,791	

The notes on pages 06 form an integral part of these financial statements  
Figures in brackets indicate deductions

1. REVENUE Summary	Group		Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	03 months ended 30.06.2019 Rs.'000	03 months ended 30.06.2018 Rs.'000	03 months ended 30.06.2019 Rs.'000	03 months ended 30.06.2018 Rs.'000
Sale of goods				
Tea	865,238	1,089,839	865,238	1,089,839
Rubber	1,446	797	1,446	797
Mini Hydro Power	3,996	18,462	-	-
Others	13,984	11,954	13,984	11,954
	<b>884,664</b>	<b>1,121,053</b>	<b>880,668</b>	<b>1,102,590</b>

## SEGMENT INFORMATION

## a) Segment Revenue

## Tea

Revenue	865,238	1,089,839	865,238	1,089,839
Revenue expenditure	(720,482)	(929,484)	(720,482)	(929,484)
Depreciation	(43,285)	(39,044)	(43,285)	(39,044)
Other non cash expenditure	(53,046)	(42,605)	(53,046)	(42,605)
<b>Segment results</b>	<b>48,425</b>	<b>78,706</b>	<b>48,425</b>	<b>78,706</b>

## Rubber

Revenue	1,446	797	1,446	797
Revenue expenditure	(5,986)	(5,187)	(5,986)	(5,187)
Depreciation	(1,474)	(1,257)	(1,474)	(1,257)
Other non cash expenditure	-	-	-	-
<b>Segment results</b>	<b>(6,014)</b>	<b>(5,647)</b>	<b>(6,014)</b>	<b>(5,647)</b>

## Mini Hydro Power

Revenue	3,996	18,462	-	-
Revenue expenditure	(4,999)	(5,186)	-	-
Depreciation	(4,301)	(4,808)	-	-
Other non cash expenditure	(29)	(105)	-	-
<b>Segment results</b>	<b>(5,333)</b>	<b>8,364</b>	<b>-</b>	<b>-</b>

## Unallocated

Revenue	13,984	11,954	13,984	11,954
Revenue expenditure	-	-	-	-
Depreciation	-	-	-	-
Other non cash expenditure	-	-	-	-
<b>Segment results</b>	<b>13,984</b>	<b>11,954</b>	<b>13,984</b>	<b>11,954</b>

## Total

Revenue	884,664	1,121,053	880,668	1,102,590
Revenue expenditure	(731,467)	(939,857)	(726,468)	(934,671)
Depreciation	(49,060)	(45,110)	(44,758)	(40,301)
Other non cash expenditure	(53,075)	(42,710)	(53,046)	(42,605)
<b>Segment results</b>	<b>51,062</b>	<b>93,376</b>	<b>56,395</b>	<b>85,013</b>

Change in fair value of biological assets

-

Other Income and Gains

5,451 3,277 10,714 3,277

Administrative Expenses

(51,192) (48,236) (47,802) (45,016)

Finance Income

27,964 20,059 27,790 20,059

Finance Expenses

(1,269) (4,933) (1,269) (3,997)

Interest paid to Government and Other Finance Leases

(9,722) (7,587) (9,722) (7,587)

Profit Before Tax

22,293 55,957 36,106 51,748

SEGMENT INFORMATION	Group		Company	
	Unaudited 03 months to 30.06.2019 Rs.'000	Unaudited 03 months to 30.06.2018 Rs.'000	Unaudited 03 months to 30.06.2019 Rs.'000	Unaudited 03 months to 30.06.2018 Rs.'000
<b>b) Segment Assets</b>				
<b>Non Current Assets</b>				
Tea	2,677,707	2,641,107	2,677,707	2,641,107
Rubber	106,029	107,497	106,029	107,497
Mini Hydro Power	326,619	345,517	-	-
Biological Assets	275,650	253,208	275,650	253,208
Investments	-	-	134,933	134,933
	<b>3,386,005</b>	<b>3,347,328</b>	<b>3,194,318</b>	<b>3,136,744</b>
<b>Current Assets</b>				
Tea	1,620,126	1,417,438	1,620,126	1,417,438
Rubber	326	-	326	-
Mini Hydro Power	32,280	25,649	-	-
	<b>1,652,732</b>	<b>1,443,087</b>	<b>1,620,452</b>	<b>1,417,438</b>
<b>Total Assets</b>	<b>5,038,737</b>	<b>4,790,415</b>	<b>4,814,770</b>	<b>4,554,182</b>
<b>Non Current Liabilities and Deferred Income</b>				
Tea	1,581,296	1,407,646	1,581,296	1,407,646
Rubber	-	-	-	-
Mini Hydro Power	2,101	1,936	-	-
Unallocated	-	-	-	-
	<b>1,583,398</b>	<b>1,409,582</b>	<b>1,581,296</b>	<b>1,407,646</b>
<b>Current Liabilities</b>				
Tea	617,755	674,733	617,755	674,733
Rubber	-	-	-	-
Mini Hydro Power	23,243	24,669	-	-
Unallocated	-	-	-	-
	<b>640,999</b>	<b>699,402</b>	<b>617,755</b>	<b>674,733</b>
<b>Total liabilities</b>	<b>2,224,396</b>	<b>2,108,984</b>	<b>2,199,052</b>	<b>2,082,379</b>
<b>2. STATED CAPITAL</b>				
	as at			
<b>Issued and fully paid</b>	<b>30.06.2019</b>	<b>30.06.2018</b>	<b>30.06.2019</b>	<b>30.06.2018</b>
	<b>Rs.'000</b>	<b>Rs.'000</b>	<b>Rs.'000</b>	<b>Rs.'000</b>
23,750,001 Ordinary Shares and a Golden Share which has special rights held by the Secretary to the Treasury	<b>350,000</b>	<b>350,000</b>	<b>350,000</b>	<b>350,000</b>



**TALAWAKELLE TEA ESTATES PLC**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

3. 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. They also comply with the accounting policies and methods set out in the Annual Report for the year ended 31 March 2019.
4. There were no changes to the Accounting Policies and methods of computation since the publication of the Annual Report for the year ended March 31, 2019, except for the Accounting Policies and methods of computation adopted to be in compliant with the requirements of the Sri Lanka Accounting Standard SLFRS - 16 on Leases, which became effective for Annual Financial periods 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. the customer ('Lessee') and the supplier ('Lessor'). SLFRS 16 replaced Sri Lanka Accounting Standard – LKAS 17 (Leases) and related interpretations.

Amounts recognised in the Statements of Financial Position and Profit or Loss.

Set out below, are the carrying amounts of the company's Right to Use of Assets and movements for the quarter ended 30.06.2019

	<b>Right to Use of Assets Land and Buildings</b>
	<b>Rs.000'</b>
As at 01.04.2019	39,137
Amortisation Expense	(1,957)
<b>As at 30.06.2019</b>	<b>37,180</b>

5. The Statement of Recommended Practice (SoRP) for Right-to-use of Land on Lease was approved by the Council of the Institute of Chartered Accounts of Sri Lanka on 19th 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 21st August 2013. The company has not reassessed the Right-to-use of Land because this is not a mandatory requirement.
6. These interim financial statements does not include the gain arising from the valuation of biological assets as the amounts involved are not considered material.
7. Financial statements does not include/classify Actuarial gain/loss on defined benefit plans costs as the valuation is done at the year end.
8. Consequent to a Board decision, no management fee has been charged by Hayleys Plantations Services (Pvt) Limited.
9. The presentation and classification of the Interim Financial Statements of the previous year have been amended, where relevant, for better presentation and to be comparable with those of the current year.
10. No circumstances have arisen since the Statement of Financial Position date, which would require adjustments to the Interim Financial statements.
11. There has not been any significant changes in the nature of the contingent liabilities which were disclosed in the Annual Report for the period ended 31.03.2019.
12. The Income Tax and Deferred tax has been calculated at the 14% as per the Inland Revenue Act No. 24 of 2017.

	<b>Group</b>		<b>Company</b>	
	<b>Unaudited 03 months ended 30.06.2019 Rs.'000</b>	<b>Unaudited 03 months ended 30.06.2018 Rs.'000</b>	<b>Unaudited 03 months ended 30.06.2019 Rs.'000</b>	<b>Unaudited 03 months ended 30.06.2018 Rs.'000</b>
Income Tax	(9,392)	(6,230)	(7,712)	(6,230)
Deferred Tax	(12,266)	(2,031)	(12,258)	(971)
	<b>(21,658)</b>	<b>(8,261)</b>	<b>(19,970)</b>	<b>(7,201)</b>

**TALAWAKELLE TEA ESTATES PLC**  
**FIRST TWENTY SHAREHOLDERS AS AT 30.06.2019**

	Name of the Shareholder	No.of Shares as at 30.06.2019	%
1	HAYLEYS PLANTATION SERVICES (PRIVATE) LIMITED	17,750,000	74.74
2	MERRILL J FERNANDO & SONS (PVT) LIMITED	1,184,700	4.99
3	ANVERALLY AND SONS (PVT) LTD A/C NO 01	449,573	1.89
4	SEZEKA LIMITED	422,080	1.78
5	MR. G.M. WEERAKOON	311,122	1.31
6	CAPITAL TRUST HOLDINGS LIMITED	126,533	0.53
7	MR. N.A. WITHANA	112,100	0.47
8	COCOSHELL ACTIVATED CARBON COMPANY LIMITED	107,107	0.45
9	MR.D.F.G DALPETHADO & MRS.H.F.A.K.D.FONSEKA	88,075	0.37
10	MRS.U.D.D.N.PERERA	86,119	0.36
11	VINGROWS BUSINESS SOLUTIONS (PVT) LTD	60,000	0.25
12	MR. P.A.D. SAMARASEKERA	53,400	0.22
13	MR. K.C. VIGNARAJAH	43,700	0.18
14	MR.H.G.BALASURIYA	35,000	0.15
15	MR.K.K.SHUJEEVAN	34,976	0.15
16	ASSETLINE LEASING COMPANY LTD/MR L.K.N.K. KULAWARDENA	28,999	0.12
17	SECRETARY TO THE TREASURY	28,444	0.12
18	MR. A.V. EMMANUEL	28,000	0.12
19	MR.P.SOMADASA	26,895	0.11
20	HARNAM HOLDINGS SDN BHD	25,000	0.11

**Directors Shares holding as at end of 30.06.2019**

Mr. W.G.R. Rajadurai	1000
Mr. D. S. Seneviratne	600
Through -Merrill J. Fernando & Sons (Pvt) Ltd	1,184,700
Common Directors- Mr. Merrill J. Fernando	
- Mr. Malik J. Fernando	
- Mr. D. C. Fernando	

## CORPORATE INFORMATION

### Name of Company

Talawakelle Tea Estates PLC  
( A quoted public company with limited liability, incorporated  
in Sri Lanka on 22nd June 1992)

### Company Registration Number

PQ 36

### Stock Exchange Listing

The ordinary shares of the Company are listed with the Colombo Stock  
Exchange of Sri Lanka

### Directors

Mr.A M Pandithage - Chairman  
Mr.W G R Rajadurai - Managing Director  
Mr.Merrill J Fernando  
Mr.Malik J Fernando (Alternate - Mr.D C Fernando)  
Dr.S S S B D G Jayawardena (Resinged- w.e.f 09th May 2019 )  
Ms. M.D.A. Perera  
Mr.N T Bogahalande  
Mr.D S Seneviratne  
Mr.S L Athukorala  
Mr.M.H. Jamaldeen

### Secretaries

Hayleys Group Services (Pvt) Limited  
No.400, Deans Road, Colombo 10, Sri Lanka

### Subsidiaries

TTEL Hydro Power Company (Pvt) Ltd  
TTEL Somerset Hydro Power (Pvt) Ltd

### Registered Office

No.400, Deans Road, Colombo 10,  
Sri Lanka  
Telephone: (94-11) -2627754-5, 2697203  
Fax : (94-11) -2627782  
e-mail: tpl.tea@ttel.hayleys.com  
website: www.talawakelleteas.com

### Principal Lines of Business

Cultivation and manufacture of black tea.

## INVESTOR INFORMATION

MARKET VALUE OF SHARES	2019	2018
	Rs.	Rs.
Closing price on 30.06. ....	44.20	52.30
Highest price recorded for the three months ending	54.80	59.90
Lowest price recorded for the three months ending	42.20	50.10
 <b>RATIOS</b>		
Price Earning Ratio (times)	212.05	26.84
 <b>SHARE TRADING FROM 01ST APRIL, 2019 TO 30TH JUNE, 2019</b>		
No. of transactions	708	361
No. of shares traded	293,532	454,179
Value of shares traded (Rs.)	14,635,815	24,114,606
 Public Holding %	 20.27	 20.27
Total Number of shareholders representing the public holding	13,514	13,485
No.of Shares in Stated Capital	23,750,000	23,750,000
 Float Adjusted Market capitalisation as at 30.06.2019 (Rs. '000)	 212,784	 251,778
There were no non-voting shares as at 30th June 2019		
The Company complies with option 5 of the Listing Rules 7.13.1(a)-less than Rs.2.5Bn Float Adjusted Market Capitalization which requires 20% minimum Public Holding		