

TALAWAKELLE TEA ESTATES PLC

Interim Financial Statements

Six months ended 30th September 2019

Talawakelle Tea Estates PLC
STATEMENT OF PROFIT OR LOSS

Group Audited Year ended 31.03.2019 Rs.'000	Group			Group			
	Unaudited 06 months ended 30.09.2019 Rs.'000	Unaudited 06 months ended 30.09.2018 Rs.'000	% Change	Unaudited 03 months ended 30.09.2019 Rs.'000	Unaudited 03 months ended 30.09.2018 Rs.'000	% Change	
4,025,913	Revenue	1,916,420	1,924,274	0%	1,031,757	803,221	28%
(3,431,906)	Cost of Sales	(1,874,043)	(1,782,540)	5%	(1,040,441)	(754,864)	38%
594,007	Gross profit	42,378	141,733	-70%	(8,685)	48,357	(>100)
7,457	Change in Fair Value of Biological Assets	-	-	-	-	-	-
40,200	Other Income and Gains	39,659	13,901	>100%	34,208	10,624	>100%
(201,338)	Administrative Expenses	(93,586)	(98,375)	-5%	(42,394)	(50,139)	-15%
440,326	Results From Operating Activities	(11,550)	57,260		(16,871)	8,842	
90,915	Finance Income	51,066	43,294	18%	23,102	23,235	-1%
(16,047)	Finance Expenses	(2,300)	(9,440)	-76%	(1,031)	(4,508)	-77%
(31,512)	Interest Paid to Government and Other Finance Leases	(19,399)	(15,175)	28%	(9,677)	(7,587)	28%
43,356	Net Finance Income/ (Expenses)	29,367	18,679		12,395	11,140	
483,681	Profit Before Tax	17,817	75,939	-77%	(4,476)	19,982	>100%
(70,966)	Income Tax expenses	(18,349)	(14,617)	26%	3,309	(6,356)	>100%
412,715	Profit for the period	(533)	61,322		(1,167)	13,627	
	Attributable to :						
404,837	Equity Holders of the Parent	824	55,104		(4,126)	8,833	
7,878	Non-Controlling Interest	(1,357)	6,218		2,959	4,794	
412,715	Net profit/(Loss) for the period	(533)	61,322		(1,167)	13,627	
17.05	Basic earnings per share (Rs.)	0.03	2.32		(0.17)	0.37	
8.50	Dividend per share (Rs.)	-	2.50		-	-	
	STATEMENT OF COMPREHENSIVE INCOME						
412,715	Profit for the period	(533)	61,322		(1,167)	13,627	
	Other Comprehensive Income						
	Other Comprehensive income not to be reclassified to profit or loss in subsequent periods:						
(96,899)	Actuarial Gain/(Loss) on Defined Benefit Obligation	-	-		-	-	
13,566	Income Tax Effect	-	-		-	-	
(83,333)	Other Comprehensive income for the period, net of tax	-	-		-	-	
329,382	Total comprehensive income for the period, net of tax	(533)	61,322		(1,167)	13,627	
	Attributable to:						
321,492	Equity Holders of the Parent	824	55,104		(4,126)	8,833	
7,890	Non- Controlling Interest	(1,357)	6,218		2,959	4,794	
329,382		(533)	61,322		(1,167)	13,627	

Figures in brackets indicate deductions

Talawakelle Tea Estates PLC

STATEMENT OF PROFIT OR LOSS

Company Audited Year ended 31.03.2019 Rs.'000	Company			Company		
	Unaudited 06 months ended 30.09.2019 Rs.'000	Unaudited 06 months ended 30.09.2018 Rs.'000	% Change	Unaudited 03 months ended 30.09.2019 Rs.'000	Unaudited 03 months ended 30.09.2018 Rs.'000	% Change
3,957,641 Revenue	1,894,408	1,882,422	1%	1,013,740	779,832	30%
(3,394,668) Cost of Sales	(1,854,809)	(1,762,770)	5%	(1,030,536)	(745,192)	38%
562,973 Gross profit	39,599	119,652	-67%	(16,796)	34,639	-148%
7,457 Change in Fair Value of Biological Assets	-	-	-	-	-	-
42,130 Other Income and Gains	44,922	13,901	>100%	34,208	10,624	>100%
(190,341) Administrative Expenses	(88,255)	(92,621)	-5%	(40,453)	(47,604)	-15%
422,219 Results From Operating Activities	(3,734)	40,933		(23,041)	(2,341)	
90,730 Finance Income	50,766	43,294	17%	22,977	23,235	-1%
(15,210) Finance Expenses	(2,300)	(7,725)	-70%	(1,031)	(3,728)	-72%
(31,512) Interest Paid to Government and Other Finance Leases	(19,399)	(15,175)	28%	(9,677)	(7,587)	28%
44,009 Net Finance Income/ (Expenses)	29,067	20,394		12,269	11,919	
466,228 Profit Before tax	25,333	61,327	-59%	(10,772)	9,578	(>100%)
(68,043) Income Tax Expenses	(16,653)	(13,175)	26%	3,317	(5,975)	(>100%)
398,185 Profit/(Loss) for the period	8,680	48,151		(7,455)	3,604	
Attributable to :						
398,185 Equity Holders of the Parent	8,680	48,151		(7,455)	3,604	
- Non-Controlling Interest	-	-		-	-	
398,185 Net profit/(Loss) for the period	8,680	48,151		(7,455)	3,604	
16.77 Basic earnings per share (Rs.)	0.37	2.03		(0.31)	0.15	
8.50 Dividend per share (Rs.)	-	2.50		-	-	

STATEMENT OF COMPREHENSIVE INCOME

398,185 Profit/ (Loss) for the period	8,680	48,151	(7,455)	3,604
Other Comprehensive Income				
Other Comprehensive income not to be reclassified to profit or loss in subsequent periods:				
(96,927) Actuarial Gain/(Loss) on Defined Benefit Obligation	-	-	-	-
13,570 Income tax effect	-	-	-	-
(83,357) Other Comprehensive income for the period, net of tax	-	-	-	-
314,827 Total comprehensive income for the period, net of tax	8,680	48,151	(7,455)	3,604
Attributable to:				
314,827 Equity Holders of the Parent	8,680	48,151	(7,455)	3,604
- Non- controlling Interest	-	-	-	-
314,827	8,680	48,151	(7,455)	3,604

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 30.09.2019 Rs.'000	Unaudited As at 30.09.2018 Rs.'000	Unaudited As at 30.09.2019 Rs.'000	Unaudited As at 30.09.2018 Rs.'000
		ASSETS				
		Non Current Assets				
154,735	154,735	Right-to-use of Land	151,793	157,785	151,793	157,785
-	-	Right-to-use of Asset	36,528	-	36,528	-
59,777	59,777	Immovable estate assets on finance lease (other than Right to use of Land)	58,640	60,913	58,640	60,913
1,074,021	758,718	Tangible assets other than Immature/Mature Plantations	1,063,142	1,068,786	755,941	745,819
1,765,545	1,765,545	Immature/Mature Plantations	1,774,840	1,769,145	1,774,840	1,769,145
273,159	273,159	Consumable Biological Assets	282,392	256,239	282,392	256,239
4,319	-	Development Cost	3,838	4,776	-	-
-	134,933	Investments in Subsidiaries	-	-	134,933	134,933
11,236	-	Deferred Tax Asset	11,219	14,960	-	-
3,342,791	3,146,866		3,382,393	3,332,603	3,195,067	3,124,833
		Current Assets				
8,456	8,456	Produce on Bearer Biological Assets	8,456	12,124	8,456	12,124
452,416	450,302	Inventories	452,198	304,062	450,084	301,719
203,694	190,888	Trade and Other Receivables	170,866	170,020	144,529	152,204
2,004	2,004	Amounts due from Related Companies	2,974	3,467	2,974	3,467
994,016	976,516	Short Term Investments	921,526	848,372	914,526	848,372
19,122	17,728	Cash and Bank Balances	9,886	21,969	9,298	12,332
1,679,708	1,645,894		1,565,906	1,360,014	1,529,867	1,330,219
5,022,499	4,792,760	TOTAL ASSETS	4,948,299	4,692,616	4,724,934	4,455,051
		EQUITY AND LIABILITIES				
		Equity				
350,000	350,000	Stated Capital	350,000	350,000	350,000	350,000
2,291,936	2,249,583	Revenue Reserves	2,292,759	2,168,046	2,258,263	2,125,407
2,641,936	2,599,583	Equity attributable to equity holders of the parent	2,642,759	2,518,046	2,608,263	2,475,407
176,828	-	Non-Controlling Interests	170,414	177,011	-	-
2,818,765	2,599,583	Total Equity	2,813,173	2,695,057	2,608,263	2,475,407
		Non Current Liabilities & Deferred Income				
17,582	17,582	Interest Bearing Loans & Borrowings	14,843	73,004	14,843	73,004
969,573	967,294	Retiring Benefit Obligations	1,011,443	854,776	1,009,342	852,839
204,222	204,222	Deferred Tax Liability	212,828	171,381	212,828	171,381
144,826	144,826	Deferred Income	142,482	147,865	142,482	147,865
185,425	185,425	Liability to make Lease Payment after one year	184,961	185,943	184,961	185,943
-	-	Other Finance Lease after one year	28,398	-	28,398	-
1,521,628	1,519,349		1,594,955	1,432,968	1,592,854	1,431,032
		Current Liabilities				
616,830	608,084	Trade and Other Payables	488,535	451,497	475,054	437,059
22,444	22,444	Interest Bearing Loans & Borrowings	14,365	54,614	14,365	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	12,759	49,375	10,665	53,206
27,656	27,656	Bank Overdraft	15,757	8,285	14,978	8,285
682,107	673,828		540,171	564,591	523,817	548,612
2,203,736	2,193,177	TOTAL LIABILITIES	2,135,126	1,997,559	2,116,671	1,979,644
5,022,500	4,792,760	TOTAL EQUITY AND LIABILITIES	4,948,299	4,692,616	4,724,934	4,455,051
111.24	109.46	Net assets per share	111.27	106.02	109.82	104.23

The Statements of Financial Position as at 30th September 2019 and the Statements of Profit or Loss, Statements of Comprehensive Income, the Statements of Changes in Equity and Cash flow statements for the six 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
30th October 2019

(sgd)
Roshan Rajadurai
Managing Director

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

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	-	55,104	-	-	55,104	6,218	61,322	
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 September 2018	350,000	1,976,267	179,655	12,124	2,168,046	177,011	2,695,057	
Balance as at 01st April 2019	350,000	2,097,175	186,304	8,456	2,291,935	176,828	2,818,763	
Profit for the period	-	824	-	-	824	(1,357)	(533)	
Other comprehensive income	-	-	-	-	-	-	-	
Transferred to the timber reserve	-	-	-	-	-	-	-	
Realised gain on timber sales	-	-	-	-	-	-	-	
Transferred to the biological crop reserve	-	-	-	-	-	-	-	
Dividends Paid	-	-	-	-	-	(5,057)	(5,057)	
Balance as at 30th September 2019	350,000	2,097,999	186,304	8,456	2,292,759	170,414	2,813,173	
<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	-	48,151	-	-	48,151	-	48,151	
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 September 2018	350,000	1,933,628	179,655	12,124	2,125,407	-	2,475,407	
Balance as at 01st April 2018	350,000	2,054,823	186,304	8,456	2,249,583	-	2,599,583	
Profit for the period	-	8,680	-	-	8,680	-	8,680	
Other comprehensive income	-	-	-	-	-	-	-	
Transferred to the timber reserve	-	-	-	-	-	-	-	
Realised gain on timber sales	-	-	-	-	-	-	-	
Transferred to the biological crop reserve	-	-	-	-	-	-	-	
Dividends Paid	-	-	-	-	-	-	-	
Balance as at 30th September 2019	350,000	2,063,503	186,304	8,456	2,258,263	-	2,608,263	

Figures in brackets indicate deductions

Talawakelle Tea Estates PLC
STATEMENT OF CASH FLOW

Group Audited	Company Audited		Group		Company	
			Unaudited	Unaudited	Unaudited	Unaudited
Year ended			06 months ended	06 months ended	06 months ended	06 months ended
31.03.2019	31.03.2019	CASH FLOWS FROM OPERATING ACTIVITIES	30.09.2019	30.09.2018	30.09.2019	30.09.2018
Rs.'000	Rs.'000		Rs.'000	Rs.'000	Rs.'000	Rs.'000
483,681	466,228	Net profit before Taxation	17,817	75,939	25,333	61,327
		ADJUSTMENTS FOR				
143,884	143,437	Provision for defined benefit plan costs	107,677	85,315	107,620	85,211
169,061	151,755	Depreciation/amortisation	96,441	88,980	87,787	80,290
(5,300)	(5,300)	Amortisation of grants	(2,650)	(2,650)	(2,650)	(2,650)
-	(1,931)	Dividend Income	-	-	(5,263)	-
16,047	15,210	Finance costs	2,300	9,440	2,300	7,725
31,512	31,512	Government Lease Interest	19,399	15,175	19,399	15,175
(11,304)	(11,304)	Profit on disposal of assets	(4,271)	(6,324)	(4,271)	(6,324)
(7,457)	(7,457)	(Gains)/ Loss on Fair Value of Biological Assets	-	-	-	-
(16,111)	(16,111)	Profit on Sale of Trees	(31,365)	(739)	(31,365)	(739)
2,425	2,425	Write off	-	-	-	-
806,439	768,464	Operating profit before working capital changes	205,348	265,136	198,890	240,015
2,468	2,238	(Increase)/Decrease in Inventories	218	150,822	218	150,822
(5,738)	(6,846)	(Increase)/Decrease in Trade and Other Receivables	32,828	26,810	46,359	30,712
(38,966)	(34,916)	Increase/(Decrease) in Trade and Other Payables	15,001	(58,263)	11,359	(59,492)
(189)	(189)	(Increase)/Decrease in Amounts due from Related Companies	(970)	(1,653)	(970)	(1,653)
3,574	3,477	Increase/(Decrease) in Amounts due to Related Companies	(1,491)	38,699	(4,052)	41,966
767,587	732,228	Cash generated from operations	250,934	421,552	251,804	402,371
(16,047)	(15,210)	Finance costs paid	(2,300)	(9,440)	(2,300)	(7,725)
(39,080)	(39,080)	Payment of Super Gain Tax/ESC / Income Tax / SRL	(10,241)	(30,303)	(10,241)	(30,303)
(83,062)	(83,062)	Defined benefit plan costs paid	(65,572)	(42,363)	(65,572)	(42,363)
629,397	594,876	Net cash from operating activities	172,821	339,446	173,691	321,980
		CASH FLOWS FROM INVESTING ACTIVITIES				
-	-	Grant Received	306	388	306	388
-	1,931	Dividend Income Received	-	-	5,263	-
22,253	22,253	Proceeds from Sale of Trees	31,365	739	31,365	739
12,480	12,480	Proceeds from Disposal of Property, Plant & Equipment	4,271	6,606	4,271	6,606
(56,337)	(56,337)	Field Development Expenditure	(61,814)	(24,828)	(61,814)	(24,828)
(112,604)	(112,109)	Purchase of Property, Plant & Equipment	(35,108)	(54,659)	(35,037)	(54,659)
(134,208)	(131,783)	Net cash used in investing activities	(60,980)	(71,754)	(55,645)	(71,754)
		CASH FLOWS FROM FINANCING ACTIVITIES				
(59,375)	(59,375)	Dividend Paid	(148,380)	(59,375)	(142,500)	(59,375)
(32,957)	(32,957)	Payment of Government lease rentals	(17,187)	(16,479)	(17,187)	(16,479)
-	-	Payment of Other Finance lease rentals	(5,283)	-	(5,283)	-
-	-	Proceeds from loans	-	-	-	-
(121,974)	(105,850)	Repayment of loans	(10,817)	(34,382)	(10,817)	(23,629)
(214,306)	(198,182)	Net cash from financing activities	(181,667)	(110,235)	(175,787)	(99,483)
280,883	264,912	Net increase / (decrease) in cash & cash equivalents	(69,827)	157,457	(57,742)	150,743
704,599	701,676	A. Cash & cash equivalents at the beginning of the year	985,482	704,599	966,588	701,676
985,482	966,588	B. Cash & cash equivalents at the end of the period	915,655	862,056	908,846	852,419
		NOTE A				
		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
		NOTE B				
		Cash & cash equivalents at the end of the period				
19,122	17,728	Cash & bank balances	9,886	21,969	9,298	12,332
994,016	976,516	Short term Investments	921,526	848,372	914,526	848,372
(27,656)	(27,656)	Bank overdrafts	(15,757)	(8,285)	(14,978)	(8,285)
985,482	966,588		915,655	862,056	908,846	852,419

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
	06 months ended 30.09.2019 Rs.'000	06 months ended 30.09.2018 Rs.'000	06 months ended 30.09.2019 Rs.'000	06 months ended 30.09.2018 Rs.'000
Sale of goods				
Tea	1,858,768	1,853,173	1,858,768	1,853,173
Rubber	3,343	4,300	3,343	4,300
Mini Hydro Power	22,012	41,852	-	-
Others	32,297	24,949	32,297	24,949
	1,916,420	1,924,274	1,894,408	1,882,422
SEGMENT INFORMATION				
a) Segment Revenue				
Tea				
Revenue	1,858,768	1,853,173	1,858,768	1,853,173
Revenue expenditure	(1,647,222)	(1,585,541)	(1,647,222)	(1,585,541)
Depreciation	(84,840)	(77,776)	(84,840)	(77,776)
Other non cash expenditure	(107,620)	(85,211)	(107,620)	(85,211)
Segment results	19,086	104,646	19,086	104,646
Rubber				
Revenue	3,343	4,300	3,343	4,300
Revenue expenditure	(12,180)	(11,728)	(12,180)	(11,728)
Depreciation	(2,948)	(2,514)	(2,948)	(2,514)
Other non cash expenditure	-	-	-	-
Segment results	(11,784)	(9,943)	(11,784)	(9,943)
Mini Hydro Power				
Revenue	22,012	41,852	-	-
Revenue expenditure	(10,523)	(10,977)	-	-
Depreciation	(8,654)	(8,689)	-	-
Other non cash expenditure	(58)	(105)	-	-
Segment results	2,778	22,081	-	-
Unallocated				
Revenue	32,297	24,949	32,297	24,949
Revenue expenditure	-	-	-	-
Depreciation	-	-	-	-
Other non cash expenditure	-	-	-	-
Segment results	32,297	24,949	32,297	24,949
Total				
Revenue	1,916,420	1,924,274	1,894,408	1,882,422
Revenue expenditure	(1,669,925)	(1,608,246)	(1,659,402)	(1,597,269)
Depreciation	(96,441)	(88,980)	(87,787)	(80,290)
Other non cash expenditure	(107,677)	(85,315)	(107,620)	(85,211)
Segment results	42,378	141,733	39,599	119,652
Change in fair value of biological assets	-	-	-	-
Other Income and Gains	39,659	13,901	44,922	13,901
Administrative Expenses	(93,586)	(98,375)	(88,255)	(92,621)
Finance Income	51,066	43,294	50,766	43,294
Finance Expenses	(2,300)	(9,440)	(2,300)	(7,725)
Interest paid to Government and Other Finance Leases	(19,399)	(15,175)	(19,399)	(15,175)
Profit Before Tax	17,817	75,939	25,333	61,327

SEGMENT INFORMATION	Group		Company	
	Unaudited 06 months to 30.09.2019 Rs.'000	Unaudited 06 months to 30.09.2018 Rs.'000	Unaudited 06 months to 30.09.2019 Rs.'000	Unaudited 06 months to 30.09.2018 Rs.'000
b) Segment Assets				
Non Current Assets				
Tea	2,664,704	2,624,738	2,664,704	2,624,738
Rubber	113,038	108,923	113,038	108,923
Mini Hydro Power	322,259	342,703	-	-
Biological Assets	282,392	256,239	282,392	256,239
Investments	-	-	134,933	134,933
	3,382,393	3,332,603	3,195,067	3,124,833
Current Assets				
Tea	1,529,515	1,329,273	1,529,515	1,329,273
Rubber	352	946	352	946
Mini Hydro Power	36,039	29,795	-	-
	1,565,906	1,360,014	1,529,867	1,330,219
Total Assets	4,948,299	4,692,616	4,724,934	4,455,051
Non Current Liabilities and Deferred Income				
Tea	1,592,854	1,431,032	1,592,854	1,431,032
Rubber	-	-	-	-
Mini Hydro Power	2,101	1,936	-	-
Unallocated	-	-	-	-
	1,594,955	1,432,968	1,592,854	1,431,032
Current Liabilities				
Tea	523,817	548,612	523,817	548,612
Rubber	-	-	-	-
Mini Hydro Power	16,353	15,979	-	-
Unallocated	-	-	-	-
	540,171	564,591	523,817	548,612
Total liabilities	2,135,126	1,997,559	2,116,671	1,979,644
2. STATED CAPITAL				
	as at			
Issued and fully paid	30.09.2019	30.09.2018	30.09.2019	30.09.2018
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
23,750,001 Ordinary Shares and a Golden Share which has special rights held by the Secretary to the Treasury	350,000	350,000	350,000	350,000

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 06 months ended 30.09.2019.

	Right to Use of Assets
	Land and Buildings
	Rs.000'
As at 01.04.2019	39,137
Amortisation Expense	<u>(2,609)</u>
As at 30.09.2019	<u>36,528</u>

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 is in the process of re-assessing the impact of Right-to-use of Land and the impact to the Financial Statements is yet to be quantified.

5. These interim financial statements does not include the gain arising from the valuation of biological assets as the amounts involved are not considered material.
6. Financial statements does not include/classify Actuarial gain/loss on defined benefit plans costs as the valuation is done at the year end.
7. Consequent to a Board decision, no management fee has been charged by Hayleys Plantations Services (Pvt) Limited.
8. 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.
9. No circumstances have arisen since the Statement of Financial Position date, which would require adjustments to the Interim Financial statements.
10. 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.
11. The Income Tax and Deferred tax has been calculated at the 14% as per the Inland Revenue Act No. 24 of 2017.

	Group		Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	06 months ended	06 months ended	06 months ended	06 months ended
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Income Tax	(9,727)	(2,661)	(8,047)	-
Deferred Tax	(8,622)	(11,956)	(8,606)	(13,175)
	<u>(18,349)</u>	<u>(14,617)</u>	<u>(16,653)</u>	<u>(13,175)</u>

TALAWAKELLE TEA ESTATES PLC
FIRST TWENTY SHAREHOLDERS AS AT 30.09.2019

	Name of the Shareholder	No.of Shares as at 30.09.2019	%
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	328,322	1.38
6	MR.K.K.SHUJEEVAN	130,871	0.55
7	MR. N.A. WITHANA	112,100	0.47
8	COCOSHELL ACTIVATED CARBON COMPANY LIMITED	107,107	0.45
9	MRS.U.D.D.N.PERERA	87,598	0.37
10	CAPITAL TRUST HOLDINGS LIMITED	80,106	0.34
11	VINGROWS BUSINESS SOLUTIONS (PVT) LTD	60,000	0.25
12	MR. P.A.D. SAMARASEKERA	53,400	0.22
13	MR.H.G.BALASURIYA	50,000	0.21
14	MR. K.C. VIGNARAJAH	43,700	0.18
15	ASSETLINE LEASING COMPANY LTD/MR L.K.N.K. KULAWARDENA	28,999	0.12
16	SECRETARY TO THE TREASURY	28,444	0.12
17	MR.P.SOMADASA	26,895	0.11
18	MR. A.V. EMMANUEL	26,752	0.11
19	HARNAM HOLDINGS SDN BHD	25,000	0.11
20	MRS.N.D.P.GURUGE	25,000	0.11

Directors Shares holding as at end of 30.09.2019

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

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 30.09.	45.10	48.20
Highest price recorded for the six months ending	54.80	59.90
Lowest price recorded for the six months ending	42.20	45.00
Highest price recorded for the three months ending	49.90	52.30
Lowest price recorded for the three months ending	44.20	45.00

RATIOS

Price Earning Ratio (times)	1,299.28	20.77
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SHARE TRADING FROM 01ST APRIL, 2019 TO 30TH SEPTEMBER, 2019

No. of transactions	1,178	567
No. of shares traded	548,012	597,867
Value of shares traded (Rs.)	26,568,255	31,046,170

Public Holding %	20.27	20.27
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Total Number of shareholders representing the public holding	13,547	13,461
No.of Shares in Stated Capital	23,750,000	23,750,000

Float Adjusted Market capitalisation as at 30.09.2019 (Rs. '000)	217,117	232,040
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There were no non-voting shares as at 30th September 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