

TALAWAKELLE TEA ESTATES PLC

Interim Financial Statements

Nine months ended 31st December 2019

Talawakelle Tea Estates PLC
STATEMENT OF PROFIT OR LOSS

	Group			Group		
	Unaudited 09 months ended 31.12.2019 Rs.'000	Unaudited 09 months ended 31.12.2018 Rs.'000	% Change	Unaudited 03 months ended 31.12.2019 Rs.'000	Unaudited 03 months ended 31.12.2018 Rs.'000	% Change
Revenue	2,887,699	2,893,638	0%	971,278	969,364	0%
Cost of Sales	(2,737,247)	(2,493,109)	10%	(863,204)	(710,569)	21%
Gross profit	150,452	400,529	-62%	108,074	258,796	(>100)
Change in Fair Value of Biological Assets	-	-	-	-	-	-
Other Income and Gains	60,238	18,501	>100%	20,579	4,600	>100%
Administrative Expenses	(142,618)	(143,086)	0%	(49,032)	(44,711)	10%
Results From Operating Activities	68,072	275,944		79,622	218,684	
Finance Income	70,817	65,521	8%	19,751	22,226	-11%
Finance Expenses	(3,203)	(13,513)	-76%	(903)	(4,073)	-78%
Interest Paid to Government and Other Finance Leases	(29,030)	(22,762)	28%	(9,630)	(7,587)	27%
Net Finance Income/ (Expenses)	38,584	29,245		9,217	10,566	
Profit Before Tax	106,656	305,189	-65%	88,839	229,250	-61%
Income Tax expenses	(20,159)	(62,020)	-67%	(1,810)	(47,403)	-96%
Profit for the period	86,497	243,169		87,029	181,847	
Attributable to :						
Equity Holders of the Parent	82,734	233,261		81,909	178,158	
Non-Controlling Interest	3,763	9,908		5,120	3,689	
Net profit /(Loss) for the period	86,497	243,169		87,029	181,847	
Basic earnings per share (Rs.)	3.48	9.82		3.45	7.50	
Dividend per share (Rs.)	-	2.50		-	-	
STATEMENT OF COMPREHENSIVE INCOME						
Profit for the period	86,497	243,169		87,029	181,847	
Other Comprehensive Income						
Other Comprehensive income not to be reclassified to profit or loss in subsequent periods:						
Actuarial Gain/(Loss) on Defined Benefit Obligation	-	-		-	-	
Income Tax Effect	-	-		-	-	
Other Comprehensive income for the period, net of tax	-	-		-	-	
Total comprehensive income for the period, net of tax	86,497	243,169		87,029	181,847	
Attributable to:						
Equity Holders of the Parent	86,497	233,261		81,909	178,158	
Non- Controlling Interest	-	9,908		5,120	3,689	
	86,497	243,169		87,029	181,847	

Figures in brackets indicate deductions

Talawakelle Tea Estates PLC
STATEMENT OF PROFIT OR LOSS

	Company			Company		
	Unaudited 09 months ended 31.12.2019 Rs.'000	Unaudited 09 months ended 31.12.2018 Rs.'000	% Change	Unaudited 03 months ended 31.12.2019 Rs.'000	Unaudited 03 months ended 31.12.2018 Rs.'000	% Change
Revenue	2,840,282	2,830,242	0%	945,874	947,820	0%
Cost of Sales	(2,708,160)	(2,463,739)	10%	(853,351)	(700,969)	22%
Gross profit	132,122	366,504	-64%	92,523	246,851	-63%
Change in Fair Value of Biological Assets	-	-	-	-	-	-
Other Income and Gains	65,501	18,501	>100%	20,579	4,600	>100%
Administrative Expenses	(134,628)	(135,379)	-1%	(46,373)	(42,759)	8%
Results From Operating Activities	62,995	249,625		66,728	208,692	
Finance Income	70,389	65,521	7%	19,622	22,226	-12%
Finance Expenses	(3,203)	(11,536)	-72%	(903)	(3,811)	-76%
Interest Paid to Government and Other Finance Leases	(29,030)	(22,762)	28%	(9,630)	(7,587)	27%
Net Finance Income/ (Expenses)	38,156	31,223		9,089	10,828	
Profit Before tax	101,150	280,847	-64%	75,817	219,521	-65%
Income Tax Expenses	(16,140)	(58,618)	-72%	513	(45,443)	>100%
Profit/(Loss) for the period	85,010	222,229		76,330	174,078	
Attributable to :						
Equity Holders of the Parent	85,010	222,229		76,330	174,078	
Non-Controlling Interest	-	-		-	-	
Net profit/(Loss) for the period	85,010	222,229		76,330	174,078	
Basic earnings per share (Rs.)	3.58	9.36		3.21	7.33	
Dividend per share (Rs.)	-	2.50		-	-	

STATEMENT OF COMPREHENSIVE INCOME

Profit/ (Loss) for the period	85,010	222,229	76,330	174,078
Other Comprehensive Income				
Other Comprehensive income not to be reclassified to profit or loss in subsequent periods:				
Actuarial Gain/(Loss) on Defined Benefit Obligation	-	-	-	-
Income tax effect	-	-	-	-
Other Comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period, net of tax	85,010	222,229	76,330	174,078
Attributable to:				
Equity Holders of the Parent	85,010	222,229	76,330	174,078
Non- controlling Interest	-	-	-	-
	85,010	222,229	76,330	174,078

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 31.12.2019 Rs.'000	Unaudited As at 31.12.2018 Rs.'000	Unaudited As at 31.12.2019 Rs.'000	Unaudited As at 31.12.2018 Rs.'000
		ASSETS				
		Non Current Assets				
154,735	154,735	Right-to-use of Land	150,323	156,368	150,323	156,368
-	-	Right-to-use of Asset	33,267	-	33,267	-
59,777	59,777	Immovable estate assets on finance lease (other than Right to use of Land)	58,072	60,344	58,072	60,344
1,074,021	758,718	Tangible assets other than Immature/Mature Plantations	1,045,456	1,081,607	742,365	762,609
1,765,545	1,765,545	Immature/Mature Plantations	1,774,753	1,762,015	1,774,753	1,762,015
273,159	273,159	Consumable Biological Assets	285,687	258,255	285,687	258,255
4,319	-	Development Cost	3,596	4,523	-	-
-	134,933	Investments in Subsidiaries	-	-	134,933	134,933
11,236	-	Deferred Tax Asset	8,897	14,252	-	-
<u>3,342,791</u>	<u>3,146,866</u>		<u>3,360,050</u>	<u>3,337,362</u>	<u>3,179,400</u>	<u>3,134,523</u>
		Current Assets				
8,456	8,456	Produce on Bearer Biological Assets	8,456	12,124	8,456	12,124
452,417	450,302	Inventories	469,404	541,268	467,290	539,155
203,694	190,888	Trade and Other Receivables	219,449	152,668	188,256	134,532
2,004	2,004	Amounts due from Related Companies	6,350	4,296	6,350	4,296
994,016	976,516	Short Term Investments	932,003	854,314	922,003	848,314
19,122	17,728	Cash and Bank Balances	23,579	25,495	13,945	15,686
<u>1,679,709</u>	<u>1,645,894</u>		<u>1,659,240</u>	<u>1,590,165</u>	<u>1,606,300</u>	<u>1,554,107</u>
<u>5,022,500</u>	<u>4,792,760</u>	TOTAL ASSETS	<u>5,019,291</u>	<u>4,927,527</u>	<u>4,785,700</u>	<u>4,688,630</u>
		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	2,374,668	2,346,204	2,334,593	2,299,485
2,641,936	2,599,583	Equity attributable to equity holders of the parent	2,724,668	2,696,204	2,684,593	2,649,485
176,828	-	Non-Controlling Interests	175,535	180,701	-	-
<u>2,818,765</u>	<u>2,599,583</u>	Total Equity	<u>2,900,203</u>	<u>2,876,905</u>	<u>2,684,593</u>	<u>2,649,485</u>
		Non Current Liabilities & Deferred Income				
17,582	17,582	Interest Bearing Loans & Borrowings	13,970	61,108	13,970	61,108
969,573	967,294	Retiring Benefit Obligations	1,033,958	877,302	1,031,857	875,365
204,222	204,222	Deferred Tax Liability	206,477	216,824	206,477	216,824
144,826	144,826	Deferred Income	140,851	146,638	140,851	146,638
185,425	185,425	Liability to make Lease Payment after one year	184,729	185,737	184,729	185,737
-	-	Other Finance Lease after one year	26,890	-	26,890	-
<u>1,521,628</u>	<u>1,519,349</u>		<u>1,606,877</u>	<u>1,487,608</u>	<u>1,604,775</u>	<u>1,485,672</u>
		Current Liabilities				
616,830	608,084	Trade and Other Payables	457,775	487,519	440,673	472,321
22,444	22,444	Interest Bearing Loans & Borrowings	9,744	49,242	9,744	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	15,596	22,360	16,818	28,110
27,656	27,656	Bank Overdraft	20,341	3,073	20,341	2,979
<u>682,107</u>	<u>673,828</u>		<u>512,212</u>	<u>563,015</u>	<u>496,331</u>	<u>553,473</u>
<u>2,203,736</u>	<u>2,193,177</u>	TOTAL LIABILITIES	<u>2,119,088</u>	<u>2,050,623</u>	<u>2,101,107</u>	<u>2,039,145</u>
<u>5,022,500</u>	<u>4,792,760</u>	TOTAL EQUITY AND LIABILITIES	<u>5,019,291</u>	<u>4,927,527</u>	<u>4,785,700</u>	<u>4,688,630</u>
111.24	109.46	Net assets per share	114.72	113.52	113.04	111.56

The Statements of Financial Position as at 31st December 2019 and the Statements of Profit or Loss, Statements of Comprehensive Income, the Statements of Changes in Equity and Cash flow statements for the nine 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
21st January 2020

(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	-	233,261	-	-	233,261	9,908	243,169	
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 31st December 2018	350,000	2,154,425	179,655	12,124	2,346,204	180,701	2,876,905	
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	-	82,734	-	-	82,734	3,763	86,497	
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 31st December 2019	350,000	2,179,908	186,304	8,456	2,374,668	175,535	2,900,203	

<u>Company</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	1,944,852	179,655	12,124	2,136,631	-	2,486,631	
Profit for the period	-	222,229	-	-	222,229	-	222,229	
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 31st December 2018	350,000	2,107,706	179,655	12,124	2,299,485	-	2,649,485	
Balance as at 01st April 2019	350,000	2,054,823	186,304	8,456	2,249,583	-	2,599,583	
Profit for the period	-	85,010	-	-	85,010	-	85,010	
Other comprehensive income	-	-	-	-	-	-	-	
Transferred to the timber reserve	-	-	-	-	-	-	-	
Realised gain on timber sales	-	-	-	-	-	-	-	
Transferred to the biological crop reserve	-	-	-	-	-	-	-	
Dividends Paid	-	-	-	-	-	-	-	
Balance as at 31st December 2019	350,000	2,139,833	186,304	8,456	2,334,593	-	2,684,593	

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			09 months ended	09 months ended	09 months ended	09 months ended
31.03.2019	31.03.2019	CASH FLOWS FROM OPERATING ACTIVITIES	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Rs.'000	Rs.'000		Rs.'000	Rs.'000	Rs.'000	Rs.'000
483,681	466,228	Net profit before Taxation	106,656	305,189	101,150	280,847
		ADJUSTMENTS FOR				
143,884	143,437	Provision for defined benefit plan costs	161,643	127,921	161,557	127,816
169,061	151,755	Depreciation/amortisation	146,412	129,378	133,405	116,312
(5,300)	(5,300)	Amortisation of grants	(3,975)	(3,975)	(3,975)	(3,975)
-	(1,931)	Dividend Income	-	-	(5,263)	-
16,047	15,210	Finance costs	3,203	13,513	3,203	11,536
31,512	31,512	Government Lease Interest	29,030	22,762	29,030	22,762
(11,304)	(11,304)	Profit on disposal of assets	(4,471)	(9,542)	(4,471)	(9,542)
(7,457)	(7,457)	(Gains)/ Loss on Fair Value of Biological Assets	-	-	-	-
(16,111)	(16,111)	Profit on Sale of Trees	(49,484)	(817)	(49,484)	(817)
2,425	2,425	Write off	-	-	-	-
806,439	768,464	Operating profit before working capital changes	389,014	584,429	365,153	544,940
2,468	2,238	(Increase)/Decrease in Inventories	(16,988)	(86,384)	(16,988)	(86,614)
(5,738)	(6,846)	(Increase)/Decrease in Trade and Other Receivables	(15,755)	44,162	2,632	48,384
(38,966)	(34,916)	Increase/(Decrease) in Trade and Other Payables	(16,011)	(19,073)	(23,509)	(19,810)
(189)	(189)	(Increase)/Decrease in Amounts due from Related Companies	(4,346)	(2,481)	(4,346)	(2,481)
3,574	3,477	Increase/(Decrease) in Amounts due to Related Companies	1,346	11,685	2,102	16,871
767,587	732,228	Cash generated from operations	337,261	532,337	325,043	501,290
(16,047)	(15,210)	Finance costs paid	(3,203)	(13,513)	(3,203)	(11,536)
(39,080)	(39,080)	Payment of Super Gain Tax/ESC / Income Tax / SRL	(15,526)	(34,276)	(15,526)	(34,276)
(83,062)	(83,062)	Defined benefit plan costs paid	(97,258)	(62,442)	(96,994)	(62,442)
629,397	594,876	Net cash from operating activities	221,273	422,105	209,320	393,035
		CASH FLOWS FROM INVESTING ACTIVITIES				
-	-	Grant Received	-	486	-	486
-	1,931	Dividend Income Received	-	-	5,263	-
22,253	22,253	Proceeds from Sale of Trees	49,484	817	49,484	817
12,480	12,480	Proceeds from Disposal of Property, Plant & Equipment	4,271	9,824	4,271	9,824
(56,337)	(56,337)	Field Development Expenditure	(86,434)	(41,905)	(86,434)	(41,905)
(112,604)	(112,109)	Purchase of Property, Plant & Equipment	(40,439)	(83,448)	(40,367)	(83,294)
(134,208)	(131,783)	Net cash used in investing activities	(73,118)	(114,225)	(67,783)	(114,072)
		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	(25,781)	(24,718)	(25,781)	(24,718)
-	-	Payment of Other Finance lease rentals	(7,925)	-	(7,925)	-
-	-	Proceeds from loans	-	-	-	-
(121,974)	(105,850)	Repayment of loans	(16,311)	(51,650)	(16,311)	(35,526)
(214,306)	(198,182)	Net cash from financing activities	(198,397)	(135,742)	(192,517)	(119,618)
280,883	264,912	Net increase / (decrease) in cash & cash equivalents	(50,241)	172,137	(50,980)	159,345
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	935,241	876,736	915,607	861,021
		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	23,579	25,495	13,945	15,686
994,016	976,516	Short term Investments	932,003	854,314	922,003	848,314
(27,656)	(27,656)	Bank overdrafts	(20,341)	(3,073)	(20,341)	(2,979)
985,482	966,588		935,241	876,736	915,607	861,021

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

1. REVENUE Summary	Group		Company	
	Unaudited 09 months ended 31.12.2019	Unaudited 09 months ended 31.12.2018	Unaudited 09 months ended 31.12.2019	Unaudited 09 months ended 31.12.2018
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Sale of goods				
Tea	2,786,424	2,784,699	2,786,424	2,784,699
Rubber	6,603	8,001	6,603	8,001
Mini Hydro Power	47,416	63,395	-	-
Others	47,255	37,542	47,255	37,542
	2,887,699	2,893,638	2,840,282	2,830,242

SEGMENT INFORMATION

a) Segment Revenue

Tea

Revenue	2,786,424	2,784,699	2,786,424	2,784,699
Revenue expenditure	(2,393,838)	(2,201,677)	(2,393,838)	(2,201,677)
Depreciation	(128,984)	(112,705)	(128,984)	(112,705)
Other non cash expenditure	(161,557)	(127,816)	(161,557)	(127,816)
Segment results	102,045	342,502	102,045	342,502

Rubber

Revenue	6,603	8,001	6,603	8,001
Revenue expenditure	(19,360)	(17,933)	(19,360)	(17,933)
Depreciation	(4,421)	(3,608)	(4,421)	(3,608)
Other non cash expenditure	-	-	-	-
Segment results	(17,178)	(13,540)	(17,178)	(13,540)

Mini Hydro Power

Revenue	47,416	63,395	-	-
Revenue expenditure	(15,994)	(16,200)	-	-
Depreciation	(13,006)	(13,066)	-	-
Other non cash expenditure	(86)	(105)	-	-
Segment results	18,330	34,025	-	-

Unallocated

Revenue	47,255	37,542	47,255	37,542
Revenue expenditure	-	-	-	-
Depreciation	-	-	-	-
Other non cash expenditure	-	-	-	-
Segment results	47,255	37,542	47,255	37,542

Total

Revenue	2,887,699	2,893,638	2,840,282	2,830,242
Revenue expenditure	(2,429,192)	(2,235,810)	(2,413,198)	(2,219,611)
Depreciation	(146,412)	(129,378)	(133,405)	(116,312)
Other non cash expenditure	(161,643)	(127,921)	(161,557)	(127,816)
Segment results	150,452	400,529	132,122	366,504

Change in fair value of biological assets

-

Other Income and Gains

60,238

Administrative Expenses

(142,618)

Finance Income

70,817

Finance Expenses

(3,203)

Interest paid to Government and Other Finance Leases

(29,030)

Profit Before Tax**106,656**

SEGMENT INFORMATION	Group		Company	
	Unaudited 09 months to 31.12.2019 Rs.'000	Unaudited 09 months to 31.12.2018 Rs.'000	Unaudited 09 months to 31.12.2019 Rs.'000	Unaudited 09 months to 31.12.2018 Rs.'000
b) Segment Assets				
Non Current Assets				
Tea	2,644,620	2,631,280	2,644,620	2,631,280
Rubber	114,160	110,055	114,160	110,055
Mini Hydro Power	315,584	337,772	-	-
Biological Assets	285,687	258,255	285,687	258,255
Investments	-	-	134,933	134,933
	3,360,050	3,337,362	3,179,400	3,134,523
Current Assets				
Tea	1,603,089	1,552,483	1,603,089	1,552,483
Rubber	3,211	1,624	3,211	1,624
Mini Hydro Power	52,940	36,058	-	-
	1,659,240	1,590,165	1,606,300	1,554,107
Total Assets	5,019,291	4,927,527	4,785,700	4,688,630
Non Current Liabilities and Deferred Income				
Tea	1,604,775	1,485,672	1,604,775	1,485,672
Rubber	-	-	-	-
Mini Hydro Power	2,101	1,936	-	-
Unallocated	-	-	-	-
	1,606,877	1,487,608	1,604,775	1,485,672
Current Liabilities				
Tea	496,331	553,473	496,331	553,473
Rubber	-	-	-	-
Mini Hydro Power	15,880	9,541	-	-
Unallocated	-	-	-	-
	512,212	563,015	496,331	553,473
Total liabilities	2,119,088	2,050,623	2,101,107	2,039,145
2. STATED CAPITAL				
	as at			
Issued and fully paid	31.12.2019	31.12.2018	31.12.2019	31.12.2018
	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 09 months ended 31.12.2019.

	Right to Use of Assets
	Land and Buildings
	Rs.000'
As at 01.04.2019	39,137
Amortisation Expense	(5,871)
As at 31.12.2019	33,266

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
	09 months ended	09 months ended	09 months ended	09 months ended
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Income Tax	(15,565)	(3,913)	(13,885)	-
Deferred Tax	(4,594)	(58,107)	(2,255)	(58,618)
	(20,159)	(62,020)	(16,140)	(58,618)

TALAWAKELLE TEA ESTATES PLC

FIRST TWENTY SHAREHOLDERS AS AT 31.12.2019

	Name of the Shareholder	No.of Shares as at 31.12.2019	%
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	327,666	1.38
6	MR.K.K.SHUJEEVAN	155,422	0.65
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	86,943	0.37
10	CAPITAL TRUST HOLDINGS LIMITED	77,030	0.32
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	PEOPLE'S LEASING & FINANCE PLC /MR.L.K.N.K. KULAWARDENA	28,999	0.12
16	SECRETARY TO THE TREASURY	28,444	0.12
17	HARNAM HOLDINGS SDN BHD	25,000	0.11
18	MRS.N.D.P.GURUGE	25,000	0.11
19	MR.P.SOMADASA	24,383	0.10
20	MR.A.J.KAHAGALAGE	22,750	0.10

Directors Shares holding as at end of 31.12.2019

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 31.12.	47.40	49.20
Highest price recorded for the nine months ending	54.80	59.90
Lowest price recorded for the nine months ending	42.20	42.50
Highest price recorded for the three months ending	49.00	50.90
Lowest price recorded for the three months ending	44.20	42.50

RATIOS

Price Earning Ratio (times)	13.61	5.01
-----------------------------	--------------	------

SHARE TRADING FROM 01ST APRIL, 2019 TO 31ST DECEMBER, 2019

No. of transactions	1,387	706
No. of shares traded	617,326	654,209
Value of shares traded (Rs.)	29,817,745	33,651,946

Public Holding %	20.27	20.27
------------------	--------------	-------

Total Number of shareholders representing the public holding	13,545	13,460
No.of Shares in Stated Capital	23,750,000	23,750,000

Float Adjusted Market capitalisation as at 31.12.2019 (Rs. '000)	228,189	236,855
--	----------------	---------

There were no non-voting shares as at 31st December 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