

**TALAWAKELLE TEA ESTATES PLC**

**Interim Financial Statements**

**Twelve months ended 31st March 2020**

Talawakelle Tea Estates PLC  
STATEMENT OF PROFIT OR LOSS

	Group			Group		
	Unaudited 12 months ended 31.03.2020 Rs.'000	Audited 12 months ended 31.03.2019 Rs.'000	% Change	Unaudited 03 months ended 31.03.2020 Rs.'000	Audited 03 months ended 31.03.2019 Rs.'000	% Change
<b>Revenue</b>	<b>3,886,417</b>	4,025,913	-3%	<b>998,718</b>	1,132,275	-12%
Cost of Sales	(3,593,340)	(3,431,906)	5%	(856,093)	(938,797)	-9%
<b>Gross profit</b>	<b>293,077</b>	594,007	-51%	<b>142,625</b>	193,478	-26%
Change in Fair Value of Biological Assets	13,347	7,457	79%	13,347	7,457	79%
Other Income and Gains	54,284	40,200	35%	(5,953)	21,699	(>100%)
Administrative Expenses	(197,153)	(201,338)	-2%	(54,536)	(58,252)	-6%
<b>Results From Operating Activities</b>	<b>163,555</b>	440,326		<b>95,483</b>	164,382	
Finance Income	94,807	90,915	4%	23,990	25,394	-6%
Finance Expenses	(2,405)	(16,047)	-85%	798	(2,534)	(>100%)
Interest Paid to Government and Other Finance Leases	(37,167)	(31,512)	18%	(8,138)	(8,749)	-7%
Net Finance Income/ (Expenses)	55,234	43,356		16,650	14,111	
<b>Profit Before Tax</b>	<b>218,789</b>	483,681	-55%	<b>112,133</b>	178,492	-37%
Income Tax expenses	(22,215)	(70,966)	-69%	(2,056)	(8,946)	-77%
<b>Profit for the period</b>	<b>196,574</b>	412,715		<b>110,077</b>	169,546	
<b>Attributable to :</b>						
Equity Holders of the Parent	195,698	404,837		112,965	171,576	
Non-Controlling Interest	876	7,878		(2,887)	(2,030)	
<b>Net profit /(Loss) for the period</b>	<b>196,574</b>	412,715		<b>110,077</b>	169,546	
Basic earnings per share (Rs.)	8.24	17.05		4.76	7.30	
Dividend per share (Rs.)	-	8.50		-	6.00	
<b>STATEMENT OF COMPREHENSIVE INCOME</b>						
<b>Profit for the period</b>	<b>196,574</b>	412,715		<b>110,077</b>	169,546	
<b>Other Comprehensive Income</b>						
<b>Other Comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>						
Actuarial Gain/(Loss) on Defined Benefit Obligation	(9,410)	(96,899)		(9,410)	(96,899)	
Income Tax Effect	1,317	13,566		1,317	13,566	
<b>Other Comprehensive income for the period, net of tax</b>	<b>(8,093)</b>	(83,333)		<b>(8,093)</b>	(83,333)	
<b>Total comprehensive income for the period, net of tax</b>	<b>188,481</b>	329,382		<b>101,985</b>	86,213	
<b>Attributable to:</b>						
Equity Holders of the Parent	187,562	321,504		104,829	82,524	
Non- Controlling Interest	919	7,878		(2,844)	3,689	
	<b>188,481</b>	329,382		<b>101,985</b>	86,213	

Figures in brackets indicate deductions

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

	Company			Company		
	Unaudited 12 months ended 31.03.2020 Rs.'000	Audited 12 months ended 31.03.2019 Rs.'000	% Change	Unaudited 03 months ended 31.03.2020 Rs.'000	Audited 03 months ended 31.03.2019 Rs.'000	% Change
<b>Revenue</b>	<b>3,834,115</b>	<b>3,957,641</b>	-3%	<b>993,833</b>	<b>1,127,399</b>	-12%
Cost of Sales	(3,555,463)	(3,394,668)	5%	(847,303)	(930,929)	-9%
<b>Gross profit</b>	<b>278,652</b>	<b>562,973</b>	-51%	<b>146,530</b>	<b>196,470</b>	-25%
Change in Fair Value of Biological Assets	13,347	7,457	79%	13,347	7,457	79%
Other Income and Gains	61,792	42,130	47%	(3,709)	23,629	(>100%)
Administrative Expenses	(188,071)	(190,341)	-1%	(53,443)	(54,961)	-3%
<b>Results From Operating Activities</b>	<b>165,720</b>	<b>422,219</b>		<b>102,725</b>	<b>172,594</b>	
Finance Income	94,259	90,730	4%	23,870	25,209	-5%
Finance Expenses	(2,405)	(15,210)	-84%	798	(3,674)	(>100%)
Interest Paid to Government and Other Finance Leases	(37,157)	(31,512)	18%	(8,128)	(8,749)	-7%
Net Finance Income/ (Expenses)	54,696	44,009		16,541	12,786	
<b>Profit Before tax</b>	<b>220,416</b>	<b>466,228</b>	-53%	<b>119,266</b>	<b>185,381</b>	-36%
Income Tax Expenses	(17,441)	(68,043)	-74%	(1,301)	(9,425)	-86%
<b>Profit/(Loss) for the period</b>	<b>202,975</b>	<b>398,185</b>		<b>117,965</b>	<b>175,956</b>	
<b>Attributable to :</b>						
Equity Holders of the Parent	202,975	398,185		117,965	175,956	
Non-Controlling Interest	-	-		-	-	
<b>Net profit/(Loss) for the period</b>	<b>202,975</b>	<b>398,185</b>		<b>117,965</b>	<b>175,956</b>	
Basic earnings per share (Rs.)	8.55	16.77		4.97	7.41	
Dividend per share (Rs.)	-	8.50		-	6.00	
<b>STATEMENT OF COMPREHENSIVE INCOME</b>						
<b>Profit/ (Loss) for the period</b>	<b>202,975</b>	<b>398,185</b>		<b>117,965</b>	<b>175,956</b>	
<b>Other Comprehensive Income</b>						
<b>Other Comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>						
Actuarial Gain/(Loss) on Defined Benefit Obligation	(9,512)	(96,927)		(9,512)	(96,927)	
Income tax effect	1,332	13,570		1,332	13,570	
<b>Other Comprehensive income for the period, net of tax</b>	<b>(8,180)</b>	<b>(83,357)</b>		<b>(8,180)</b>	<b>(83,357)</b>	
<b>Total comprehensive income for the period, net of tax</b>	<b>194,794</b>	<b>314,827</b>		<b>109,784</b>	<b>92,598</b>	
<b>Attributable to:</b>						
Equity Holders of the Parent	194,794	314,827		109,784	92,598	
Non- controlling Interest	-	-		-	-	
	<b>194,794</b>	<b>314,827</b>		<b>109,784</b>	<b>92,598</b>	

Figures in brackets indicate deductions

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

	Group		Company	
	Unaudited As at 31.03.2020 Rs.'000	Audited As at 31.03.2019 Rs.'000	Unaudited As at 31.03.2020 Rs.'000	Audited As at 31.03.2019 Rs.'000
<b>ASSETS</b>				
<b>Non Current Assets</b>				
Right-to-use of Assets	272,635	154,735	272,558	154,735
Immovable estate assets on finance lease (other than Right to use of Land)	57,287	59,777	57,287	59,777
Tangible assets other than Immature/Mature Plantations	1,039,067	1,074,021	740,042	758,718
Immature/Mature Plantations	1,769,342	1,765,545	1,769,342	1,765,545
Consumable Biological Assets	306,236	273,159	306,236	273,159
Development Cost	3,358	4,319	-	-
Investments in Subsidiaries	-	-	134,933	134,933
Deferred Tax Asset	8,127	11,236	-	-
	<u>3,456,053</u>	<u>3,342,791</u>	<u>3,280,398</u>	<u>3,146,866</u>
<b>Current Assets</b>				
Produce on Bearer Biological Assets	4,389	8,456	4,389	8,456
Inventories	303,822	452,416	301,708	450,302
Trade and Other Receivables	154,251	203,694	128,866	190,888
Amounts due from Related Companies	3,857	2,004	3,781	2,004
Short Term Investments	1,112,522	994,016	1,112,522	976,516
Cash and Bank Balances	53,384	19,122	40,962	17,728
	<u>1,632,224</u>	<u>1,679,708</u>	<u>1,592,227</u>	<u>1,645,894</u>
<b>TOTAL ASSETS</b>	<u>5,088,277</u>	<u>5,022,499</u>	<u>4,872,625</u>	<u>4,792,760</u>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Stated Capital	350,000	350,000	350,000	350,000
Revenue Reserves	2,511,115	2,291,935	2,475,995	2,249,583
<b>Equity attributable to equity holders of the parent</b>	<u>2,861,115</u>	<u>2,641,935</u>	<u>2,825,995</u>	<u>2,599,583</u>
Non-Controlling Interests	170,534	176,828	-	-
<b>Total Equity</b>	<u>3,031,649</u>	<u>2,818,763</u>	<u>2,825,995</u>	<u>2,599,583</u>
<b>Non Current Liabilities &amp; Deferred Income</b>				
Interest Bearing Loans & Borrowings	13,097	17,582	13,097	17,582
Retiring Benefit Obligations	1,024,164	969,573	1,021,655	967,294
Deferred Tax Liability	200,446	204,222	200,446	204,222
Deferred Income	139,527	144,826	139,527	144,826
Liability to make Lease Payment after one year	270,471	185,425	270,394	185,425
	<u>1,647,704</u>	<u>1,521,628</u>	<u>1,645,118</u>	<u>1,519,349</u>
<b>Current Liabilities</b>				
Trade and Other Payables	370,110	616,830	355,047	608,084
Interest Bearing Loans & Borrowings	5,065	22,444	5,065	22,444
Liability to make Lease Payment within one year	12,172	928	12,168	928
Amounts due to Related Companies	18,476	14,250	26,129	14,716
Bank Overdraft	3,102	27,656	3,102	27,656
	<u>408,925</u>	<u>682,107</u>	<u>401,512</u>	<u>673,828</u>
<b>TOTAL LIABILITIES</b>	<u>2,056,628</u>	<u>2,203,736</u>	<u>2,046,630</u>	<u>2,193,177</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>5,088,277</u>	<u>5,022,499</u>	<u>4,872,625</u>	<u>4,792,760</u>
Net assets per share	120.47	111.24	118.99	109.46

The Statements of Financial Position as at 31st March 2020 and the Statements of Profit or Loss, Statements of Comprehensive Income, the Statements of Changes in Equity and Cash flow statements for the twelve 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)  
Vindya Perera  
General Manager-Finance

The Board of Directors is responsible for the presentation of these Financial Statements. Signed for and on behalf of the Board.

(sgd)  
Mohan Pandithage  
Chairman  
28th May 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						Non Controlling Interest Rs.000	Total Equity Rs.000
	Stated Capital Rs.000	Revenue Reserves			Total 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	-	404,837	-	-	404,837	7,878	412,715	
Other comprehensive income	-	(83,345)	-	-	(83,345)	12	(83,333)	
Transferred to the timber reserve	-	(11,125)	11,125	-	-	-	-	
Realised gain on timber sales	-	4,476	(4,476)	-	-	-	-	
Transferred to the biological crop reserve	-	3,668	-	(3,668)	-	-	-	
Dividends Paid	-	(201,875)	-	-	(201,875)	(1,855)	(203,730)	
Balance as at 31st March 2019	350,000	2,097,175	186,304	8,456	2,291,935	176,828	2,818,763	
<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>	
Effect of adoption SLFRS 16, as at 01st April 2019	-	31,618	-	-	31,618	-	31,618	
<b>Balance as at 01st April 2019</b>	<b>350,000</b>	<b>2,128,793</b>	<b>186,304</b>	<b>8,456</b>	<b>2,323,553</b>	<b>176,828</b>	<b>2,850,381</b>	
Profit for the period	-	195,698	-	-	195,698	876	196,574	
Other comprehensive income	-	(8,136)	-	-	(8,136)	43	(8,093)	
Transferred to the timber reserve	-	(17,414)	17,414	-	-	-	-	
Realised gain on timber sales	-	15,380	(15,380)	-	-	-	-	
Transferred to the biological crop reserve	-	4,067	-	(4,067)	-	-	-	
Dividends Paid	-	-	-	-	-	(7,214)	(7,214)	
Balance as at 31st March 2020	350,000	2,318,388	188,338	4,389	2,511,115	170,534	3,031,649	

  

<u>Company</u>	Revenue Reserves						Non Controlling Interest Rs.000	Total Equity Rs.000
	Stated Capital Rs.000	Retained Earnings Rs.000	Timber Reserve Rs.000	Biological Crop Reserve Rs.000	Total 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	-	398,185	-	-	398,185	-	398,185	
Other comprehensive income	-	(83,357)	-	-	(83,357)	-	(83,357)	
Transferred to the timber reserve	-	(11,125)	11,125	-	-	-	-	
Realised gain on timber sales	-	4,476	(4,476)	-	-	-	-	
Transferred to the biological crop reserve	-	3,668	-	(3,668)	-	-	-	
Dividends Paid	-	(201,875)	-	-	(201,875)	-	(201,875)	
Balance as at 31st March 2019	350,000	2,054,823	186,304	8,456	2,249,583	-	2,599,583	
<b>Balance as at 01st April 2019</b>	<b>350,000</b>	<b>2,054,823</b>	<b>186,304</b>	<b>8,456</b>	<b>2,249,583</b>	<b>-</b>	<b>2,599,583</b>	
Effect of adoption SLFRS 16, as at 01st April 2019	-	31,618	-	-	31,618	-	31,618	
<b>Balance as at 01st April 2019</b>	<b>350,000</b>	<b>2,086,441</b>	<b>186,304</b>	<b>8,456</b>	<b>2,281,201</b>	<b>-</b>	<b>2,631,201</b>	
Profit for the period	-	202,975	-	-	202,975	-	202,975	
Other comprehensive income	-	(8,180)	-	-	(8,180)	-	(8,180)	
Transferred to the timber reserve	-	(17,414)	17,414	-	-	-	-	
Realised gain on timber sales	-	15,380	(15,380)	-	-	-	-	
Transferred to the biological crop reserve	-	4,067	-	(4,067)	-	-	-	
Dividends Paid	-	-	-	-	-	-	-	
Balance as at 31st March 2020	350,000	2,283,268	188,338	4,389	2,475,995	-	2,825,995	

Figures in brackets indicate deductions

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

	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	12 months ended 31.03.2020 Rs.'000	12 months ended 31.03.2019 Rs.'000	12 months ended 31.03.2020 Rs.'000	12 months ended 31.03.2019 Rs.'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net profit before Taxation	218,789	483,681	220,416	466,228
<b>ADJUSTMENTS FOR</b>				
Provision for defined benefit plan costs	174,748	143,884	174,239	143,437
Depreciation/amortisation	197,772	169,061	180,459	151,755
Amortisation of grants	(5,300)	(5,300)	(5,300)	(5,300)
Dividend Income	-	-	(7,508)	(1,931)
Finance costs	2,405	16,047	2,405	15,210
Government & Other Finance Lease Interest	37,167	31,512	37,157	31,512
Profit on disposal of assets	(8,195)	(11,304)	(8,195)	(11,304)
(Gains)/ Loss on Fair Value of Biological Assets	(13,347)	(7,457)	(13,347)	(7,457)
Profit on Sale of Trees	(34,126)	(16,111)	(34,126)	(16,111)
Write off	151	2,425	151	2,425
<b>Operating profit before working capital changes</b>	<b>570,065</b>	<b>806,439</b>	<b>546,351</b>	<b>768,464</b>
(Increase)/Decrease in Inventories	148,518	2,468	148,518	2,238
(Increase)/Decrease in Trade and Other Receivables	49,369	(5,738)	61,948	(6,846)
Increase/(Decrease) in Trade and Other Payables	(115,935)	(38,966)	(123,066)	(34,916)
(Increase)/Decrease in Amounts due from Related Companies	(1,853)	(189)	(1,777)	(189)
Increase/(Decrease) in Amounts due to Related Companies	4,226	3,574	11,413	3,477
<b>Cash generated from operations</b>	<b>654,389</b>	<b>767,587</b>	<b>643,387</b>	<b>732,228</b>
Finance costs paid	(2,405)	(16,047)	(2,405)	(15,210)
Payment of Super Gain Tax/ESC / Income Tax / SRL	(17,206)	(39,080)	(15,526)	(39,080)
Defined benefit plan costs paid	(129,567)	(83,062)	(129,389)	(83,062)
<b>Net cash from operating activities</b>	<b>505,211</b>	<b>629,397</b>	<b>496,067</b>	<b>594,876</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Dividend Income Received	-	-	7,508	1,931
Proceeds from Sale of Trees	49,506	22,253	49,506	22,253
Proceeds from Disposal of Property, Plant & Equipment	8,195	12,480	8,195	12,480
Field Development Expenditure	(108,840)	(56,337)	(108,840)	(56,337)
Purchase of Property, Plant & Equipment	(68,003)	(112,604)	(67,932)	(112,109)
<b>Net cash used in investing activities</b>	<b>(119,142)</b>	<b>(134,208)</b>	<b>(111,562)</b>	<b>(131,783)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Dividend Paid	(150,537)	(59,375)	(142,500)	(59,375)
Payment of Government lease rentals	(25,781)	(32,957)	(25,781)	(32,957)
Payment of Other Finance lease rentals	(10,566)	-	(10,566)	-
Repayment of loans	(21,864)	(121,974)	(21,864)	(105,850)
<b>Net cash from financing activities</b>	<b>(208,747)</b>	<b>(214,306)</b>	<b>(200,710)</b>	<b>(198,182)</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>	<b>177,322</b>	<b>280,883</b>	<b>183,794</b>	<b>264,912</b>
<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>
<b>B. Cash &amp; cash equivalents at the end of the period</b>	<b>1,162,804</b>	<b>985,482</b>	<b>1,150,382</b>	<b>966,588</b>
<b>NOTE A</b>				
Cash & cash equivalents at the beginning of the year				
Cash & bank balances	19,122	16,169	17,728	12,646
Short term Investments	994,016	702,448	976,516	702,448
Bank overdrafts	(27,656)	(14,018)	(27,656)	(13,419)
	<b>985,482</b>	<b>704,599</b>	<b>966,588</b>	<b>701,676</b>
<b>NOTE B</b>				
Cash & cash equivalents at the end of the period				
Cash & bank balances	53,384	19,122	40,962	17,728
Short term Investments	1,112,522	994,016	1,112,522	976,516
Bank overdrafts	(3,102)	(27,656)	(3,102)	(27,656)
	<b>1,162,804</b>	<b>985,482</b>	<b>1,150,382</b>	<b>966,588</b>

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

1. REVENUE Summary	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	12 months ended 31.03.2020 Rs.'000	12 months ended 31.03.2019 Rs.'000	12 months ended 31.03.2020 Rs.'000	12 months ended 31.03.2019 Rs.'000
<b>Sale of goods</b>				
Tea	3,761,758	3,886,357	3,761,758	3,886,357
Rubber	13,246	13,453	13,246	13,453
Mini Hydro Power	52,301	68,272	-	-
Others	59,111	57,831	59,111	57,831
	<b>3,886,417</b>	<b>4,025,913</b>	<b>3,834,115</b>	<b>3,957,641</b>
<b>SEGMENT INFORMATION</b>				
<b>a) Segment Revenue</b>				
<b>Tea</b>				
Revenue	3,761,758	3,886,357	3,761,758	3,886,357
Revenue expenditure	(3,172,615)	(3,072,935)	(3,172,615)	(3,072,935)
Depreciation	(174,465)	(147,160)	(174,465)	(147,160)
Other non cash expenditure	(174,239)	(143,437)	(174,239)	(143,437)
<b>Segment results</b>	<b>240,440</b>	<b>522,826</b>	<b>240,440</b>	<b>522,826</b>
<b>Rubber</b>				
Revenue	13,246	13,453	13,246	13,453
Revenue expenditure	(28,151)	(26,541)	(28,151)	(26,541)
Depreciation	(5,994)	(4,596)	(5,994)	(4,596)
Other non cash expenditure	-	-	-	-
<b>Segment results</b>	<b>(20,899)</b>	<b>(17,684)</b>	<b>(20,899)</b>	<b>(17,684)</b>
<b>Mini Hydro Power</b>				
Revenue	52,301	68,272	-	-
Revenue expenditure	(20,054)	(19,486)	-	-
Depreciation	(17,313)	(17,305)	-	-
Other non cash expenditure	(509)	(447)	-	-
<b>Segment results</b>	<b>14,425</b>	<b>31,034</b>	<b>-</b>	<b>-</b>
<b>Unallocated</b>				
Revenue	59,111	57,831	59,111	57,831
Revenue expenditure	-	-	-	-
Depreciation	-	-	-	-
Other non cash expenditure	-	-	-	-
<b>Segment results</b>	<b>59,111</b>	<b>57,831</b>	<b>59,111</b>	<b>57,831</b>
<b>Total</b>				
Revenue	3,886,417	4,025,913	3,834,115	3,957,641
Revenue expenditure	(3,220,819)	(3,118,962)	(3,200,765)	(3,150,540)
Depreciation	(197,772)	(169,061)	(180,459)	(116,312)
Other non cash expenditure	(174,748)	(143,884)	(174,239)	(127,816)
<b>Segment results</b>	<b>293,077</b>	<b>594,007</b>	<b>278,652</b>	<b>562,973</b>
Change in fair value of biological assets	13,347	7,457	13,347	7,457
Other Income and Gains	54,284	40,200	61,792	42,130
Administrative Expenses	(197,153)	(201,338)	(188,071)	(190,341)
Finance Income	94,807	90,915	94,259	90,730
Finance Expenses	(2,405)	(16,047)	(2,405)	(15,210)
Interest paid to Government and Other Finance Leases	(37,167)	(31,512)	(37,157)	(31,512)
<b>Profit Before Tax</b>	<b>218,789</b>	<b>483,681</b>	<b>220,416</b>	<b>466,228</b>

SEGMENT INFORMATION	Group		Company	
	Unaudited 12 months to 31.03.2020 Rs.'000	Audited 12 months to 31.03.2019 Rs.'000	Unaudited 12 months to 31.03.2020 Rs.'000	Audited 12 months to 31.03.2019 Rs.'000
<b>b) Segment Assets</b>				
<b>Non Current Assets</b>				
Tea	2,737,444	2,632,911	2,737,444	2,632,911
Rubber	101,785	105,864	101,785	105,864
Mini Hydro Power	310,587	330,857	-	-
Biological Assets	306,236	273,159	306,236	273,159
Investments	-	-	134,933	134,933
	<b>3,456,053</b>	<b>3,342,791</b>	<b>3,280,398</b>	<b>3,146,866</b>
<b>Current Assets</b>				
Tea	1,591,401	1,644,533	1,591,401	1,644,533
Rubber	826	1,361	826	1,361
Mini Hydro Power	39,997	33,814	-	-
	<b>1,632,224</b>	<b>1,679,708</b>	<b>1,592,227</b>	<b>1,645,894</b>
<b>Total Assets</b>	<b>5,088,277</b>	<b>5,022,499</b>	<b>4,872,625</b>	<b>4,792,760</b>
<b>Non Current Liabilities and Deferred Income</b>				
Tea	1,645,118	1,519,349	1,645,118	1,519,349
Rubber	-	-	-	-
Mini Hydro Power	2,585	2,279	-	-
Unallocated	-	-	-	-
	<b>1,647,704</b>	<b>1,521,628</b>	<b>1,645,118</b>	<b>1,519,349</b>
<b>Current Liabilities</b>				
Tea	401,512	673,828	401,512	673,828
Rubber	-	-	-	-
Mini Hydro Power	7,413	8,280	-	-
Unallocated	-	-	-	-
	<b>408,925</b>	<b>682,107</b>	<b>401,512</b>	<b>673,828</b>
<b>Total liabilities</b>	<b>2,056,628</b>	<b>2,203,736</b>	<b>2,046,630</b>	<b>2,193,177</b>
<b>2. STATED CAPITAL</b>				
	as at			
<b>Issued and fully paid</b>	<b>31.03.2020</b>	<b>31.03.2019</b>	<b>31.03.2020</b>	<b>31.03.2019</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>	350,000	<b>350,000</b>	350,000



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

- 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 31st March 2019.
- There were no changes to the Accounting Policies and methods of computation since the publication of the Annual Report for the year ended 31st March 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 01st January 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.

The Company adopted SLFRS 16 using the modified retrospective method of adoption, with the date of initial application of 01 April 2019. The effect of adoption of SLFRS 16 to the Retained Earning as of 01 April 2019 is given in the Financial Statements.

**The effect of adoption SLFRS 16 - Leases as at 01 April 2019**

	<b>Lease Liability</b>	<b>Right of Use Assets</b>	<b>Retained Earnings</b>
	<b>Rs.000'</b>	<b>Land Rs.000'</b>	<b>Rs.000'</b>
Balance as at 01 April 2019 (before initial application of SLFRS 16)	186,353	154,735	2,054,825
Transferred Due to Initial Application of SLFRS 16	64,430	96,048	31,618
Adjusted balance as at 01 April 2019 (at the initial application of SLFRS 16)	<u>250,783</u>	<u>250,783</u>	<u>2,086,443</u>

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 12 months ended 31.03.2020.

	<b>Right to Use of Assets</b>		<b>Total</b>
	<b>Land Rs.000'</b>	<b>Buildings Rs.000'</b>	<b>Rs.000'</b>
As at 01.04.2019	154,735	-	154,735
Transition adjustment due to initial application of SLFRS 16	96,048	39,137	135,185
	<u>250,783</u>	<u>39,137</u>	<u>289,920</u>
Amortisation Expense	(9,535)	(7,827)	(17,362)
<b>As at 31.03.2020</b>	<b><u>241,248</u></b>	<b><u>31,310</u></b>	<b><u>272,558</u></b>

- These interim financial statements include the gain arising from the valuation of biological assets and actuarial gain/loss on defined benefit plans arising from the year end valuation.
- Consequent to a Board decision, no management fee has been charged by Hayleys Plantations Services (Pvt) Limited.
- 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.
- No circumstances have arisen since the Statement of Financial Position date, which would require adjustments to the Interim Financial statements.
- 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.
- 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 12 months ended 31.03.2020 Rs.'000</b>	<b>Audited 12 months ended 31.03.2019 Rs.'000</b>	<b>Unaudited 12 months ended 31.03.2020 Rs.'000</b>	<b>Audited 12 months ended 31.03.2019 Rs.'000</b>
Income Tax	(21,566)	(8,880)	(19,886)	(8,457)
Deferred Tax	(649)	(62,087)	2,445	(59,586)
	<u>(22,215)</u>	<u>(70,966)</u>	<u>(17,441)</u>	<u>(68,043)</u>

- In March 2020, the World Health Organization declared the novel coronavirus (COVID-19) outbreak as a pandemic. There have been mandates from Government authorities requiring forced closures of various schools, businesses and other facilities and organizations. As a result, during the latter part of March 2020, there was a restriction on operations of the Company. However, After The Government declared the plantation sector as an essential service, normal operations were restored. Further company is confident in carrying the business and its operations as normal with the health and safety measures recommended by the Government authorities.

**TALAWAKELLE TEA ESTATES PLC**  
**FIRST TWENTY SHAREHOLDERS AS AT 31.03.2020**

	Name of the Shareholder	No.of Shares as at 31.03.2020	%
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	335,625	1.41
6	PEOPLE'S LEASING & FINANCE PLC/MR. K.K.SHUJEEVAN	158,197	0.67
7	MRS.U.D.D.N.PERERA	117,609	0.50
8	MR. N.A. WITHANA	112,100	0.47
9	COCOSHELL ACTIVATED CARBON COMPANY LIMITED	107,107	0.45
10	MR. D.F.G.DALPETHADO & MRS. H.F.A.K.D. FONSEKA	62,857	0.26
11	VINGROWS BUSINESS SOLUTIONS (PVT) LTD	60,000	0.25
12	CAPITAL TRUST HOLDINGS LIMITED	56,300	0.24
13	MR. P.A.D. SAMARASEKERA	53,400	0.22
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.A.J.KAHAGALAGE	22,750	0.10
20	MR.P.SOMADASA	21,177	0.09

**Directors Shares holding as at end of 31.03.2020**

<b>Mr. W.G.R. Rajadurai</b>	<b>1000</b>
<b>Through -Merrill J. Fernando &amp; Sons (Pvt) Ltd</b>	<b>1,184,700</b>
<b>Common Directors- Mr. Merrill J. Fernando</b>	
<b>- Mr. Malik J. Fernando</b>	
<b>- Mr. D. C. Fernando</b>	

## 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 (Resinged- w.e.f 02nd February 2020 )  
Mr.S L Athukorala  
Mr.M H Jamaldeen  
Mr.S B Alawattagama (Appointed- w.e.f 02nd February 2020 )

### 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](mailto:tpl.tea@ttel.hayleys.com)  
website: [www.talawakelleteas.com](http://www.talawakelleteas.com)

### Principal Lines of Business

Cultivation and manufacture of black tea.

## INVESTOR INFORMATION

MARKET VALUE OF SHARES	2020 Rs.	2019 Rs.
Closing price on 31.03. ....	<b>39.90</b>	48.70
Highest price recorded for the twelve months ending	<b>54.80</b>	59.90
Lowest price recorded for the twelve months ending	<b>37.00</b>	42.50
Highest price recorded for the three months ending	<b>50.00</b>	58.00
Lowest price recorded for the three months ending	<b>37.00</b>	45.10
<b>RATIOS</b>		
Price Earning Ratio (times)	<b>4.84</b>	2.86
<b>SHARE TRADING FROM 01ST APRIL, 2019 TO 31ST MARCH, 2020</b>		
No. of transactions	<b>1,599</b>	919
No. of shares traded	<b>747,303</b>	717,864
Value of shares traded (Rs.)	<b>35,862,102</b>	36,928,261
Public Holding %	<b>20.27</b>	20.27
Total Number of shareholders representing the public holding	<b>13,541</b>	13,464
No.of Shares in Stated Capital	<b>23,750,000</b>	23,750,000
Float Adjusted Market capitalisation as at 31.03.2020 (Rs. '000)	<b>192,084</b>	234,447
There were no non-voting shares as at 31st March 2020		
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		