

NATURAL INGENUITY

Sacred Patterns, Sustainable Paths

Talawakelle Tea Estates PLC
Integrated Annual Report 2024/25

English Translation

Statement of Profit or Loss

For the year ended 31 March	Notes	Group		Company	
		2025	2024	2025	2024
		Rs.'000	Rs.'000	Rs.'000	Rs.'000
Revenue	6.1	7,805,693	7,763,611	7,711,657	7,694,650
Cost of Sales		(5,987,638)	(5,988,421)	(5,939,601)	(5,954,538)
Gross Profit		1,818,055	1,775,190	1,772,056	1,740,112
Change in Fair Value of Biological Assets	13 C.1	24,011	171,781	24,011	171,781
Other Income And Gains	7	83,384	46,195	105,128	48,976
Administrative Expenses		(471,640)	(421,708)	(456,485)	(406,771)
Results from Operating Activities		1,453,810	1,571,458	1,444,710	1,554,098
Finance Income	8.1	384,380	620,830	376,528	619,010
Finance Expenses	8.2	(184)	(627)	(184)	(627)
Interest Paid to Government and Other on Leases	8.3	(67,423)	(57,013)	(67,423)	(57,013)
Net Finance Income		316,773	563,190	308,921	561,370
Profit Before Tax	9	1,770,583	2,134,648	1,753,631	2,115,468
Income Tax Expense	10.1	(535,745)	(491,196)	(522,387)	(483,119)
Profit for the Year		1,234,838	1,643,452	1,231,244	1,632,349
Attributable To:					
Equity holders of the Parent		1,234,838	1,644,741	1,231,244	1,632,349
Non- Controlling Interest		-	(1,289)	-	-
		1,234,838	1,643,452	1,231,244	1,632,349
Basic/Diluted Earnings Per Share (Rs.)	11	26.00	34.63	25.92	34.37

The Accounting Policies and Notes on pages 260 to 305 form an integral part of the Financial Statements. Figures in brackets indicate deductions.

Statement of Comprehensive Income

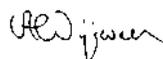
For the year ended 31 March	Notes	Group		Company	
		2025	2024	2025	2024
		Rs.'000	Rs.'000	Rs.'000	Rs.'000
Profit for the Year		1,234,838	1,643,452	1,231,244	1,632,349
Other Comprehensive Income					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
Actuarial Gain/(Loss) on Retirement Benefit Obligations	21	(232,021)	(124,830)	(231,894)	(124,996)
Income Tax Effect	10.2	69,594	37,466	69,568	37,499
Other Comprehensive Income for the year, net of tax		(162,427)	(87,364)	(162,326)	(87,497)
Total comprehensive income for the year, net of tax		1,072,411	1,556,088	1,068,918	1,544,852
Attributable to:					
Equity holders of the Parent		1,072,411	1,557,377	1,068,918	1,544,852
Non- Controlling Interest		-	(1,289)	-	-
		1,072,411	1,556,088	1,068,918	1,544,852

The Accounting Policies and Notes on pages 260 to 305 form an integral part of the Financial Statements. Figures in brackets indicate deductions.

Statement of Financial Position

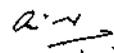
As at 31 March	Notes	Group		Company	
		2025	2024	2025	2024
		Rs:000	Rs:000	Rs:000	Rs:000
ASSETS					
Non Current Assets					
Right-of-use Assets	12	455,855	404,089	455,794	404,024
Tangible assets other than Immature/Mature Plantations	13A	1,765,364	1,539,864	1,547,392	1,305,632
Bearer Biological Assets	13B	2,205,728	2,048,227	2,205,728	2,048,227
Consumable Biological Assets	13C	678,715	664,576	678,715	664,576
Intangible Assets	13D	9,309	11,651	9,309	10,776
Investments in Subsidiaries	14	-	-	225,792	225,792
Deferred Tax Asset	10.4	461	601	-	-
		5,115,432	4,669,008	5,122,730	4,659,027
Current Assets					
Produce on Bearer Biological Assets	15	32,049	22,598	32,049	22,598
Inventories	16	889,048	749,802	889,048	749,802
Trade and Other Receivables	17	434,537	453,856	422,983	442,914
Amounts due from Related Companies	18	10,178	5,528	12,041	8,447
Short Term Investments	19	4,346,278	3,849,257	4,234,419	3,776,923
Cash and Bank Balances		62,984	107,716	60,932	94,509
		5,775,074	5,188,757	5,651,472	5,095,194
TOTAL ASSETS		10,890,506	9,857,765	10,774,202	9,754,221
EQUITY AND LIABILITIES					
Equity					
Stated Capital	20	350,000	350,000	350,000	350,000
Revenue Reserves		6,752,320	6,019,537	6,645,218	5,915,925
Total Equity		7,102,320	6,369,537	6,995,218	6,265,925
Non Current Liabilities & Deferred Income					
Retirement Benefit Obligations	22	1,182,334	932,949	1,179,084	928,821
Deferred Tax Liability	10.4	635,269	645,084	635,269	645,084
Deferred Income	23	136,216	132,040	136,216	132,040
Lease Liability	24.3	454,923	392,831	454,844	392,753
		2,408,742	2,102,904	2,405,413	2,098,698
Current Liabilities					
Trade and Other Payables	25	1,043,764	992,916	1,043,994	996,589
Interest Bearing Loans & Borrowings	21	-	2,619	-	2,619
Lease Liability	24.3	21,413	14,055	21,408	14,050
Amounts due to Related Companies	26	145,951	218,665	150,615	225,808
Income Tax Payable		153,215	118,341	142,453	111,804
Bank Overdraft		15,101	38,728	15,101	38,728
		1,379,444	1,385,324	1,373,571	1,389,598
TOTAL LIABILITIES		3,788,186	3,488,228	3,778,984	3,488,296
TOTAL EQUITY AND LIABILITIES		10,890,506	9,857,765	10,774,202	9,754,221
Net Assets Per Share (Rs.)		149.52	134.10	147.27	131.91

The Accounting Policies and Notes on pages 260 to 305 form an integral part of the Financial Statements. Figures in brackets indicate deductions. These Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007.



Vindya Perera
Director-Finance

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



Mohan Pandithage
Chairman/Director



Roshan Rajadurai PhD, DSc.
Managing Director

05th May 2025
Colombo.

Statement of Changes in Equity

Group	For the year ended 31 March						
	Stated Capital	Attributable to equity holders of the parent				Non Controlling Interest	Total Equity
		Retained Earnings	Biological Crop Reserve	Timber Reserve	Total		
Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	
Balance as at 01 April 2023	350,000	5,335,371	22,931	311,008	5,669,312	147,848	6,167,160
Profit for the Year	-	1,644,741	-	-	1,644,741	(1,289)	1,643,452
Other Comprehensive Income	-	(87,364)	-	-	(87,364)	-	(87,364)
Transferred to the Timber Reserve	-	(172,114)	-	172,114	-	-	-
Transferred to Biological Crop Reserve	-	333	(333)	-	-	-	-
Realised Gain on Timber Sales	-	6,711	-	(6,711)	-	-	-
Adjustments on change to non-controlling interest in Subsidiary	-	55,780	-	-	55,780	(146,559)	(90,779)
Distributed Dividend Write-Off	-	12,443	-	-	12,443	-	12,443
Dividend	-	(1,275,375)	-	-	(1,275,375)	-	(1,275,375)
Balance as at 31 March 2024	350,000	5,520,526	22,598	476,411	6,019,537	-	6,369,537
Profit for the Year	-	1,234,835	-	-	1,234,835	-	1,234,835
Other Comprehensive Income	-	(162,427)	-	-	(162,427)	-	(162,427)
Transferred to the Timber Reserve	-	(14,561)	-	14,561	-	-	-
Transferred to Biological Crop Reserve	-	(9,450)	9,450	-	-	-	-
Realised Gain on Timber Sales	-	23,810	-	(23,810)	-	-	-
Dividends	-	(339,625)	-	-	(339,625)	-	(339,625)
Balance as at 31 March 2025	350,000	6,253,108	32,048	467,162	6,752,320	-	7,102,320

Company	Revenue Reserves					
	Stated Capital	Retained Earnings	Biological Crop Reserve	Timber Reserve	Total	Total Equity
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 01 April 2023	350,000	5,312,508	22,931	311,009	5,646,448	5,996,448
Profit for the year	-	1,632,349	-	-	1,632,349	1,632,349
Other Comprehensive Income	-	(87,497)	-	-	(87,497)	(87,497)
Transferred to the Timber Reserve	-	(172,114)	-	172,114	-	-
Transferred to Biological Crop Reserve	-	333	(333)	-	-	-
Realised Gain on Timber Sales	-	6,711	-	(6,711)	-	-
Dividends	-	(1,275,375)	-	-	(1,275,375)	(1,275,375)
Balance as at 31 March 2024	350,000	5,416,915	22,598	476,412	5,915,925	6,265,925
Profit for the year	-	1,231,244	-	-	1,231,244	1,231,244
Other Comprehensive Income	-	(162,326)	-	-	(162,326)	(162,326)
Transferred to the Timber Reserve	-	(14,561)	-	14,561	-	-
Transferred to Biological Crop Reserve	-	(9,450)	9,450	-	-	-
Realised Gain on Timber Sales	-	23,810	-	(23,810)	-	-
Dividend	-	(339,625)	-	-	(339,625)	(339,625)
Balance as at 31 March 2025	350,000	6,146,007	32,048	467,163	6,645,218	6,995,218

The Timber Reserve relates to change in fair value of managed trees which includes commercial timber plantations cultivated on estates.

The Biological Crop Reserve relates to change in fair value of harvestable produces growing on bearer biological assets.

The Accounting Policies and Notes on pages 260 to 305 form an integral part of the Financial Statements. Figures in brackets indicate deductions.

Statement of Cash Flows

For the year ended 31 March	Notes	Group		Company	
		2025	2024	2025	2024
		Rs.'000	Rs.'000	Rs.'000	Rs.'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Net Profit Before Taxation		1,770,583	2,134,647	1,753,631	2,115,468
ADJUSTMENTS FOR					
Provision for Retirement Benefit Obligations	22	179,857	203,319	179,084	202,380
Depreciation/Amortisation	9	261,161	226,087	244,025	210,779
Amortisation of Grants	23	(9,046)	(5,634)	(9,046)	(5,634)
Dividend Income	7	-	-	(24,894)	(3,741)
Finance Costs	8.2	183	627	183	627
Government & Other Lease Interest	8.3	67,423	57,013	67,423	57,013
Profit on disposal of Property, Plant & Equipments	7	(7,016)	-	(7,016)	-
Profit on Sale of Trees	7	(26,159)	(9,301)	(26,159)	(9,301)
Debtors/Stocks write off		5,682	12,443	5,682	-
Gains on Fair Value of Biological Assets	13C.1	(24,011)	(171,781)	(24,011)	(171,781)
Operating Profit before Working Capital Changes		2,218,657	2,447,421	2,158,902	2,395,810
(Increase)/Decrease in Inventories		(141,151)	81,024	(141,151)	80,985
(Increase)/Decrease in Trade and Other Receivables		16,561	35,978	19,932	(12,639)
Increase/(Decrease) in Trade and Other Payables		227,642	(62,844)	222,925	(39,685)
(Increase)/Decrease in Amounts due from Related Companies		(4,650)	19,100	(3,595)	4,120
Increase/(Decrease) in Amounts due to Related Companies		(72,714)	134,920	(75,193)	143,826
Cash Generated from Operations		2,244,345	2,655,599	2,181,820	2,572,417
Finance Costs Paid	8.2	(183)	(627)	(183)	(627)
Payment of Income Tax/VAT		(568,794)	(461,554)	(561,263)	(461,554)
Retirement Benefit Obligations Paid	22	(162,443)	(196,295)	(160,714)	(196,058)
Net Cash from Operating Activities		1,512,925	1,997,123	1,459,660	1,914,178
CASH FLOWS FROM INVESTING ACTIVITIES					
Grant Received	23	13,222	975	13,222	975
Proceeds from Sale of Trees		49,969	16,012	49,969	16,012
Proceeds from Disposal of Property, Plant & Equipments		8,112	-	8,112	-
Field Development Expenditure (Note A)	13B/13C	(271,116)	(239,897)	(271,116)	(239,897)
Purchase of Property, Plant & Equipment (Note B)		(362,486)	(256,816)	(362,486)	(256,623)
Dividend Income Received	7	-	-	24,894	3,741
Investment of Subsidiary Companies		-	(90,859)	-	(90,859)
Net Cash used in Investing Activities		(562,299)	(570,585)	(537,405)	(566,651)
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividend Paid		(387,125)	(1,085,375)	(387,125)	(1,085,375)
Payment of Government lease rentals		(68,528)	(53,540)	(68,528)	(53,540)
Payment of Other lease rentals		(16,438)	(15,161)	(16,438)	(15,161)
Repayment of loans		(2,619)	(3,492)	(2,619)	(3,492)
Net Cash used in Financing Activities		(474,710)	(1,157,568)	(474,710)	(1,157,568)
Net Increase in Cash & Cash Equivalents		475,916	268,970	447,546	189,959
Cash & Cash Equivalents at the beginning of the year (Note C)		3,918,245	3,649,275	3,832,705	3,642,746
Cash & Cash Equivalents at the end of the year (Note D)		4,394,161	3,918,245	4,280,251	3,832,705

The Accounting Policies and Notes on pages 260 to 305 form an integral part of the Financial Statements. Figures in brackets indicate deductions.

For the year ended 31 March	Group					
	Tea	Rubber	Cinnamon	Others	Hydro	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
NOTE A: Investment in Field Development Expenditure						
Investment in Immature Plantations 2025	174,876	2,150	53,312	40,778	-	271,116
Investment in Immature Plantations 2024	147,636	2,506	49,808	39,947	-	239,897
NOTE B: Investment in Property, Plant & Equipment						
Investment in Property, Plant & Equipment 2025	362,486	-	-	-	-	362,486
Investment in Property, Plant & Equipment 2024	256,623	-	-	-	193	256,816

For the year ended 31 March	Company					
	Tea	Rubber	Cinnamon	Others	Hydro	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
NOTE A: Investment in Field Development Expenditure						
Investment in Immature Plantations 2025	174,876	2,150	53,312	40,778	-	271,116
Investment in Immature Plantations 2024	147,636	2,506	49,808	39,947	-	239,897
NOTE B: Investment in Property, Plant & Equipment						
Investment in Property, Plant & Equipment 2025	362,486	-	-	-	-	362,486
Investment in Property, Plant & Equipment 2024	256,623	-	-	-	-	256,623

For the year ended 31 March	Notes	Group		Company	
		2025	2024	2025	2024
		Rs.'000	Rs.'000	Rs.'000	Rs.'000
NOTE C					
Cash & Cash Equivalents at the beginning of the year					
Cash & Bank Balances		32,082	173,005	18,876	166,475
Short Term Investments		3,924,891	3,513,695	3,852,557	3,513,695
Bank Overdrafts		(38,728)	(37,424)	(38,728)	(37,424)
		3,918,245	3,649,275	3,832,705	3,642,746
NOTE D					
Cash & Cash Equivalents at the end of the year					
Cash & Bank Balances		62,984	32,082	60,932	18,876
Short Term Investments		4,346,278	3,924,891	4,234,420	3,852,557
Bank Overdrafts		(15,101)	(38,728)	(15,101)	(38,728)
		4,394,161	3,918,245	4,280,251	3,832,705

The Accounting Policies and Notes on pages 260 to 305 form an integral part of the Financial Statements. Figures in brackets indicate deductions.

Consolidated ESG Statement

	Note	2024/25	2023/24	2022/23	2021/22
Environmental Performance					
Resources					
Energy consumption (GJ)	2.1	217,833	214,663	201,664	208,303
Renewable energy generation (GJ)	2.2	30,848	26,937	30,767	29,296
Water consumption (m ³)	2.3	555	521	1,742	2,492
Portion of renewable materials use of material mix (%)	2.4	79.4%	82.88%	88%	89%
Waste					
Total solid non-hazardous waste generated (Tonnes)	2.5	225	145	135	234
Total solid hazardous waste generated (Tonnes)	2.5	1	1	1	1
Emission					
Scope 1 (Direct) tCO ₂ e	2.6	8,160	9,263	8,999	2388
Scope 2 (Indirect) tCO ₂ e	2.6	1,703	1,961	2,205	2606
Scope 3 (Indirect) tCO ₂ e	2.6	13,568	13,970	18,578	289
Investment in environment and biodiversity conservation					
Biodiversity conservation and protection (Rs. 000)	2.7	1,507	1,491	1,982	983
Environment friendly Agriculture practices (Rs. 000)	2.7	56,782	45,317	47,576	49,348
Environmental compliance					
Breaches of environmental regulatory	2.8	0	0	0	0
Social performance					
Employees					
Total employees	3.1	5,247	4,284	4,825	5279
Employee turnover (%)	3.2	3.4%	11.2%	8.6%	8.6%
Employee Trust Index (%)	3.3	99%	99%	97%	96%
Frequency of occupational accidents (Injuries Rate)	3.4	6.1	9.98	8.58	6.05
Average training hours per employee	3.5	1.91	2.3	2.5	2.05
Training Investment (Rs. Mn)	3.6	11	14.4	13.78	1.46
Gender in leadership positions (ratio men: women)	3.7	55:8	55:8	31:6	25:1
Gender in the Board of Directors (ratio men: women)	3.7	10:1	10:1	9:1	9:1
Community					
Investment on living environment (Rs. Mn)	3.8	36.9	8.2	5.7	65.5
Investment on capacity building (Rs. Mn)	3.8	21.2	24.5	20.1	33.8
Investment Youth Empowerment (Rs. Mn)	3.8	1.2	0.7	1.0	1
Investment on Health and Nutrition (Rs. Mn)	3.8	59.7	70.2	138.6	7.2
Value chain					
Customer satisfaction rate (%)	3.9	92	86%	86%	86%
Customer rejections and complaints	3.9	0	5	6	14
Supplier assessment on ESG performance and compliance	3.10	80	84%	82%	0
Social compliance					
Breaches of laws and regulation	3.11	0	0	0	0
Governance performance					
Board Quality					
Board position (ratio Independent:Non independent)	4.1	4:7	1:1	1:1	1:1
Code of conduct					
Employees trained on code of conduct (Head Hours)	4.2	1,139	1,134	1,023	377
Number of whistle-blower cases reported and solved	4.3	0	0	0	0
Management Systems					
Number of management system standardize and certified	4.4	7 out of 7			
Major Nonconformities on system failure	4.5	0	0	0	0
Number of ESEG meeting conducted	4.6	4	3	1	0