



**Bogala Graphite**

**Bogala Graphite Lanka PLC**

Financial Statements

**Quarter ended 31st December 2017**

# BOGALA GRAPHITE LANKA PLC

## Statement of Profit or Loss and Other Comprehensive Income

For the Period ended 31st December 2017	Quarter		year		Variance	
	Un audited 4th Quarter Ended 31/12/2017	4th Quarter Ended 31/12/2016	Un audited 12 Months Ended 31/12/2017	12 Months Ended 31/12/2016		
	Rs.	Rs.	Rs.	Rs.	Rs.	%
<b>REVENUE</b>	<b>205,325,257</b>	<b>173,632,243</b>	<b>732,887,983</b>	<b>702,454,446</b>	<b>30,433,537</b>	<b>4%</b>
Cost of Sales	(113,961,486)	<b>(101,887,674)</b>	(477,849,178)	(432,079,989)	(45,769,189)	<b>11%</b>
<b>Gross Profit</b>	<b>91,363,771</b>	<b>71,744,569</b>	<b>255,038,805</b>	<b>270,374,457</b>	<b>(15,335,652)</b>	<b>-6%</b>
Other Income and Gains	3,131,013	<b>178,120</b>	3,599,489	11,312,655	(7,713,166)	<b>-68%</b>
Selling and Distribution Costs	(26,721,031)	<b>(25,868,516)</b>	(98,571,381)	(99,147,080)	575,699	<b>-1%</b>
Administrative Expenses	(91,738,308)	<b>(27,924,400)</b>	(173,758,229)	(107,115,315)	(66,642,914)	<b>62%</b>
Exchange Gain/(Loss) (Note 8)	(231,594)	<b>6,581,266</b>	(3,453,176)	10,010,387	(13,463,563)	<b>-134%</b>
<b>Operating Profit</b>	<b>(24,196,149)</b>	<b>24,711,040</b>	<b>(17,144,493)</b>	<b>85,435,104</b>	<b>(102,579,597)</b>	<b>-120%</b>
Finance Cost	(1,925,921)	<b>(2,264,756)</b>	(8,014,555)	(8,930,781)	916,226	<b>-10%</b>
Finance Income	1,138,731	<b>829,288</b>	4,173,323	2,814,117	1,359,206	<b>48%</b>
<b>Profit Before Tax</b>	<b>(24,983,338)</b>	<b>23,275,572</b>	<b>(20,985,725)</b>	<b>79,318,440</b>	<b>(100,304,165)</b>	<b>-126%</b>
Income tax reversal/(expense)	5,629,754	<b>952,298</b>	1,332,350	(5,512,475)	6,844,825	<b>-124%</b>
<b>(Loss)/Profit for the period</b>	<b>(19,353,584)</b>	<b>24,227,870</b>	<b>(19,653,375)</b>	<b>73,805,965</b>	<b>(93,459,341)</b>	<b>-127%</b>
<b>Other comprehensive income</b>						
Remeasurement of defined benefit obligation	<b>(6,833,999)</b>	<b>(692,909)</b>	<b>(6,833,999)</b>	<b>(692,909)</b>	(6,141,090)	<b>886%</b>
- Deferred tax charge on actuarial loss	<b>956,760</b>	<b>83,149</b>	956,760	83,149	873,611	<b>1051%</b>
Other comprehensive income, net of tax	(5,877,239)	(609,760)	(5,877,239)	(609,760)	(5,267,479)	<b>864%</b>
<b>Total comprehensive (loss)/income</b>	<b>(25,230,823)</b>	<b>23,618,110</b>	<b>(25,530,614)</b>	<b>73,196,205</b>	(98,726,819)	<b>-135%</b>
<b>(Loss)/Earnings Per Share</b>	<b>(0.20)</b>	<b>0.26</b>	<b>(0.21)</b>	<b>0.78</b>		

# BOGALA GRAPHITE LANKA PLC

## Statement of Financial Position

As at	Notes	Un audited 31-12-2017 Rs.	Audited 31-12-2016 Rs.
<b>ASSETS</b>			
Property, Plant and Equipment		265,538,553	259,841,373
Other Non Current Financial Assets		19,217,736	18,434,971
Deferred tax		220,244	-
<b>Non-Current Assets</b>		<b>284,976,533</b>	<b>278,276,344</b>
Inventories		100,879,066	112,020,923
Trade and Other Receivables		143,424,251	102,798,312
Advances and Prepayments		12,579,188	11,551,674
Other Financial Assets		12,024,966	11,787,496
Current taxation		1,544,612	-
Cash and Cash Equivalents		53,297,756	63,250,862
<b>Current Assets</b>		<b>323,749,839</b>	<b>301,409,267</b>
<b>Total Assets</b>		<b>608,726,372</b>	<b>579,685,611</b>
<b>EQUITY</b>			
Stated Capital		102,074,201	102,074,201
Reserves		5,718,298	5,718,298
Retained Earnings		215,979,966	241,510,580
<b>Total Equity</b>		<b>323,772,465</b>	<b>349,303,079</b>
<b>Liabilities</b>			
Interest Bearing Loans and Borrowings		92,158,594	108,592,147
Deferred Tax Liability		-	4,384,020
Employee Benefit Liability		53,927,615	48,011,112
Other Liabilities		8,418,368	-
<b>Non-Current Liabilities</b>		<b>154,504,577</b>	<b>160,987,279</b>
Trade and Other Payables		64,132,704	32,206,336
Income Tax Payables		-	6,905,519
Interest Bearing Loans and Borrowings		66,316,627	30,283,398
<b>Current Liabilities</b>		<b>130,449,330</b>	<b>69,395,253</b>
<b>Total Liabilities</b>		<b>284,953,907</b>	<b>230,382,532</b>
<b>Total Equity and Liabilities</b>		<b>608,726,372</b>	<b>579,685,611</b>
<b>Net Assets Per Share (Rs.)</b>		<b>3.42</b>	<b>3.69</b>

These financial statements are in compliance with the requirements of Companies Act No 07 of 2007.

Certified by,

.....  
Sugath Amarasinghe  
**Finance Director**

The Board of Directors are responsible for the preparation and presentation of these financial statements, signed for and on behalf of the Board of Directors by.

.....  
Vijaya Malalasekera  
**Chairman**  
22 February 2018

.....  
A.P. Jayasinghe  
**Chief Executive Officer**

# BOGALA GRAPHITE LANKA PLC

## STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs.	Revaluation Reserve Rs.	Retained Earnings Rs.	Total Equity Rs.
<b>Balance as at 1 January 2016</b>	<b>80,074,201</b>	<b>5,718,298</b>	<b>192,514,375</b>	<b>278,306,874</b>
Profit for the period	-	-	73,805,965	73,805,965
Other comprehensive income, net of income tax	-	-	(609,760)	(609,760)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>73,196,205</b>	<b>73,196,205</b>
<b>Transactions with owners of the Company</b>				
Capitalization of reserves	22,000,000	-	(24,200,000)	(2,200,000)
<b>Total transactions with owners of the Company</b>	<b>22,000,000</b>	<b>-</b>	<b>(24,200,000)</b>	<b>(2,200,000)</b>
<b>Balance as at 31st December 2016</b>	<b>102,074,201</b>	<b>5,718,298</b>	<b>241,510,580</b>	<b>349,303,079</b>
Balance as at 1 January 2017	102,074,201	5,718,298	241,510,580	349,303,079
Loss for the period	-	-	(19,653,375)	(19,653,375)
Other comprehensive income, net of income tax	-	-	(5,877,239)	(5,877,239)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>(25,530,614)</b>	<b>(25,530,614)</b>
<b>Balance as at 31st December 2017</b>	<b>102,074,201</b>	<b>5,718,298</b>	<b>215,979,966</b>	<b>323,772,465</b>

# BOGALA GRAPHITE LANKA PLC

## STATEMENT OF CASH FLOW

Period Ended 31st Decemberr 2017

### Cash Flows From / (Used in) Operating Activities

Profit/(Loss) Before Taxation

#### Adjustments for

Depreciation on Property Plant & Equipments  
Foreign Currency Gains  
Profit on disposal of Property Plant & Equipments  
Finance Income  
Finance Costs  
Provision for Employee Benefits  
Provision/(Reversal) of slow moving inventories  
Provision for Death Compensation

### Operating Profit before Working Capital Changes

Inventories  
Trade and Other Receivables  
Advance and Prepayments  
Other Financial Assets  
Trade and Other Payables

### Cash Generated from Operations

Income Tax Paid  
Gratuity Paid

### Net Cash Flows From Operating Activities

### Cash Flows From Investing Activities

Interest Received  
Acquisition of Property, Plant and Equipment  
Proceeds from sale of Property Plant & Equipments

### Net Cash Used In Investing Activities

### Cash Flows From Financing Activities

Repayment of Interest Bearing Loans and Borrowings  
Principal Payment under Finance Lease Liabilities  
Interest Bearing Loans received  
Finance Cost Paid

### Net Cash Used in Financing Activities

### Net Decrease in Cash and Cash Equivalents

Effect of Exchange Rate Changes on Cash and Cash Equivalents

### Net Increase in Cash and Cash Equivalents

Cash and Cash Equivalents at the beginning of the Year

Cash and Cash Equivalents at the end of the Period

31/12/2017  
Rs.

31/12/2016  
Rs.

(20,985,725)

79,318,440

38,836,915

46,274,392

3,453,176

(10,010,387)

(2,802,403)

(10,336,739)

(4,173,323)

(2,814,117)

8,014,555

8,930,781

9,210,250

7,750,552

5,322,392

(659,982)

9,207,590

-

46,083,428

118,452,940

5,819,464

4,007,106

(40,625,939)

(19,651,899)

(1,027,514)

(2,488,368)

(1,020,235)

512,238

31,137,153

(2,986,666)

40,366,357

97,845,350

(10,765,289)

(4,011,513)

(10,127,746)

(4,027,058)

19,473,322

89,806,779

4,173,323

2,814,117

(44,542,759)

(44,112,870)

2,811,066

10,336,739

(37,558,371)

(30,962,014)

(29,047,201)

(27,780,716)

(2,933,729)

(5,201,580)

32,056,150

(8,014,555)

(8,930,781)

(7,939,335)

(41,913,077)

(26,024,385)

16,931,688

16,071,279

13,515,171

(9,953,106)

30,446,859

63,250,862

32,804,003

53,297,756

63,250,862

# BOGALA GRAPHITE LANKA PLC.

## NOTES TO THE ACCOUNTS

**(1) Corporate Information** - Bogala Graphite Lanka PLC is a public limited company incorporated and domiciled in Sri Lanka and listed on Colombo Stock Exchange. The address of the company's principle place of business is Bogala Mines, 71041 Aruggammana.

**(2) Interim Financial Statements** - These financial statements for the period ended 31st December 2017, have been prepared in accordance with the accounting policies set out in the annual report for the year ended 31st December 2016, are provisional and subject to audit.

**(3) Approval of Financial Statements** - The interim financial statements of the Company for the Period ended 31st December 2017 were authorized for issue by the Board of Directors on 22nd February 2018

**(4) Basis of Preparation** - The interim financial statements of the Company have been prepared in compliance with Sri Lanka Accounting Standard (SLAS) LKAS 34 - Interim Financial Reporting. Financial Statements are in compliance with the Companies Act No.07 of 2007, the Sri Lanka Accounting and Auditing Standards Act No.15 of 1995 and CSE Guidelines.

The accounting policies have been consistently applied in preparation of the Interim Financial Statements by the Company and, are consistent with those used in the previous year. Previous year figures and phrases have been re-arranged whenever necessary to conform to current presentation. All known expenses have been provided for in financial statements.

**(5) Contingencies, Capital and Other Commitments** - There has been no significant change in the nature of the contingencies and other commitments, which were disclosed in the annual report for the year ended 31st December 2016.

**(6) Material events subsequent to the interim period** - No circumstances have arisen since the reporting date, which would require adjustments to or disclosure in the financial statements

**(7) Functional Currency** - The financial statements are presented in Sri Lankan rupees, which is the Company's functional currency.

**(8) Foreign currency transactions** - Transactions in foreign currency are translated to the functional currency at exchange rates at the date of the transactions. All monetary assets and liabilities denominated in foreign currency at the reporting date are translated at the rate prevailing on the reporting date.

Net Exchange loss shown separately in the Statement of Profit or Loss amounting to Rs.3,4Mn for the period ended 31st December 2017 comprises an unrealized exchange loss of Rs.19.5Mn on the revaluation of the Euro Loan amounting to 654,243.75 Exchange Gain for the comparative period was Rs.10.0Mn.

**(09) Market Value details for the Quarter is indicated below.**

	The Market Price/Ratios	12/31/2017	12/31/2016
		Rs.	Rs.
	Highest price per share	15.60 (02-10-2017)	18.20 (20/10/ 2016)
	Lowest price per share	12.20(14-12-2017)	14.30 (21/12/ 2016)
	Last Traded Price (Closing Price)	13.30	14.40
	Net Assets Value per share	3.42	3.69
	Quick Asset Ratio	1.71:1	2.73:1

## BOGALA GRAPHITE LANKA PLC.

### TOP 20 SHAREHOLDER LIST AS AT 31ST DECEMBER 2017

	Shareholder Name	No of Shares	%
1	GRAPHIT KROPFMUHL GMBH	75,310,068	79.58
2	ALTERNA GK LLC	9,775,580	10.33
3	SECRETARY TO THE TREASURY	509,000	0.54
4	MRS. N.TIRIMANNE	374,200	0.40
5	PEOPLES LEASING & FINANCE PLC/L.P.HAPANGAMA	276,379	0.29
6	MR. W.A.DE SILVA (DECEASED)	181,800	0.19
7	MR. D.M.KODIKARA	121,386	0.13
8	MR. A.J.M.JINADASA	111,000	0.12
9	UNIVOGUE GARMENTS (PVT) LIMITED.	99,000	0.10
10	MR. M.H.HANIFFA	91,921	0.10
11	BIMPUTH FINANCE PLC	79,092	0.08
12	MR. M.Z.RASHEED	73,922	0.08
13	PEOPLES LEASING & FINANCE PLC/DR.H.S.D.SOYSA & MRS.G.SOYSA	70,750	0.07
14	MRS. N.MULJIE	69,902	0.07
15	MR. K.S.M.RODRIGO	61,300	0.06
16	ASHA FINANCIAL SERVICES LIMITED/MR.C.N.PAKIANATHAN	59,500	0.06
17	MBSL/G.S.P. GUNASENA	58,922	0.06
18	MR. N.A.WITHANA	54,604	0.06
19	MR. M.S.HIRIPITIYA	53,026	0.06
20	MR. A.R.IBRAHIM	47,500	0.05

#### Shares not taken into Account to compute Public Holding

Name	No of Shares	%
GRAPHIT KROPFMUHL GmbH	75,310,068	79.58
ALTERNA GK LLC	9,775,580	10.33
<b>Total</b>	<b>85,085,648</b>	<b>89.91</b>

#### Percentage of public holding as at 31.12.2017 was 10.09%

Number of Shares held by Public	9,547,256
Percentage	10.09%

#### Director's Shareholding

##### No of Shares as at

Name	31-12-2017	31-12-2016
Mr. V.P. Malalasekara- Chairman	Nil	Nil
Mr. Thomas A Junker	Nil	Nil
Mr. J.C.P. Jayasinghe	Nil	Nil
Mr. Roger Miller	Nil	Nil
Mr. A.P. Jayasinghe - CEO/MD	Nil	Nil
Ms. C. Pietersz	Nil	Nil
Mr. T. Mueller	Nil	Nil
Mr. Sugath Amarasinghe	Nil	Nil
Mr. Mohamed Adamaly	Nil	Nil

Total No of Shareholders	9,487
Total No. of shareholders who hold the Public Holding	9,485
No. of Shares Representing Stated Capital	94,632,904