



**Bogala Graphite**

**Bogala Graphite Lanka PLC**

Financial Statements

**Quarter ended 30th June 2018**

# BOGALA GRAPHITE LANKA PLC

## Statement of Profit or Loss and Other Comprehensive Income

For the Period ended 30th June 2018	Quarter		Six Months		Variance	
	Un audited 2nd Quarter Ended 30/06/2018	Un audited 2nd Quarter Ended 30/06/2017	Un audited Six Months Ended 30/06/2018	Un audited Six Months Ended 30/06/2017		
	Rs.	Rs.	Rs.	Rs.	Rs.	%
<b>REVENUE</b>	<b>208,245,894</b>	<b>153,921,390</b>	<b>432,149,878</b>	<b>333,226,634</b>	<b>98,923,244</b>	<b>30%</b>
Cost of Sales	(122,634,236)	<b>(105,382,377)</b>	(245,747,331)	(235,224,176)	(10,523,155)	<b>4%</b>
<b>Gross Profit</b>	<b>85,611,658</b>	<b>48,539,013</b>	<b>186,402,547</b>	<b>98,002,459</b>	<b>88,400,089</b>	<b>90%</b>
Other Income and Gains	626,966	<b>166,282</b>	4,775,395	262,255	4,513,140	<b>1721%</b>
Selling and Distribution Costs	(29,117,628)	<b>(21,363,996)</b>	(57,727,877)	(45,902,571)	(11,825,306)	<b>26%</b>
Administrative Expenses	(38,453,121)	<b>(24,556,746)</b>	(64,856,635)	(51,632,156)	(13,224,479)	<b>26%</b>
Exchange Gain/(Loss) (Note 8)	3,113,431	<b>(3,334,309)</b>	431,437	(2,719,448)	3,150,886	<b>-116%</b>
<b>Operating Profit</b>	<b>21,781,306</b>	<b>(549,756)</b>	<b>69,024,869</b>	<b>(1,989,461)</b>	<b>71,014,330</b>	<b>-3570%</b>
Finance Cost	(1,732,740)	<b>(2,019,134)</b>	(3,712,830)	(4,088,971)	376,141	<b>-9%</b>
Finance Income	787,504	<b>869,018</b>	1,873,745	1,705,838	167,907	<b>10%</b>
<b>Profit Before Tax</b>	<b>20,836,070</b>	<b>(1,699,871)</b>	<b>67,185,784</b>	<b>(4,372,594)</b>	<b>71,558,378</b>	<b>-1637%</b>
Income Tax Expense	(4,676,155)	<b>(1,162,402)</b>	(6,724,800)	(2,734,584)	(3,990,216)	<b>146%</b>
<b>(Loss)/Profit for the period</b>	<b>16,159,915</b>	<b>(2,862,274)</b>	<b>60,460,984</b>	<b>(7,107,179)</b>	<b>67,568,162</b>	<b>-951%</b>
<b>Other Comprehensive Income, Net of Income Tax</b>			-	-	-	-
	-	-				
<b>Total Comprehensive Income for the period</b>	<b>16,159,915</b>	<b>(2,862,274)</b>	<b>60,460,984</b>	<b>(7,107,179)</b>	<b>67,568,162</b>	<b>-951%</b>
<b>(Loss)/Earnings Per Share</b>	<b>0.17</b>	<b>(0.03)</b>	<b>0.64</b>	<b>(0.08)</b>		

# BOGALA GRAPHITE LANKA PLC

## Statement of Financial Position

As at	Notes	Un audited 30-06-2018 Rs.	Audited 31-12-2017 Rs.
<b>ASSETS</b>			
Property, Plant and Equipment		282,207,944	265,538,553
Other Non Current Financial Assets		26,031,638	19,217,736
Deferred Tax Assets		-	220,244
<b>Non-Current Assets</b>		<b>308,239,582</b>	<b>284,976,533</b>
Inventories		97,817,897	100,879,067
Trade and Other Receivables		164,125,905	143,424,251
Advances and Prepayments		19,121,642	12,579,187
Other Financial Assets		16,826,909	12,024,966
Current taxation		-	1,544,612
Cash and Cash Equivalents		11,405,402	53,297,756
<b>Current Assets</b>		<b>309,297,755</b>	<b>323,749,839</b>
<b>Total Assets</b>		<b>617,537,337</b>	<b>608,726,372</b>
<b>EQUITY</b>			
Stated Capital		102,074,201	102,074,201
Reserves		5,718,298	5,718,298
Retained Earnings		276,440,950	215,979,966
<b>Total Equity</b>		<b>384,233,449</b>	<b>323,772,465</b>
<b>Liabilities</b>			
Interest Bearing Loans and Borrowings		74,931,494	92,155,122
Deferred Tax Liability		1,956,424	-
Employee Benefit Liability		56,242,505	53,927,614
<b>Non-Current Liabilities</b>		<b>133,130,423</b>	<b>146,082,736</b>
Trade and Other Payables		65,075,140	72,551,073
Income Tax Payables		814,362	-
Interest Bearing Loans and Borrowings		34,283,963	66,320,098
<b>Current Liabilities</b>		<b>100,173,465</b>	<b>138,871,171</b>
<b>Total Liabilities</b>		<b>233,303,888</b>	<b>284,953,907</b>
<b>Total Equity and Liabilities</b>		<b>617,537,337</b>	<b>608,726,372</b>
<b>Net Assets Per Share (Rs.)</b>		<b>4.06</b>	<b>3.42</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**

10 August 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 2017</b>	<b>102,074,201</b>	<b>5,718,298</b>	<b>241,510,580</b>	<b>349,303,079</b>
Loss for the period	-	-	(7,107,179)	(7,107,179)
Other comprehensive income, net of income tax	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>(7,107,179)</b>	<b>(7,107,179)</b>
<b>Transactions with owners of the Company</b>				
Contributions and Distributions	-	-	-	-
<b>Total transactions with owners of the Company</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at 30th June 2017</b>	<b>102,074,201</b>	<b>5,718,298</b>	<b>234,403,401</b>	<b>342,195,900</b>
<b>Balance as at 1 January 2018</b>	<b>102,074,201</b>	<b>5,718,298</b>	<b>215,979,966</b>	<b>323,772,465</b>
Profit for the period	-	-	60,460,984	60,460,984
Other comprehensive income, net of income tax	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>60,460,984</b>	<b>60,460,984</b>
<b>Transactions with owners of the Company</b>				
Contributions and Distributions	-	-	-	-
<b>Total transactions with owners of the Company</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at 30th June 2018</b>	<b>102,074,201</b>	<b>5,718,298</b>	<b>276,440,950</b>	<b>384,233,449</b>

# BOGALA GRAPHITE LANKA PLC

## STATEMENT OF CASH FLOW

Period Ended 30th June 2018	30/06/2018 Rs.	30/06/2017 Rs.
<b>Cash Flows From / (Used in) Operating Activities</b>		
Profit/(Loss) Before Taxation	<b>67,185,784</b>	<b>(4,372,594)</b>
<b>Adjustments for</b>		
Depreciation on Property Plant & Equipments	17,930,253	20,503,145
Foreign Currency Gains	(431,437)	2,719,448
Profit on disposal of Property Plant & Equipments	(3,565,217)	-
Finance Income	(1,873,745)	(1,705,838)
Finance Costs	3,712,830	4,088,971
Provision for Employee Benefits	5,880,000	5,813,600
<b>Operating Profit before Working Capital Changes</b>	<b>88,838,467</b>	<b>36,846,238</b>
Decrease in Inventories	3,061,170	(10,632,066)
Increase in Trade and Other Receivables	(27,244,109)	(39,667,682)
Increase in Other Financial Assets	(11,615,844)	(1,208,380)
Decrease in Trade and Other Payables	(7,475,933)	20,083,645
<b>Cash Generated from Operations</b>	<b>45,563,750</b>	<b>5,421,755</b>
Income Tax Paid	(2,189,157)	(338,279)
Gratuity Paid	(3,565,110)	(1,973,100)
<b>Net Cash Flows From Operating Activities</b>	<b>39,809,483</b>	<b>3,110,376</b>
<b>Cash Flows From Investing Activities</b>		
Interest Received	1,873,745	1,705,838
Acquisition of Property, Plant and Equipment	(34,658,782)	(11,060,379)
Proceeds from sale of Property Plant & Equipments	3,624,359	-
<b>Net Cash Used In Investing Activities</b>	<b>(29,160,678)</b>	<b>(9,354,541)</b>
<b>Cash Flows From Financing Activities</b>		
Repayment of Interest Bearing Loans and Borrowings	(49,694,262)	(13,787,707)
Principal Payment under Finance Lease Liabilities	(998,987)	(2,004,202)
Finance Cost Paid	(3,712,830)	(4,088,971)
<b>Net Cash Used in Financing Activities</b>	<b>(54,406,079)</b>	<b>(19,880,880)</b>
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(43,757,274)</b>	<b>(26,125,046)</b>
Effect of Exchange Rate Changes on Cash and Cash Equivalents	1,864,920	9,549,192
<b>Net Increase in Cash and Cash Equivalents</b>	<b>(41,892,354)</b>	<b>(16,575,853)</b>
<b>Cash and Cash Equivalents at the beginning of the Year</b>	<b>53,297,756</b>	<b>63,250,862</b>
<b>Cash and Cash Equivalents at the end of the Period</b>	<b>11,405,402</b>	<b>46,675,008</b>

**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 30th June 2018, have been prepared in accordance with the accounting policies set out in the annual report for the year ended 31st December 2017, are provisional and subject to audit.

**(3) Approval of Financial Statements** - The interim financial statements of the Company for the Period ended 30th June 2018 were authorized for issue by the Board of Directors on 10th August 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 2017.

**(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.0.4 Mn for the period ended 30th June 2018 comprises an unrealized exchange loss of Rs1.4 Mn on the revaluation of the Euro Loan amounting to 567,011 Exchange Loss for the comparative period gain was Rs.2.7Mn.

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

The Market Price/Ratios	06/30/2018 Rs.	06/30/2017 Rs.
Highest price per share	15.70 (20/04/ 2018)	17.60 (30-05-2017)
Lowest price per share	13.00 (25/06/ 2018)	11.50(03-04-2017)
Last Traded Price (Closing Price)	14.00	15.50
Net Assets Value per share	4.06	3.62
Quick Asset Ratio	2.11:1	2.078:1

**BOGALA GRAPHITE LANKA PLC.**

**TOP 20 SHAREHOLDER LIST AS AT 30TH JUNE 2018**

	Shareholder Name	No of Shares	%
1	GRAPHIT KROPF MUHL 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	284,367	0.30
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	121,000	0.13
9	UNIVOGUE GARMENTS (PVT) LIMITED.	99,000	0.10
10	BANSEI SECURITIES CAPITAL (PVT) LTD/DAWI INVESTMENT TRUST (PVT) LT	85,996	0.09
11	BIMPUTH FINANCE PLC	79,092	0.08
12	LIFE INSURANCE CORPORATION (LANKA) LTD	77,416	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	ASHA FINANCIAL SERVICES LIMITED/MR.C.N.PAKIANATHAN	63,400	0.07
16	MBSL/G.S.P. GUNASENA	61,600	0.07
17	MR. N.A.WITHANA	54,604	0.06
18	MR. M.S.HIRIPITIYA	53,026	0.06
19	MR. K.S.M.RODRIGO	51,300	0.05
20	MR. M.N.JAMAAL	49,000	0.05

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

Name	No of Shares	%
GRAPHIT KROPF MUHL 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 30.06.2018 was 10.09%**

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

**Director's Shareholding**

**No of Shares as at**

Name	30-06-2018	30-06-2017
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	9,433
Total No. of shareholders who hold the Public Holding	9,431
Float adjusted market capitalisation of LKR	133,678,440
In terms of the rule 7.13.1(b) of the Listing Rules if the Colombo Stock Exchange, the Company Qualifies under option Two of the minimum public holding requirement.	
No. of Shares Representing Stated Capital	94,632,904