



Bogala Graphite Lanka PLC

Financial Statements

Quarter ended 31st December 2018

BOGALA GRAPHITE LANKA PLC

Statement of Profit or Loss and Other Comprehensive Income

For the Period ended 31st December 2018

	Quarter		Year		Variance	
	Un audited 4th Quarter Ended 31/12/2018	4th Quarter Ended 31/12/2017	Un audited year Ended 31/12/2018	Year Ended 31/12/2017		
	Rs.	Rs.	Rs.	Rs.	Rs.	%
REVENUE	234,630,502	205,325,257	877,761,395	732,887,983	144,873,412	20%
Cost of Sales	(118,871,307)	(113,961,486)	(488,289,584)	(477,849,178)	(10,440,406)	2%
Gross Profit	115,759,195	91,363,771	389,471,811	255,038,805	134,433,006	53%
Other Income and Gains	5,209,325	3,131,013	10,098,004	3,599,488	6,498,516	181%
Selling and Distribution Costs	(30,259,019)	(26,721,031)	(113,113,886)	(98,571,380)	(14,542,506)	15%
Administrative Expenses	(22,655,591)	(91,738,308)	(110,791,123)	(173,758,229)	62,967,106	-36%
Exchange Gain/(Loss)	1,699,176	(231,594)	2,726,295	(3,453,177)	6,179,472	-179%
Operating Profit	69,753,086	(24,196,149)	178,391,101	(17,144,493)	195,535,594	-1141%
Finance income	1,106,256	1,138,731	3,981,033	4,173,323	(192,290)	-5%
Finance cost	(1,539,805)	(1,925,921)	(6,835,799)	(8,014,555)	1,178,756	-15%
Profit Before Tax	69,319,536	(24,983,338)	175,536,335	(20,985,726)	196,522,061	-936%
Income Tax Expense	(16,589,476)	5,629,754	(23,314,276)	1,332,350	(24,646,626)	-1850%
Profit/(Loss) for the period	52,730,060	(19,353,584)	152,222,059	(19,653,376)	171,875,435	875%
Other comprehensive income for the year						
Items that will not be reclassified to profit or loss						
Remeasurement of defined benefit liability	149,160	(6,833,999)	149,160	(6,833,999)	6,983,159	-102%
- Related tax	(20,882)	956,760	(20,882)	956,760	(977,642)	-102%
Revaluation of freehold land	6,178,000	-	6,178,000	-	6,178,000	
- Related tax	(1,665,482)	-	(1,665,482)	-	(1,665,482)	
Other comprehensive income, net of tax	4,640,796	(5,877,239)	4,640,796	(5,877,239)	10,518,035	-179%
Total Comprehensive Income for the period	57,370,856	(25,230,823)	156,862,855	(25,530,615)	182,393,470	714%
Basic earning/(Loss) per share	0.56	(0.20)	1.61	(0.21)		

BOGALA GRAPHITE LANKA PLC

Statement of Financial Position

As at	Notes	Un audited 31-12-2018 Rs.	Audited 31-12-2017 Rs.
ASSETS			
Property, Plant and Equipment		304,569,556	265,538,553
Intangible assets		9,151,882	-
Other Non Current Financial Assets		24,586,401	19,217,736
Deferred Tax Assets		-	220,244
Non-Current Assets		338,307,839	284,976,533
Inventories		115,531,681	100,879,067
Trade and Other Receivables		184,018,115	143,424,251
Advances and Prepayments		9,433,136	12,579,187
Other Financial Assets		15,128,861	12,024,966
Current taxation		-	1,544,612
Cash and Cash Equivalents		62,463,017	53,297,756
Current Assets		386,574,810	323,749,839
Total Assets		724,882,649	608,726,372
EQUITY			
Stated Capital		102,074,201	102,074,201
Reserves		10,230,816	5,718,298
Retained Earnings		368,330,303	215,979,966
Total Equity		480,635,320	323,772,465
Liabilities			
Interest Bearing Loans and Borrowings		65,717,569	92,155,122
Deferred Tax Liability		57,217,883	-
Employee Benefit Liability		16,160,604	53,927,614
Non-Current Liabilities		139,096,056	146,082,736
Trade and Other Payables		63,823,930	72,551,073
Income Tax Payables		2,779,345	-
Interest Bearing Loans and Borrowings		38,547,998	66,320,098
Current Liabilities		105,151,273	138,871,171
Total Liabilities		244,247,329	284,953,907
Total Equity and Liabilities		724,882,649	608,726,372
Net Assets Per Share (Rs.)		5.08	3.42

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
25 February 2019

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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.
Balance as at 1 January 2017	102,074,201	5,718,298	241,510,581	349,303,080
Loss for the period	-	-	(19,653,376)	(19,653,376)
Other comprehensive income, net of income tax	-	-	-	-
- Actuarial loss on defined benefit plan			(5,877,239)	(5,877,239)
Total comprehensive income for the period	-	-	(25,530,615)	(25,530,615)
Transactions with owners of the Company				
Contributions and Distributions	-	-	-	-
Total transactions with owners of the Company	-	-	-	-
Balance as at 31st December 2017	102,074,201	5,718,298	215,979,966	323,772,465
Balance as at 1 January 2018	102,074,201	5,718,298	215,979,966	323,772,465
Profit for the period	-	-	152,222,059	152,222,059
Other comprehensive income, net of income tax	-	-	-	-
- Actuarial gain on defined benefit plan			128,278	128,278
- Net gain on revaluation of land, net of tax		4,512,518		4,512,518
				-
Total comprehensive income for the period	-	4,512,518	152,350,337	156,862,855
Transactions with owners of the Company				
Contributions and Distributions	-	-	-	-
Total transactions with owners of the Company				
Balance as at 31st December 2018	102,074,201	10,230,816	368,330,303	480,635,320

BOGALA GRAPHITE LANKA PLC

STATEMENT OF CASH FLOW

Period Ended 31st December 2018	31/12/2018 Rs.	31/12/2017 Rs.
Cash Flows From / (Used in) Operating Activities		
Profit/(Loss) Before Taxation	175,536,335	(20,985,726)
Adjustments for		
Property, plant and equipment depreciation	37,055,122	38,836,915
Intangible asset amortization	55,212	-
Effect on exchange loss on loans	14,283,902	19,524,455
Gain on sale of property, plant and equipment	(8,000,000)	(2,802,402)
Interest expense	6,835,799	8,014,555
Interest income	(3,981,033)	(4,173,322)
Provision for slow moving inventories	1,594,303	5,322,392
Property, plant and equipment written off	300,041	-
Provision for employee benefits	9,689,807	9,210,250
Operating Profit before Working Capital Changes	233,369,488	52,947,117
Inventories	(16,246,917)	5,819,464
Trade and Other Receivables	(37,447,812)	(41,653,452)
Other Financial Assets	(8,472,560)	(1,020,235)
Trade and Other Payables	(8,727,143)	40,344,737
Cash Generated from Operations	162,475,056	56,437,631
Income Tax Paid	(4,295,835)	(10,765,286)
Gratuity Paid	(6,250,378)	(10,127,746)
Net Cash Flows From Operating Activities	151,928,843	35,544,599
Cash Flows From Investing Activities		
Interest Received	3,981,033	4,173,322
Acquisition of Property, Plant and Equipment	(70,267,309)	(44,542,759)
Acquisition of Intangible Assets	(9,207,094)	
Proceeds from sale of Property Plant & Equipments	8,059,143	2,811,066
Net Cash Used In Investing Activities	(67,434,227)	(37,558,371)
Cash Flows From Financing Activities		
Repayment of Interest Bearing Loans and Borrowings	(66,420,933)	(29,047,201)
Loans obtained	-	32,056,150
Principal Payment under Finance Lease Liabilities	(2,072,624)	(2,933,728)
Finance Cost Paid	(6,835,799)	(8,014,555)
Net Cash Used in Financing Activities	(75,329,355)	(7,939,334)
Net Increase in Cash and Cash Equivalents	9,165,261	(9,953,106)
Cash and Cash Equivalents at the beginning of the Year	53,297,756	63,250,862
Cash and Cash Equivalents at the end of the Period	62,463,017	53,297,756

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

(3) Approval of Financial Statements - The interim financial statements of the Company for the Period ended 31st December 2018 were authorized for issue by the Board of Directors on 25th February 2019

(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 2018.

(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 gain shown separately in the Statement of Profit or Loss amounting to Rs.2.7 Mn for the period ended 31st December 2018 comprises an unrealized exchange loss of Rs 14.3 Mn on the revaluation of the Euro Loan amounting to 479,779 Exchange Loss for the comparative period was Rs.3.5Mn.

(9). The land was revalued during the financial year 2018 by N.M. Jayatilake an independent valuer. The result of such revaluation was incorporated in these financial statements from its effective (reported) date which is 31.12.2018. Such asset was valued on an open market value on an existing use basis without considering the mineral deposits and under ground works.

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

	The Market Price/Ratios	12/31/2018 Rs.	12/31/2017 Rs.
	Highest price per share	14.50 (30/10/ 2018)	15.60 (02-10-2017)
	Lowest price per share	12.0 (25/10/ 2018)	12.20(14-12-2017)
	Last Traded Price (Closing Price)	13.30	13.30
	Net Assets Value per share	5.08	3.42
	Quick Asset Ratio	2.58:1	1.60:1

BOGALA GRAPHITE LANKA PLC.

TOP 20 SHAREHOLDER LIST AS AT 31st DECEMBER 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. A.J.M.JINADASA	127,000	0.13
8	MR. D.M.KODIKARA	121,386	0.13
9	UNIVOGUE GARMENTS (PVT) LIMITED.	99,000	0.10
10	BANSEI SECURITIES CAPITAL (PVT) LTD/DAWI INVESTMENT TRUST (PVT) LTD	93,416	0.10
11	LIFE INSURANCE CORPORATION (LANKA) LTD	80,000	0.08
12	BIMPUTH FINANCE PLC	79,092	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	56,774	0.06
18	MR. M.S.HIRIPITIYA	53,026	0.06
19	MR. K.S.M.RODRIGO	50,999	0.05
20	MR. M.N.JAMAAL	50,250	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
Total	85,085,648	89.91

Percentage of public holding as at 31.12.2018 was 10.09%

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

Director's Shareholding

No of Shares as at

Name	31-12-2018	31-12-2017
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	9,405
Total No. of shareholders who hold the Public Holding	9,403
Float adjusted market capitalisation of LKR	126,994,518
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