



## Tea Estates

**Udapussellawa Plantations PLC  
(Company Registration Number PQ 63)**

**Interim Unaudited Financial Statements  
Nine months ended 30th September 2018**

**UDAPUSSELLAWA PLANTATIONS PLC**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Three months ended			Nine months ended		
	30.09.18 Unaudited RS. '000	30.09.17 Unaudited RS. '000	Change %	30.09.18 Unaudited RS. '000	30.09.17 Unaudited RS. '000	Change %
Revenue	440,068	461,476	(5)	1,470,842	1,787,331	(18)
Cost of Sales	(456,349)	(419,082)	(9)	(1,430,580)	(1,439,949)	1
<b>Gross Profit</b>	<b>(16,281)</b>	42,394	(138)	<b>40,262</b>	347,382	(88)
Other Operating Income	7,147	5,456	31	23,864	22,930	4
Change in fair Value of Biological Assets	806	126	540	(377)	613	(162)
Administrative Expenses	(37,720)	(47,021)	20	(108,495)	(121,359)	11
Finance Cost	(20,546)	(13,400)	(53)	(54,443)	(41,343)	(32)
Interest Income	101	5	1,913	282	78	261
<b>Profit / (Loss) from Ordinary Activities before Taxation</b>	<b>(66,494)</b>	(12,440)	<b>(435)</b>	<b>(98,907)</b>	208,301	<b>(147)</b>
Income Tax Expense	-	5,395	100	(12,025)	(21,402)	43.81
Profit / (Loss) after Taxation	(66,494)	(7,045)	(844)	(110,932)	186,899	(159)
<b>Other comprehensive income</b> Items that will never be classified to profit or loss: Remeasurement of Retirement Benefit Obligation	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>(66,494)</b>	(7,045)	<b>(844)</b>	<b>(110,932)</b>	186,899	<b>(159)</b>
<b>Earnings / (Loss) per Share - Rs.</b>	<b>(3.43)</b>	(0.36)	<b>(844)</b>	<b>(5.72)</b>	9.63	<b>(159)</b>

**UDAPUSSELLAWA PLANTATIONS PLC**  
**STATEMENT OF FINANCIAL POSITION**

	<b>As at 30.09.18 Unaudited RS. '000</b>	<b>As at 31.12.17 Audited RS. '000</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Right to use of land	288,462	296,546
Immovable estate assets on finance lease (other than bare land)	32,423	35,627
Tangible assets other than biological assets	434,555	461,891
Intangible assets	14,673	14,226
Bearer biological assets	439,009	448,523
Consumable biological assets	666,770	662,911
Deferred tax asset	18,258	28,964
	<b>1,894,150</b>	<b>1,948,688</b>
<b>CURRENT ASSETS</b>		
Produce on bearer biological assets	3,599	3,975
Inventory	173,427	235,494
Trade & other receivables	73,908	52,770
Amount due from related companies	178,262	108,999
Other financial assets	-	2,305
Cash & cash equivalents	21,517	7,827
	<b>450,713</b>	<b>411,370</b>
<b>TOTAL ASSETS</b>	<b>2,344,863</b>	<b>2,360,058</b>
<b>EQUITY &amp; LIABILITIES</b>		
<b>Capital &amp; Reserves</b>		
Stated capital (19,398,850 Ordinary shares and a Golden share )	340,000	340,000
Revaluation reserve	193,300	198,654
General reserve	157,584	152,230
Accumulated profit	11,982	122,914
<b>SHAREHOLDERS' FUNDS</b>	<b>702,866</b>	<b>813,798</b>
<b>NON CURRENT LIABILITIES</b>		
Interest bearing loans & borrowings	130,917	100,422
Deferred income	100,360	103,483
Retirement benefit obligations	564,788	547,727
Net liability to the lessor	120	122
	<b>796,185</b>	<b>751,754</b>
<b>CURRENT LIABILITIES</b>		
Interest bearing loans & borrowings	78,923	54,115
Net liability to the lessor	2	2
Trade & other payables	187,203	254,267
Income tax payable	7,898	12,943
Amounts due to related companies	362,969	396,429
Bank overdraft	208,817	76,750
	<b>845,812</b>	<b>794,506</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,344,863</b>	<b>2,360,058</b>
Net assets per share Rs.	<b>36.23</b>	<b>41.95</b>

These Interim Financial Statements have been prepared in compliance with the requirements of the Companies Act no 7 of 2007.

Sgd  
**D S HEENATIGALAGE**  
**FINANCIAL CONTROLLER**

The Board of Directors is responsible for the preparation and presentation of these interim financial statements.  
Signed for and on behalf of the Board of Directors;

Sgd  
**D J RATWATTE**  
**DIRECTOR**

Sgd  
**M C PIETERSZ**  
**DIRECTOR**

Colombo  
29th October 2018

**UDAPUSSELLAWA PLANTATIONS PLC**  
**STATEMENT OF CASH FLOWS**

	<b>Nine months ended</b>	
	<b>30.09.18 Unaudited RS. '000</b>	<b>30.09.17 Unaudited RS. '000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) from ordinary activities before taxation	(98,907)	208,301
<b>ADJUSTMENTS FOR</b>		
Net Finance Costs	54,161	41,265
Retirement benefit obligations provision	77,164	73,975
Amortisation of grants	(3,123)	(3,122)
Depreciation	44,187	42,111
Amortisation	11,286	12,166
Change in consumable biological assets due to harvest	376	(613)
Provision for bad debts	541	323
Provision for slow moving and obsolete stocks	495	472
<b>Operating Profit before Working Capital changes</b>	<b>86,181</b>	<b>374,878</b>
(Increase)/Decrease in Inventories	62,067	72,525
(Increase)/Decrease in Trade and other receivables	(19,328)	(7,802)
Increase/(Decrease) in Trade & Other Payables	(67,066)	(63,102)
Increase/(Decrease) in Amounts Due to/From Related Companies	(102,723)	(119,966)
<b>Cash Generated from Operations</b>	<b>(40,869)</b>	<b>256,533</b>
Taxation Paid	(6,364)	-
Retirement benefit obligations payment	(60,103)	(77,375)
Net Finance costs paid	(54,161)	(27,953)
<b>Net Cash from Operating Activities</b>	<b>(161,498)</b>	<b>151,205</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Field Development Expenditure	(6,990)	(8,405)
Purchase of Property, Plant & Equipment	(5,192)	(6,587)
<b>Net Cash From/ (used in) Investing Activities</b>	<b>(12,182)</b>	<b>(14,992)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of Term Loans	(44,697)	(45,967)
Proceeds from inter company loans	-	75,950
Proceeds from external Loans	100,000	36,974
<b>Net Cash used in Financing Activities</b>	<b>55,303</b>	<b>66,957</b>
<b>Net decrease in Cash &amp; Cash Equivalents</b>	<b>(118,377)</b>	<b>203,170</b>
Cash & Cash Equivalents at the beginning of the period	(68,923)	(244,979)
	<b>(187,300)</b>	<b>(41,809)</b>
<b>NOTE</b>		
Cash in Hand & at Bank	21,517	11,383
Bank Overdraft	(208,817)	(53,192)
Cash & Cash Equivalents at the end of the period	<b>(187,300)</b>	<b>(41,809)</b>

**UDAPUSSELLAWA PLANTATIONS PLC**  
**STATEMENT OF CHANGES IN EQUITY**

	<b>Stated Capital</b>	<b>Revaluation Reserve</b>	<b>General Reserve</b>	<b>Accumulated Profit/(Loss)</b>	<b>Total</b>
	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>
Balance as at 01st January 2017	340,000	205,810	145,074	(200,387)	490,497
Profit for the period	-	-	-	186,899	186,899
Transferred to general reserve	-	(5,354)	5,354	-	-
Balance as at 30th September 2017	340,000	200,456	150,428	(13,488)	677,396
Balance as at 01st January 2018	340,000	198,654	152,230	122,914	813,798
Loss for the period	-	-	-	(110,932)	(110,932)
Transferred to general reserve	-	(5,354)	5,354	-	-
Balance as at 30th September 2018	340,000	193,300	157,584	11,982	702,866

**UDAPUSSELLAWA PLANTATIONS PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**

**1. SEGMENTAL INFORMATION**

	<b>Tea</b>		<b>Coconut</b>		<b>Others</b>		<b>Total</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>
Revenue	1,440,476	1,740,765	41,542	31,941	(11,176)	14,625	1,470,842	1,787,331
Cost of Sales	(1,402,730)	(1,418,289)	(24,908)	(21,627)	(2,942)	(32)	(1,430,580)	(1,439,949)
Segment Results (Gross Profit)	37,746	322,475	16,634	10,314	(14,118)	14,593	40,262	347,382
Other Operating Income							23,864	22,930
Change in fairvalue of biological assets							(377)	613
Administrative Expenses							(108,495)	(121,359)
Net Finance Cost							(54,161)	(41,265)
Profit / (loss) before Taxation							(98,907)	208,301

**UDAPUSSELLAWA PLANTATIONS PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**

**2 General Information**

Udapussellawa Plantations PLC is a public limited liability company incorporated and domiciled in Sri Lanka. The address of its registered office is 95A, Nambapana, Ingiriya.

These financial statements have been approved for issue by the Board of Directors on 29th October 2018.

**3 Basis of Preparation**

The Interim Condensed Financial Statements have been prepared in accordance with the accounting policies set out in the Annual Report for the year ended 31.12.2017 and are in compliance with the Sri Lanka Accounting Standard (SLAS) LKAS 34, Interim Financial Reporting.

4 No circumstances have arisen since the date of Statement of Financial Position which would require adjustment to or disclosure in the Interim Financial Statements.

5 There has not been a significant change in the nature of the contingent liabilities which were disclosed in the Annual Report for the year ended 31st December 2017.

**INVESTOR INFORMATION**

**Share Prices**

Highest price Rs.  
 Lowest price Rs.  
 Last traded price Rs.

	Quarter ended 30.09.18	Quarter ended 30.09.17
Highest price Rs.	32.90	43.50
Lowest price Rs.	24.00	24.30
Last traded price Rs.	29.80	42.00

**Directors' Shareholding**

Mr. N K H Ratwatte (Chairman)  
 Mr. D J Ratwatte (CEO)  
 Ms. M C Pietersz  
 Mr. H A S Crawford  
 Mr. J M Rutherford  
 Mr. G R Chambers  
 Mr. N H G S Jayasinghe  
 Mr. E D P Soosaipillai  
 Mr. G K Dasanayaka

	As At 30.09.18	As At 30.09.17
Mr. N K H Ratwatte (Chairman)	500	500
Mr. D J Ratwatte (CEO)	NIL	NIL
Ms. M C Pietersz	NIL	NIL
Mr. H A S Crawford	NIL	NIL
Mr. J M Rutherford	NIL	NIL
Mr. G R Chambers	NIL	NIL
Mr. N H G S Jayasinghe	NIL	NIL
Mr. E D P Soosaipillai	NIL	NIL
Mr. G K Dasanayaka	NIL	NIL

**Major Shareholders as at 30th September 2018**

	Name of the Shareholder	No. of Shares	%
1	James Finlay Plantation Holdings (Lanka) Limited	11,208,550	57.78
2	James Finlay Limited, UK ("JFL")	3,689,762	19.02
3	Jacey Trust Services (Private) Limited (held for the benefit of JFL)	2,560,654	13.20
4	Capital Trust Holding LTD	275,831	1.42
5	Mr. K M A R K Almuhairi	66,873	0.34
6	Mr. M Z Rasheed	51,900	0.27
7	Merchant Bank of Sri Lanka & Finance PLC / Mr. L K N K Kulawardena	37,885	0.20
8	Assetline Leasing Company LTD/Mr. L K N K Kulawardena	31,492	0.16
9	Mr. K G A N Wijesinghe	22,763	0.12
10	Hatton National Bank PLC/ Capital Trust Holdings Limited	21,748	0.11
11	MR. W G Premaratna (Deceased)	18,600	0.10
12	ADL Equities Limited/ Mr. M Z Rasheed	17,320	0.09
13	Mr. M F Ashraff	16,100	0.08
14	Mr. R E Rambukwelle	15,582	0.08
15	Mrs. L S A Seresinhe	14,916	0.08
16	Mr. B M Molloy	14,600	0.08
17	Mr. E J B U Fernando	14,397	0.07
18	Mr. F A Azhar	13,850	0.07
19	Mr. L. M Senanayake	11,000	0.06
20	Seylan Bank PLC/ M .S.F. Haqqe and S. I. Haqqe	10,000	0.05
	<b>Total</b>	<b>18,113,823</b>	<b>93.38</b>
	Other Shareholders	1,285,028	6.62
	<b>Issued Share capital</b>	<b>19,398,851</b>	<b>100.00</b>

Of the issued ordinary share capital, 10% (2017: 10%) is held by the public representing 12,070 (2017: 12,100) shareholders.