

CONDENSED INTERIM FINANCIAL STATEMENTS

Quarter ended 31 March, 2022

Watawala Plantations PLC

Chairman's Message

Dear Shareholder,

Watawala Plantations PLC (CSE: WATA)

Watawala Plantations PLC posted a record revenue of LKR 6.5 billion at group level for the year ended 31st March 2022 (FY 21/22), up 64.6% YoY. Palm oil sector revenue was LKR 5.8 billion, up 76.0% YoY driven by higher NSA and production volumes during the year.

Profit after tax (PAT) at group level was a record LKR 3.5 billion during FY21/22, up by LKR 1.8 billion compared to the last year. Margin improvement was driven by growth in top-line.

The net assets per share increased to LKR 34.92 as at 31st March 2022 from LKR 24.90 as at 31st March 2021 due to increase in retained earnings, which was partly offset by the final dividend for FY 20/21 of LKR 3.00 per share paid during 1Q FY 21/22, and interim dividend of LKR 6.00 per share paid during 3Q FY 21/22.

Watawala Dairy Limited (WDL)

Revenue was LKR 693.9 million for the year ended 31st March 2022 (FY 21/22), up 6.8% YoY due to the increase in milk price. Gross margins were challenged due to the rapid escalation of feed cost in the latter part of the year.

COVID-19 Impact

Despite the pandemic, palm oil operations were conducted at an optimal level during the year. Whilst the dairy business operated at normal capacity, sourcing feed was challenging due to the import ban on maize, and low domestic maize production which is the main ingredient in our dairy feed.

Outlook

Palm oil prices are expected to fluctuate in the coming quarter. The removal of subsidy on chemical/ inorganic fertilizer, shortage of fertilizer, and depreciation of the Sri Lankan Rupee is expected to increase cost of production in the palm oil segment. The Company is increasing in-house production of compost fertilizer and exploring alternative fertilizers to maintain healthy growth and yields, whilst controlling cost.

The dairy segment is expected to further consolidate its operations with better prices due to the increase in demand for fresh milk in Sri Lanka. However, the price increase is expected to be offset by the increase in the cost of feed. Sourcing feed is expected to be challenging over the coming quarters due to the reduced cultivation resulting from the high cost and lack of chemical fertilizer.

Whilst there is uncertainty in the macro economy, the management is continuously monitoring all development and has taken all possible measures to ensure uninterrupted operations.



Sunil G Wijesinha
Chairman

26 May 2022

Condensed Consolidated Income Statement

(all amounts in Sri Lankan Rupees thousands)

	Quarter ended 31 March			Twelve months ended 31 March		
	2022	2021	Change	2022	2021	Change
Revenue	1,441,196	961,990	50%	6,474,661	3,933,523	65%
Cost of sales	(839,046)	(622,824)	35%	(2,911,046)	(2,008,091)	45%
Gross profit	602,150	339,166	78%	3,563,615	1,925,432	85%
Other Income	14,931	22,249	-33%	86,190	131,495	-34%
Gain/(loss) on changes in fair value of biological assets	3,840	15,828	-76%	15,033	12,061	25%
Administrative expenses	(98,309)	(59,633)	65%	(318,063)	(250,894)	27%
Operating profits	522,612	317,610	65%	3,346,775	1,818,094	84%
Finance Income	18,966	2,429	681%	54,795	15,532	253%
Finance Costs	(18,463)	(850)	2072%	(69,768)	(81,970)	-15%
Net Finance Income/(Costs)	503	1,579	-68%	(14,973)	(66,438)	-77%
Profit before income tax	523,115	319,189	64%	3,331,802	1,751,656	90%
Income tax expenses	264,497	80,559	228%	125,997	(88,820)	n/a
		-			-	
Profit for the period	787,612	399,748	97%	3,457,799	1,662,836	108%
Profit is attributable to:						
Equity holders of the parent	788,748	399,748		3,455,658	1,662,836	
Non-controlling interests	(1,136)	-		2,141	-	
	787,612	399,748		3,457,799	1,662,836	
Basic earning per share (LKR)	3.87	1.97		17.01	8.18	
Consolidated Statement of other Comprehensive Income						
Profit for the period	787,612	399,748	97%	3,457,799	1,662,836	108%
Items that will not be reclassified to profit or loss						
Actuarial gain on retirement benefit obligations	60,043	25,164		60,043	25,164	
Deferred tax on actuarial gain on retirement benefit obligations	(6,742)	(3,881)		(6,742)	(3,881)	
Total other comprehensive income for the period (net of tax)	53,301	21,283		53,301	21,283	
Total comprehensive income for the period	840,913	421,031	100%	3,511,100	1,684,119	108%
Total comprehensive income attributable to						
Equity holders of the parent	841,639	421,031		3,508,549	1,684,119	
Non-controlling interests	(726)	-		2,551	-	
Total comprehensive income for the period	840,913	421,031		3,511,100	1,684,119	

Condensed Company Income Statement

(all amounts in Sri Lankan Rupees thousands)

	Quarter ended 31 March			Twelve months ended 31 March		
	2022	2021	Change %	2022	2021	Change %
Revenue	1,258,541	796,729	58%	5,782,074	3,284,840	76%
Cost of sales	(642,079)	(449,726)	43%	(2,249,639)	(1,406,774)	60%
Gross profit	616,462	347,003	78%	3,532,435	1,878,066	88%
Other Income	4,865	13,193	-63%	39,175	80,089	-51%
Gain/(loss) on changes in fair value of biological assets	(824)	16,591	n/a	19,718	10,242	93%
Administrative Expenses	(93,761)	(54,555)	72%	(305,117)	(238,908)	28%
Operating profits	526,742	322,232	63%	3,286,211	1,729,489	90%
Finance Income	19,029	6,219	206%	55,436	31,601	75%
Finance Costs	(11,803)	(10,284)	15%	(44,264)	(62,333)	-29%
Net Finance Income/(Costs)	7,226	(4,065)	n/a	11,172	(30,732)	n/a
Profit before income tax	533,968	318,167	68%	3,297,383	1,698,757	94%
Income tax expenses	263,578	128,095	106%	132,399	(41,284)	n/a
Profit for the period	797,546	446,262	79%	3,429,782	1,657,473	107%
Profit is attributable to:						
Equity holders of the parent	797,546	446,262	79%	3,429,782	1,657,473	107%
Non-controlling interests	-	-		-	-	
	797,546	446,262	79%	3,429,782	1,657,473	107%
Basic earning per share (LKR)	3.92	2.19		16.87	8.15	
Consolidated Statement of other Comprehensive Income						
Profit for the period	797,546	446,262	79%	3,429,782	1,657,473	107%
Items that will not be reclassified to profit or loss						
Actuarial gain on retirement benefit obligations	55,431	19,198		55,431	19,198	
Deferred tax on actuarial gain on retirement benefit obligations	(5,820)	(2,688)		(5,820)	(2,688)	
Total other comprehensive income for the period (net of tax)	49,611	16,510		49,611	16,510	
Total comprehensive income for the period	847,157	462,772	83%	3,479,393	1,673,983	108%
Total comprehensive income attributable to						
Equity holders of the parent	847,157	462,772	83%	3,479,393	1,673,983	108%
Total comprehensive income for the period	847,157	462,772	83%	3,479,393	1,673,983	108%

Condensed Statement of Financial Position

(all amounts in Sri Lankan Rupees thousands)

As at	Group		Company	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Assets				
Non-current assets				
Rights to use of assets	235,995	238,853	238,645	231,162
Property, plant and equipment	2,342,362	2,109,979	943,491	702,205
Intangible assets	28,276	19,230	25,307	15,091
Bearer biological assets	2,698,963	2,709,996	2,631,545	2,619,454
Biological assets-Consumable	33,783	32,857	-	-
Biological assets -Livestock	943,200	749,339	-	-
Investment fund	72,313	149,686	72,313	149,686
Investment in subsidiaries	-	-	2,163,390	1,867,390
Total non-current assets	6,354,892	6,009,940	6,074,691	5,584,988
Current assets				
Inventories	245,923	111,270	193,065	71,301
Biological assets-produce on bearer plants	71,671	52,688	71,671	51,953
Current tax assets	20,679	15,267	20,679	15,267
Trade and other receivables	256,348	292,304	229,617	258,687
Loan given to related Company	-	-	-	262,000
Amount due from related Companies	255	486	4,101	37,870
Short term investments	514,914	207,467	482,811	207,467
Cash and cash equivalents	1,427,013	407,955	1,412,534	389,394
Total current assets	2,536,803	1,087,437	2,414,478	1,293,939
Total assets	8,891,695	7,097,377	8,489,169	6,878,927
Equity and Liabilities				
Capital and Reserves				
Stated capital	511,848	511,848	511,848	511,848
Retained earnings	6,345,936	4,550,561	6,620,116	4,970,501
Equity attributable to owners of the Companies	6,857,784	5,062,409	7,131,964	5,482,349
Non controlling interests	241,887	-	-	-
Total equity	7,099,671	5,062,409	7,131,964	5,482,349
Liabilities				
Non-current liabilities				
Interest bearing borrowings	227,505	372,561	-	45,500
Lease Liabilities	254,050	248,186	263,351	247,138
Retirement benefit obligations	212,629	271,507	186,682	240,086
Deferred income and capital grants	41,442	91,996	41,442	43,799
Deferred tax liability	316,938	431,554	261,658	382,825
Total non-current liabilities	1,052,564	1,415,804	753,133	959,348
Current liabilities				
Interest bearing borrowings	145,070	225,119	45,500	115,000
Lease Liabilities	2,363	2,108	1,399	1,102
Trade and other payables	559,994	366,266	520,112	321,128
Amount due to related Companies	31,259	-	37,061	-
Current tax liabilities	774	-	-	-
Bank overdrafts	-	25,671	-	-
Total current liabilities	739,460	619,164	604,072	437,230
Total liabilities	1,792,024	2,034,968	1,357,205	1,396,578
Total equity and liabilities	8,891,695	7,097,377	8,489,169	6,878,927
Net assets per share	34.92	24.90	35.08	26.97

It is certified that these financial statements have been prepared in compliance with the requirements of the Companies Act No 07 of 2007.


Eranda Kapukotuwa
Senior Manager-Finance

The Board of Directors is responsible for the preparation and presentation of these financial statements. Approved and signed for and on behalf of Directors of Watawala Plantations PLC.


V Govindasamy
Director
26 May 2022
Colombo


Sunil G Wijesinha
Chairman

Condensed Statement of changes in equity - Group

(all amounts in Sri Lankan Rupees thousands)

	Stated capital	Retained earnings	Total	Non controlling interests	Total Equity
Balance as at 1 April 2020	511,848	4,086,294	4,598,142	-	4,598,142
Profit for the year	-	1,662,836	1,662,836	-	1,662,836
Actuarial gain on retirement benefit obligations	-	25,164	25,164	-	25,164
Deferred tax on actuarial gain on retirement benefit obligations	-	(3,881)	(3,881)	-	(3,881)
Total comprehensive income for the year	-	1,684,119	1,684,119	-	1,684,119
Final dividend paid for the year ended 31 March 2020	-	(609,926)	(609,926)	-	(609,926)
Interim dividend paid for the year ended 31 March 2021	-	(609,926)	(609,926)	-	(609,926)
Total transactions with owners	-	(1,219,852)	(1,219,852)	-	(1,219,852)
Balance as at 31 March 2021	511,848	4,550,561	5,062,409	-	5,062,409
Balance as at 1 April 2021	511,848	4,550,561	5,062,409	-	5,062,409
Profit for the year	-	3,455,658	3,455,658	2,141	3,457,799
Actuarial gain on retirement benefit obligations	-	59,530	59,530	513	60,043
Deferred tax on actuarial gain on retirement benefit obligations	-	(6,639)	(6,639)	(103)	(6,742)
Total comprehensive income for the year	-	3,508,549	3,508,549	2,551	3,511,100
Transactions with owners of the Company, recognised directly in equity					
Transaction Costs of Issue of Shares to Non-Controlling Interest	-	(39,665)	(39,665)	-	(39,665)
Transactions with non-controlling interests	-	156,269	156,269	239,336	395,605
Final dividend paid for the year ended 31 March 2021	-	(609,926)	(609,926)	-	(609,926)
Interim dividend paid for the year ended 31 March 2022	-	(1,219,852)	(1,219,852)	-	(1,219,852)
Total transactions with owners	-	(1,713,174)	(1,713,174)	239,336	(1,473,838)
Balance as at 31 March 2022	511,848	6,345,936	6,857,784	241,887	7,099,671

Condensed Statement of changes in equity - Company

(all amounts in Sri Lankan Rupees thousands)

	Stated capital	Retained earnings	Total equity
Balance as at 1 April 2020	511,848	4,516,370	5,028,218
Profit for the year		1,657,473	1,657,473
Actuarial gain on retirement benefit obligations		19,198	19,198
Deferred tax on actuarial gain on retirement benefit obligations		(2,688)	(2,688)
Total comprehensive income for the year	-	1,673,983	1,673,983
Transactions with owners of the Company, recognised directly in equity			
Final dividend paid for the year ended 31 March 2020	-	(609,926)	(609,926)
Interim dividend paid for the year ended 31 March 2021		(609,926)	(609,926)
Total transactions with owners	-	(1,219,852)	(1,219,852)
Balance as at 31 March 2021	511,848	4,970,501	5,482,349
Balance as at 1 April 2021	511,848	4,970,501	5,482,349
Profit for the year		3,429,782	3,429,782
Actuarial gain on retirement benefit obligations		55,431	55,431
Deferred tax on actuarial gain on retirement benefit obligations		(5,820)	(5,820)
Total comprehensive income for the year		3,479,393	3,479,393
Transactions with owners of the Company, recognised directly in equity			
Final dividend paid for the year ended 31 March 2021		(609,926)	(609,926)
Interim dividend paid for the year ended 31 March 2022		(1,219,852)	(1,219,852)
Total transactions with owners		(1,829,778)	(1,829,778)
Balance as at 31 March 2022	511,848	6,620,116	7,131,964

Condensed Consolidated Statement of cash flows

(all amounts in Sri Lankan Rupees thousands)

	Group year ended 31 March		Company year ended 31 March	
	2022	2021	2022	2021
Cash flows from operating activities				
Profit before taxation	3,331,802	1,751,656	3,297,383	1,698,757
Adjustments for:				
Depreciation and amortisation	391,590	358,908	290,623	246,714
Provision for retirement benefit obligations	30,494	45,949	26,429	39,938
Profit on disposal of property, plant and equipment	(4,018)	(11,950)	(4,018)	(11,030)
Profit on Liquidation of subsidiary	-	63	-	(417)
Written off of Oil palm nurseries	-	20,125	-	20,125
Gain on fair valuation of consumable biological assets	(1,328)	(1,200)	-	-
Gain on fair valuation of produce on bearer plants	(18,983)	(10,891)	(19,718)	(10,242)
Profit on disposal of consumable biological assets	(72)	-	-	-
Gain/(Loss) on fair valuation of livestock	6,013	30	-	-
Income from investment fund	(10,427)	(21,164)	(10,427)	(21,164)
Amortisation of capital grants	(50,554)	(50,554)	(2,357)	(2,358)
Net finance costs	14,973	66,438	(11,172)	30,732
Profit before working capital changes	3,689,490	2,147,410	3,566,743	1,991,055
Changes in working capital				
- Inventories	(134,653)	40,044	(121,764)	34,550
- Trade and other receivables	35,956	8,026	29,070	952
- Amount due from related companies	231	73,416	(231)	62,355
-Amount due to related companies	31,259	(321)	37,061	(321)
- Trade and other payables	193,728	50,525	198,984	50,929
Cash generated from operations	3,816,011	2,319,100	3,709,863	2,139,520
Interest paid	(30,849)	(46,083)	(6,363)	(26,475)
Interest received	54,795	15,532	55,436	31,601
Income Tax paid	-	(108,308)	-	(108,308)
Retirement benefit obligations paid	(29,329)	(27,618)	(24,402)	(24,414)
	(5,383)	(166,477)	24,671	(127,596)
Net cash generated from operating activities	3,810,628	2,152,623	3,734,534	2,011,924
Cash flows from investing activities				
Additions to property, plant and equipment	(425,325)	(148,718)	(355,008)	(127,727)
Addition to Intangible assets	(15,545)	(1,900)	(15,545)	(1,900)
Additions to Bearer biological assets	(169,818)	(165,201)	(173,249)	(161,782)
Proceeds from disposal of biological assets (Livestock)	25,821	5,282	-	-
Proceeds from sale of property, plant and equipment	4,018	38,736	4,018	37,816
Proceeds from sale of consumable biological assets	474	-	-	-
Proceeds from liquidation of subsidiary	-	1,268	-	1,268
Short term investments	(307,447)	(207,467)	(275,344)	(207,467)
Addition to livestock	(225,695)	(59,113)	-	-
Investment made through investment fund	-	(300,000)	-	(300,000)
Withdrawals made through investment fund	87,800	515,203	87,800	515,203
Loan given to related parties	-	-	-	(61,805)
Net cash used in investing activities	(1,025,717)	(321,910)	(727,328)	(306,394)
Cash flows from financing activities				
Dividends paid	(1,829,778)	(1,219,852)	(1,829,778)	(1,219,852)
Proceeds from borrowings	-	247,887	-	218,000
Proceeds from issue of shares	395,605	-	-	-
Share issuing cost	(39,665)	-	-	-
Repayment of borrowings	(225,105)	(413,942)	(115,000)	(364,673)
Repayment of lease liabilities	(41,240)	(37,103)	(39,288)	(36,960)
Net cash used in financing activities	(1,740,183)	(1,423,010)	(1,984,066)	(1,403,485)
Increase /(Decrease) in cash and cash equivalents	1,044,729	407,703	1,023,140	302,045
Cash and cash equivalents at the beginning of year	382,284	(25,419)	389,394	87,349
Cash and cash equivalents at the end of year	1,427,013	382,284	1,412,534	389,394

Segmental Analysis - Group

(all amounts in Sri Lankan Rupees thousands, unless otherwise stated)

Twelve months ended 31 March	Palm Oil		Dairy Farm		Others		Inter Segment		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenue	5,782,074	3,284,840	693,988	650,102	-	-	(1,401)	(1,419)	6,474,661	3,933,523
Cost of sales	(2,249,639)	(1,406,774)	(720,416)	(605,107)	-	-	59,009	3,790	(2,911,046)	(2,008,091)
Gross profit/(loss)	3,532,435	1,878,066	(26,428)	44,995	-	-	57,608	2,371	3,563,615	1,925,432
Other operating income	-	-	100,640	70,366	58,893	76,041	(58,310)	(2,851)	101,223	143,556
Administrative expenses	(305,117)	(238,908)	(12,946)	(11,986)	-	-	-	-	(318,063)	(250,894)
Operating profit/(loss)	3,227,318	1,639,158	61,266	103,375	58,893	76,041	(702)	(480)	3,346,775	1,818,094
Net finance expenses	11,172	(30,732)	(27,167)	(35,706)	-	-	1,022	-	(14,973)	(66,438)
Profit/(Loss) before tax	3,238,490	1,608,426	34,099	67,669	58,893	76,041	320	(480)	3,331,802	1,751,656
Tax expenses	152,098	(24,788)	(6,402)	(47,536)	(19,699)	(16,496)	-	-	125,997	(88,820)
Net profit / (loss) for the year	3,390,588	1,583,638	27,697	20,133	39,194	59,545	320	(480)	3,457,799	1,662,836
Actuarial gain on retirement benefit obligations	55,431	19,198	4,612	5,966	-	-	-	-	60,043	25,164
Deferred Tax on actuarial gain on retirement benefit obligations	(5,820)	(2,688)	(922)	(1,193)	-	-	-	-	(6,742)	(3,881)
Total other comprehensive income for the year (net of tax)	49,611	16,510	3,690	4,773	-	-	-	-	53,301	21,283
Total comprehensive income for the year	3,440,199	1,600,148	31,387	24,906	39,194	59,545	320	(480)	3,511,100	1,684,119

Segmental Analysis - Company

(all amounts in Sri Lankan Rupees thousands, unless otherwise stated)

Twelve months ended 31 March	Palm Oil		Others		Total	
	2022	2021	2022	2021	2022	2021
Revenue	5,782,074	3,284,840	-	-	5,782,074	3,284,840
Cost of sales	(2,249,639)	(1,406,774)	-	-	(2,249,639)	(1,406,774)
Gross profit/(loss)	3,532,435	1,878,066	-	-	3,532,435	1,878,066
Other operating income	-	-	58,893	90,331	58,893	90,331
Administrative expenses	(305,117)	(238,908)	-	-	(305,117)	(238,908)
Operating profit/(loss)	3,227,318	1,639,158	58,893	90,331	3,286,211	1,729,489
Net finance expenses	11,172	(30,732)	-	-	11,172	(30,732)
Profit/(Loss) before tax	3,238,490	1,608,426	58,893	90,331	3,297,383	1,698,757
Tax expenses	152,098	(24,788)	(19,699)	(16,496)	132,399	(41,284)
Net profit / (loss) for the year	3,390,588	1,583,638	39,194	73,835	3,429,782	1,657,473
Other comprehensive income						
Actuarial gain on retirement benefit obligations	55,431	19,198	-	-	55,431	19,198
Deferred Tax on actuarial gain on retirement benefit obligations	(5,820)	(2,688)	-	-	(5,820)	(2,688)
Total other comprehensive income for the year (net of tax)	49,611	16,510	-	-	49,611	16,510
Total comprehensive income for the year	3,440,199	1,600,148	39,194	73,835	3,479,393	1,673,983

Segmental Analysis - Group

(all amounts in Sri Lankan Rupees thousands, unless otherwise stated)

Three months ended 31 March	Palm Oil		Dairy Farm		Others		Inter Segment		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenue	1,258,541	796,729	183,019	165,614	-	-	(364)	(353)	1,441,196	961,990
Cost of sales	(642,079)	(449,726)	(214,654)	(175,822)	-	-	17,687	2,724	(839,046)	(622,824)
Gross profit/(loss)	616,462	347,003	(31,635)	(10,208)	-	-	17,323	2,371	602,150	339,166
Other operating income	-	-	32,755	15,871	4,041	24,577	(18,025)	(2,371)	18,771	38,077
Administrative expenses	(93,761)	(54,555)	(4,548)	(5,078)	-	-	-	-	(98,309)	(59,633)
Operating profit/(loss)	522,701	292,448	(3,428)	585	4,041	24,577	(702)	-	522,612	317,610
Net finance expenses	7,226	(4,065)	(7,745)	5,644	-	-	1,022	-	503	1,579
Profit/(Loss) before tax	529,927	288,383	(11,173)	6,229	4,041	24,577	320	-	523,115	319,189
Tax expenses	273,301	136,650	919	(47,536)	(9,723)	(8,555)	-	-	264,497	80,559
Net profit / (loss) for the period	803,228	425,033	(10,254)	(41,307)	(5,682)	16,022	320	-	787,612	399,748
Actuarial gain on retirement benefit obligations	55,431	19,198	4,612	5,966	-	-	-	-	60,043	25,164
Deferred Tax on actuarial gain on retirement benefit obligations	(5,820)	(2,688)	(922)	(1,193)	-	-	-	-	(6,742)	(3,881)
Total other comprehensive income for the period (net of tax)	49,611	16,510	3,690	4,773	-	-	-	-	53,301	21,283
Total comprehensive income for the period	852,839	441,543	(6,564)	(36,534)	(5,682)	16,022	320	-	840,913	421,031

Segmental Analysis - Company

(all amounts in Sri Lankan Rupees thousands, unless otherwise stated)

Three months ended 31 March	Palm Oil		Others		Total	
	2022	2021	2022	2021	2022	2021
Revenue	1,258,541	796,729	-	-	1,258,541	796,729
Cost of sales	(642,079)	(449,726)	-	-	(642,079)	(449,726)
Gross profit/(loss)	616,462	347,003	-	-	616,462	347,003
Other operating income	-	-	4,041	29,784	4,041	29,784
Administrative expenses	(93,761)	(54,555)	-	-	(93,761)	(54,555)
Operating profit/(loss)	522,701	292,448	4,041	29,784	526,742	322,232
Net finance expenses	7,226	(4,065)	-	-	7,226	(4,065)
Profit/(Loss) before tax	529,927	288,383	4,041	29,784	533,968	318,167
Tax expenses	273,301	136,650	(9,723)	(8,555)	263,578	128,095
Net profit / (loss) for the period	803,228	425,033	(5,682)	21,299	797,546	446,262
Other comprehensive income						
Actuarial gain on retirement benefit obligations	55,431	19,198	-	-	55,431	19,198
Deferred Tax on actuarial gain on retirement benefit obligations	(5,820)	(2,688)	-	-	(5,820)	(2,688)
Total other comprehensive income for the period (net of tax)	49,611	16,510	-	-	49,611	16,510
Total comprehensive income for the period	852,839	441,543	(5,682)	21,299	847,157	462,772

Notes to the Condensed Interim Financial Statements

01. Corporate information

Watawala Plantations PLC (the Company) is a public limited liability company incorporated and domiciled in Sri Lanka. It is listed on the Colombo Stock Exchange. The registered office of the Company is located at No 60, Dharmapala Mawatha, Colombo 3.

The principal activities of the Group during the year continued to be cultivation, manufacture and sale of crude palm oil and Dairy farming.

02. Condensed Interim consolidated financial statements

The Consolidated Condensed Interim Financial Statements of the Watawala Plantations PLC as at and for the year ended 31 March 2022 comprised the Company and subsidiary Watawala Dairy Ltd.

03. Approval of financial statements

The Condensed Interim Financial Statements of the Group and the Company for the year ended 31 March 2022 were authorised to be published by the Board of Directors on 26 May 2022.

04. Basis of preparation

These Condensed Interim Financial Statements of the Company and the Group have been prepared in accordance with Sri Lanka Accounting Standards (SLFRS/LKAS).

Further, provisions of the Companies Act No.7 of 2007 have been considered in preparing these Condensed Interim Financial Statements. There were no changes to the Accounting Policies and methods of computation since the publication of the Annual Report 2020/21, except these Condensed Interim Financial Statements have been prepared in compliance with the requirements of the Sri Lanka Accounting Standard - LKAS 34 on 'Interim Financial Reporting'. Previous year figures and phrases have been re-arranged wherever necessary to conform to the current presentation.

05. Net assets per share

Net assets per share has been calculated, for all periods, based on the number of shares in issue as at the Statement of Financial Position date.

06. Events after reporting date

No circumstance has arisen since the reporting date which would require adjustment to or disclosure in the interim financial statements.

07. There has been no change in the contingent liabilities at the quarter end as compared to 31 March 2021.

08. Fair value adjustments are done bi-annually as per the policy of the Company. Hence, Condensed Interim Financial Statements reflected any such changes.

09. Fair values of financial instruments

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly – i.e. as prices or indirectly – i.e. derived from prices. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

(all amounts in Sri Lankan Rupees thousands, unless otherwise stated)

Group - As at 31 March 2022 'Rs. '000	Fair value through profit or loss	Amortised cost	Fair value through other comprehensive income	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value								
Investment fund	72,313	-	-	72,313	-	72,313	-	72,313
	72,313	-	-	72,313	-	72,313	-	72,313
Financial assets not measured at fair value								
Trade and Other receivables	-	256,348	-	256,348	-	-	256,348	256,348
Amounts due from related company	-	255	-	255	-	-	255	255
Short term investments	-	514,914	-	514,914	-	514,914	-	514,914
Cash at banks and in hand	-	1,427,013	-	1,427,013	-	1,427,013	-	1,427,013
	-	2,198,530	-	2,198,530	-	1,941,927	256,603	2,198,530
Total financial assets	72,313	2,198,530	-	2,270,843	-	2,014,240	256,603	2,270,843
Financial liabilities not measured at fair value								
Interest bearing borrowings	-	372,575	-	372,575	-	372,575	-	372,575
Trade and other payables	-	559,994	-	559,994	-	-	559,994	559,994
Lease Liabilities	-	256,413	-	256,413	-	-	256,413	256,413
Amount due to related companies	-	31,259	-	31,259	-	-	31,259	31,259
	-	1,220,241	-	1,220,241	-	372,575	847,666	1,220,241
Total financial liabilities	-	1,220,241	-	1,220,241	-	372,575	847,666	1,220,241

Group - As at 31 March 2021 'Rs. '000	Fair value through profit or loss	Amortised cost	Fair value through other comprehensive income	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value								
Investment fund	149,686	-	-	149,686	-	149,686	-	149,686
	149,686	-	-	149,686	-	149,686	-	149,686
Financial assets not measured at fair value								
Trade and Other receivables	-	292,304	-	292,304	-	-	292,304	292,304
Amounts due from related company	-	486	-	486	-	-	486	486
Short term investments	-	207,467	-	207,467	-	207,467	-	207,467
Cash at banks and in hand	-	407,955	-	407,955	-	407,955	-	407,955
		908,212	-	908,212	-	615,422	292,790	908,212
Total financial assets	149,686	908,212	-	1,057,898	-	765,108	292,790	1,057,898
Financial liabilities not measured at fair value								
Interest bearing borrowings	-	597,680	-	597,680	-	597,680	-	597,680
Trade and other payables	-	366,266	-	366,266	-	-	366,266	366,266
Lease Liabilities	-	250,294	-	250,294	-	-	250,294	250,294
Bank overdrafts	-	25,671	-	25,671	-	25,671	-	25,671
Total financial liabilities	-	1,239,911	-	1,239,911	-	623,351	616,560	1,239,911

(all amounts in Sri Lankan Rupees thousands, unless otherwise stated)

Company - As at 31 March 2022 'Rs. '000	Fair value through profit or loss	Amortised cost	Fair value through other comprehensive income	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value								
Investment fund	72,313	-	-	72,313	-	72,313	-	72,313
	72,313	-	-	72,313	-	72,313	-	72,313
Financial assets not measured at fair value								
Trade and Other receivables	-	229,617	-	229,617	-	-	229,617	229,617
Amounts due from related company	-	4,101	-	4,101	-	-	4,101	4,101
Short term investments	-	482,811	-	482,811	-	482,811	-	482,811
Cash at banks and in hand	-	1,412,534	-	1,412,534	-	1,412,534	-	1,412,534
	-	2,129,063	-	2,129,063	-	1,895,345	233,718	2,129,063
Total financial assets	72,313	2,129,063	-	2,201,376	-	1,967,658	233,718	2,201,376
Financial liabilities not measured at fair value								
Interest bearing borrowings	-	45,500	-	45,500	-	45,500	-	45,500
Lease Liabilities	-	264,750	-	264,750	-	-	264,750	264,750
Trade and other payables	-	520,112	-	520,112	-	-	520,112	520,112
Amount due to related Companies	-	37,061	-	37,061	-	-	37,061	37,061
	-	867,423	-	867,423	-	45,500	821,923	867,423
Total financial liabilities	-	867,423	-	867,423	-	45,500	821,923	867,423

Company - As at 31 March 2021 'Rs. '000	Fair value through profit or loss	Amortised cost	Fair value through other comprehensive income	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value								
Investment fund	149,686	-	-	149,686	-	149,686	-	149,686
	149,686	-	-	149,686	-	149,686	-	149,686
Financial assets not measured at fair value								
Trade and Other receivables	-	258,687	-	258,687	-	-	258,687	258,687
Loans given to related company	-	262,000	-	262,000	-	-	262,000	262,000
Amounts due from related company	-	37,870	-	37,870	-	-	37,870	37,870
Short term investments	-	207,467	-	207,467	-	207,467	-	207,467
Cash at banks and in hand	-	389,394	-	389,394	-	389,394	-	389,394
	-	1,155,418	-	1,155,418	-	596,861	558,557	1,155,418
Total financial assets	149,686	1,155,418	-	1,305,104	-	746,547	558,557	1,305,104
Financial liabilities not measured at fair value								
Interest bearing borrowings	-	160,500	-	160,500	-	160,500	-	160,500
Lease Liabilities	-	248,240	-	248,240	-	-	248,240	248,240
Trade and other payables	-	321,128	-	321,128	-	-	321,128	321,128
Total financial liabilities	-	729,868	-	729,868	-	160,500	569,368	729,868

10. All amounts expressed are in Sri Lankan Rupees (LKR.) thousands unless otherwise stated.

11. The Condensed Interim Financial Statements are not audited.

Shareholder details for the period ending 31 March 2022

1 Public Shareholdings

	As at 31.03.2022	As at 31.03.2021
The percentage of shares held by the public	25.76	25.76
Number of Shareholders representing public shareholding	17,709	15,463

	Requirement by CSE	As as 31 March 2022	Requirement by CSE	As as 31 March 2021
Option [Listing rule 7.13.1 (a)]	4	4	4	4
Float adjusted market capitalization	Above LKR 2.5Bn	LKR 4.88Bn	Above LKR 2.5Bn	LKR 2.99Bn
The percentage of shares held by the public	10%	25.76%	10%	25.76%
Number of shareholders representing public holding	500	17,709	500	15,463

2 Directors' Shareholding as at 31 March 2022

The number of Shares held by the Board of Directors are as follows

	As at 31.03.2022	As at 31.03.2021
S G Wijesinha (Chairman)	1	1
G Sathasivam (Alternate: S. G. Sathasivam)	Nil	Nil
V Govindasamy	Nil	Nil
A N Fernando (Retired w.e.f. 25 June 2021)	n/a	1
N B Weerasekera	Nil	Nil
S Mawzoon	Nil	Nil
H D Abeywickrama	Nil	Nil
M R Rao	Nil	Nil
K H Kuok (Resigned w.e.f 31 March 2022),(Alternate: M T Siddique, resigned w.e.f 31 March 2022)	Nil	Nil
A R Rasiah (Appointed w.e.f. 25 June 2021)	Nil	n/a
C L Loo (Appointed w.e.f 31 March 2022, Alternate: M T Siddique)	Nil	n/a

3 Chief Executive Officers' Shareholding as at 31 March 2022

	As at 31.03.2022	As at 31.03.2021
Binesh Pananwala	Nil	Nil

4 Twenty (20) largest shareholders as at

Name	31st March 2022		31 st March 2021	
	No of Shares Held	% of the holding	No of Shares Held	% of the holding
Sunshine Wilmar (Private) Limited	150,937,043	74.24	150,937,043	74.24
Seylan Bank PLC/Senthilverl Holdings (Pvt) Ltd	6,308,391	3.10	9,930,000	4.88
Seylan Bank PLC/ DR.T.Senthilverl	4,643,610	2.28	9,592,412	4.72
K.C. Vignarajah	2,486,084	1.22	2,415,529	1.19
Vyjayanthi & Company Limited	1,011,674	0.50	1,011,674	0.50
Deustche Bank AG Singapore A/C 02	713,480	0.35	948,480	0.47
T.T.T.AL-Nakib (Deceased)	700,000	0.34	700,000	0.34
M.Z.H.Hashim	650,000	0.32	490,250	0.24
N. Muljie	559,354	0.28	559,354	0.28
Seylan Bank PLC/ Capital Trust Holdings Limited	459,339	0.23	-	-
M.I. Abdul Hameed	354,085	0.17	354,085	0.17
Seylan Bank PLC/Goluhewage Bindu Rasitha Poojitha Gunawardana	244,063	0.12	-	-
W.W.D.D.S.Perera	223,723	0.11	-	-
Union Investments Private LTD	220,881	0.11	220,881	0.11
S. Weeraratne	215,676	0.11	-	-
S. Vignarajah	214,675	0.11	262,000	0.13
C.S.J.Perera	211,949	0.10	-	-
Hatton National Bank PLC/Palaniyandy Muralitharan	200,000	0.10	-	-
Cocoshell Activated Carbon Company (Private) Limited	187,000	0.09	282,694	0.14
M.M.Hashim	185,000	0.09	-	-
Sub Total	170,726,027	83.97	177,704,402	87.41
Other Shareholders	32,582,607	16.03	25,604,232	12.59
Grand Total	203,308,634	100.00	203,308,634	100.00

5 Stated Capital

Stated capital is represented by share in issue as given below

	As at 31.03.2022	As at 31.03.2021
Ordinary Shares	203,308,633	203,308,633
Golden Share	1	1
Total Shares	203,308,634	203,308,634

6 Market Price & Trading Informations

	As at 31.03.2022	As at 31.03.2021
Highest during the period(LKR)	196.00	65.60
Lowest during the period(LKR)	82.00	49.00
Closing price (LKR)	93.30	57.10

	Quarter ended 31 Mar 2022	Quarter ended 31 Mar 2021
No. of Transactions	22,527	2,945
No. of shares traded	19,816,324	3,406,250
Value of Shares Traded(LKR)	2,997,825,566	202,389,537

Corporate Information

Name of the Company

Watawala Plantations PLC

Legal form

A public Company with limited liability registered under Companies Act No.17 of 1982 and re-registered under the Companies Act No.07 of 2007 and quoted on the Colombo Stock Exchange.

Date of incorporation

18 June 1992

Registration No

PQ 65

Accounting Year

31 March

Directors

S G Wijesinha (*Chairman*)

G Sathasivam (*Alternate: S G Sathasivam*)

V Govindasamy

A N Fernando (*Retired w.e.f. 25 June 2021*)

N B Weerasekera

M S Mawzoon

H D Abeywickrama

M R Rao

K H Kuok (*Resigned w.e.f 31 March 2022*)

(*Alternate : M T Siddique, resigned w.e.f 31 March 2022*)

A R Rasiah (*Appointed w.e.f. 25 June 2021*)

C L Loo (*Appointed w.e.f. 31 March 2022, Alternate : M T Siddique*)

Chief Executive Officer

Binesh N Pananwala

Secretaries & Registrars

Corporate Services (Pvt) Ltd.
216, De Saram Place, Colombo 10.

Auditors

KPMG (Chartered Accountants)
No: 32A, Sir Mohomad Macan Markar Mawatha,
Colombo 03.

Bankers

Standard Chartered Bank
Hatton National Bank PLC
Commercial Bank of Ceylon PLC
Nations Trust Bank
Seylan Bank
State Bank of India
National Development Bank PLC

Lawyers

FJ & G de Saram
(Attorneys-at-Law)
No 216, de Saram Place, Colombo 10

Nithya Partners
(Attorneys-at-Law)
97/A Galle Rd, Colombo 03

Registered Office

60, Dharmapala Mawatha, Colombo 03,
Sri Lanka.
Tel: +94 114 702 400
E-mail: watawala@sunshineholdings.lk
Web: www.watawalaplantations.lk