

Interim Financial Statements

Quarter Ended March 31, 2019

Watawala Plantations PLC



Managing Director's Message

Dear Shareholder,

Watawala Plantations PLC (CSE: WATA)

Watawala Plantations PLC posted a profit after tax (PAT) of LKR 1,021 Mn for the year ended 31 March 2019, the highest ever recorded for a Oil Palm plantation in Sri Lanka. The Company recorded a PAT of LKR 204 Mn in the fourth quarter(4QFY19) compared to LKR 3 Mn in the same quarter last year. The increase in the volume stems from the changes in the yield curve and improvements made to the fertilizer regime. Despite the volatility in the Global palm oil prices, WATA managed to maintain the selling prices as a result of signing of the forward contracts with buyers. Strong selling prices along with the increased volumes propelled the profitability when compared to the last year. The wage negotiations were finalized with an overall wage increase of 6%.

WATA also paid an interim dividend of LKR 2/- per share in the month of March 2019. Nevertheless, the Net assets per share increased to LKR 19.92 from LKR 17.18 reported as at 31 March 2018 due to higher profitability during the year.

Watawala Dairy Limited (WDL)

The quarterly performances showed continuous improvements, as the milk volumes, and prices increased significantly. The reported losses were lower in comparison to the anticipated start-up losses which are regularly monitored and controlled by the company. The increased milk production was driven by majority of the herd moving into the second lactation cycle, while the last herd of 246 cattle imported from Australia in May 2018 also contributing to the growth during the year.

Outlook

The volatility in the global oil palm market will remain and the strengthening of the US Dollar against Lankan Rupee will have mixed consequences for the industry. The Roundtable on Sustainable Palm Oil (RSPO) certification is expected in Q2FY20, which would vouch for our commitment towards building a sustainable oil palm business in the country. The dairy segment will further consolidate its operations with more focus on rationalizing feed costs with increasing the milk yields.



Vish Govindasamy
Managing Director
29 May 2019

Statement of Financial Position

As at	GROUP		COMPANY	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
ASSETS				
Non-current assets				
Right to use of land	77,120	80,079	70,898	73,619
Property, plant and equipment	2,200,469	2,048,247	667,751	611,642
Intangible assets	24,925	24,844	18,839	23,367
Bearer Plant	2,673,393	2,489,314	2,546,832	2,358,929
Biological assets - Consumable	38,356	37,966	-	-
Biological assets - livestock	662,620	539,602	-	-
Investment fund	312,051	288,595	312,051	288,595
Investment in debentures	-	-	174,088	-
Investment in subsidiaries	-	-	627,352	627,352
Total non-current assets	5,988,934	5,508,647	4,417,811	3,983,504
Current assets				
Inventories	143,089	291,830	100,790	191,788
Biological assets-produce on bearer plants	31,271	29,143	30,831	28,730
Trade and other receivables	313,198	391,205	258,619	327,396
Loan from related parties	-	-	222,259	10,000
Amounts due from related parties	21,918	10,311	21,918	10,311
Cash and cash equivalent	204,001	180,264	199,064	147,834
Total current assets	713,477	902,753	833,481	716,059
Total assets	6,702,411	6,411,400	5,251,292	4,699,563
EQUITY AND LIABILITIES				
Capital and reserves				
Stated capital	460,000	460,000	460,000	460,000
Retained earnings	3,275,437	2,911,785	3,543,722	2,992,979
	3,735,437	3,371,785	4,003,722	3,452,979
Non controlling interest	187,074	262,971		
Total equity	3,922,511	3,634,756	4,003,722	3,452,979
Non-current liabilities				
Interest bearing Borrowings	1,111,324	1,305,797	63,382	97,936
Lease liability to - SLSPC and JEDB	125,976	125,790	125,976	125,790
Retirement benefit obligations	242,717	193,981	211,653	171,130
Deferred income and capital grants	193,105	243,659	48,515	50,872
Deferred tax liability	376,417	354,763	376,417	354,798
Total non-current liabilities	2,049,539	2,223,990	825,943	800,526
Current liabilities				
Interest bearing Borrowings	144,483	33,623	33,890	33,230
Bank overdrafts	110,753	36,588	-	-
Lease liability to - SLSPC and JEDB	2,911	2,799	2,911	2,799
Amounts due to related party	27,614	-	-	-
Trade and other payables	411,150	439,008	351,463	369,911
Current tax liability	33,450	40,636	33,363	40,118
Total current liability	730,361	552,654	421,627	446,058
Total liabilities	2,779,900	2,776,644	1,247,570	1,246,584
Total equity and liabilities	6,702,411	6,411,400	5,251,292	4,699,563
Net assets per share (LKR)	18.59	16.78	19.92	17.18

It is Certified that the financial statements have been prepared in compliance with the requirements of the Companies Act No.7 of 2007.



Senior Finance Manager

The Board of Directors is responsible for the preparation and presentation of these financial statements.

Approved and signed for and on behalf of the board of Watawala Plantations PLC,



Managing Director

29 May 2019



Director

Note : All values are in LKR' 000s, unless otherwise stated
Figures in brackets indicate deductions

Income Statement

Group

	Quarter ended 31 March 2019			Twelve months ended 31st March		
	2019	2018	Change %	2019	2018	Change %
Revenue	759,846	566,389	34	3,081,760	4,948,755	(38)
Cost of sales	(575,123)	(458,614)	25	(1,941,278)	(3,695,137)	(47)
Gross profit	184,723	107,775	71	1,140,482	1,253,618	(9)
Other operating income	18,100	79,481	(77)	118,305	184,255	(36)
Gain/(Loss) on changes in fair value of biological assets	(21,968)	46,930	(146)	(21,968)	46,930	(146)
Administrative expenses	(54,922)	(61,632)	(11)	(200,355)	(335,132)	(40)
Profit from operations	125,933	172,554	(27)	1,036,464	1,149,671	(10)
Finance cost	(54,388)	(26,119)	(108)	(133,209)	(104,287)	27
Finance income	12,003	35,236	(66)	18,741	117,854	(84)
Net finance cost	(42,385)	9,117	(561)	(114,468)	13,567	(941)
Profit before income taxation	83,548	181,671	(54)	921,996	1,163,238	(21)
Income tax expenses	6,015	(188,506)	(103)	(158,985)	(224,570)	(36)
Profit/(loss) for the period	89,563	(6,835)	980	763,011	938,668	(17)
Profits is attributable to:						
Owners of the Company	126,930	(5,588)		837,495	967,485	
Non-controlling interest	(37,367)	(1,247)		(74,484)	(28,817)	
Earning per share (LKR)	0.63	(0.03)		4.17	4.16	

Note : All values are in LKR' 000s, unless otherwise stated
 Figures in brackets indicate deductions

Statement of other Comprehensive Income Group

	Quarter ended 31 March			Twelve months ended 31st March		
	2019	2018	Change %	2019	2018	Change %
Profit for the period	89,563	(6,835)	980	763,011	938,668	(19)
Fair value adjustment of investment	-	-	-	-	-	-
Items that may not be subsequently reclassified to profit or loss						
Actuarial gain on gratuity	(26,124)	(6,835)	-	(26,124)	35,656	-
Tax on actuarial gain on gratuity	3,034	-	-	3,034	(3,380)	-
Total other comprehensive income for the period	(23,090)	-	-	(23,090)	32,276	-
Total comprehensive income for the period	66,473	(6,835)	1,073	739,921	970,944	(24)
Total comprehensive income attributable to						
Owners of the Company	105,252	(5,588)	1,370	815,818	999,173	(18)
Non-controlling interest	(38,779)	(1,247)	-	(75,897)	(28,229)	-
Total comprehensive income for the period	66,473	(6,835)	1,073	739,921	970,944	(24)

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Figures in brackets indicate deductions

Income Statement Company

	Quarter ended 31 March			Twelve months ended 31st March		
	2019	2018	Change %	2019	2018	Change %
Revenue	634,450	510,042	24	2,588,459	4,764,455	(46)
Cost of sales	(391,831)	(333,272)	(18)	(1,279,111)	(3,360,797)	(62)
Gross profit	242,619	176,770	37	1,309,348	1,403,658	(7)
Other operating income	(951)	27,460	(103)	56,641	131,021	(61)
Gain/(Loss) on changes in fair value of biological assets	2,101	18,202	(88)	2,101	18,202	(88)
Administrative expenses	(51,029)	(56,208)	9	(191,698)	(327,309)	(41)
Operating profit	192,740	166,224	16	1,176,392	1,225,572	(4)
Finance cost	(17,780)	(14,024)	(27)	(45,410)	(85,665)	(47)
Finance income	22,935	38,207	(40)	49,576	136,175	(64)
Net finance cost	5,155	24,183	(79)	4,166	50,510	(92)
Profit before tax	197,895	190,407	4	1,180,558	1,276,082	(7)
Tax expenses	5,991	(186,983)	103	(159,009)	(225,546)	(30)
Profit for the period	203,886	3,424	5,851	1,021,549	1,050,536	(3)
Earning per share (LKR)	1.01	0.02		5.08	4.52	

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Figures in brackets indicate deductions

Statement of other Comprehensive Income Company

	Quarter ended 31 March			Twelve months ended 31st March		
	2019	2018	Change %	2019	2018	Change %
Profit for the period	203,886	3,424	5,952	1,021,549	1,050,536	(3)
Fair value adjustment of investment	-	-	-	-	-	-
Items that may not be subsequently reclassified to profit or loss						
Actuarial gain on gratuity	(21,674)	-	-	(21,674)	33,803	-
Tax on actuarial gain on gratuity	3,034	-	-	3,034	(3,380)	-
Total other comprehensive income for the period	(18,640)	-	-	(18,640)	30,423	-
Total comprehensive income for the period	185,246	3,424	5,308	1,002,909	1,080,959	(7)
Total comprehensive income attributable to						
Equity holders of the company	185,246	3,424	5,308	1,002,909	1,080,959	(7)
Total comprehensive income for the period	185,246	3,424	5,308	1,002,909	1,080,959	(7)

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Statement of Changes in Equity Group

	Stated capital	Retained earnings	Total	Non Controlling Interest	Total Equity
Balance at 1 April 2017	460,000	5,298,935	5,758,935	291,200	6,050,135
Net profit for the period	-	967,485	967,485	(28,817)	938,668
Actuarial gain / (loss) on gratuity	-	35,068	35,068	588	35,656
Tax on actuarial gain / (loss) on gratuity	-	(3,380)	(3,380)	-	(3,380)
Total comprehensive income	-	999,173	999,173	(28,229)	970,944
Transactions with owners of the Company, recognized directly in equity					
Final dividend paid for the year ended 31 March 2017	-	(201,167)	(201,167)	-	(201,167)
Assets vested with Hatton Plantations PLC	-	(1,856,198)	(1,856,198)	-	(1,856,198)
Interim dividend paid for the year ended 31 March 2018	-	(150,722)	(150,722)	-	(150,722)
Payment for Share Repurchased	-	(1,178,236)	(1,178,236)	-	(1,178,236)
Total transactions with owners	-	(3,386,323)	(3,386,323)	-	(3,386,323)
Balance at 31 March 2018	460,000	2,911,785	3,371,785	262,971	3,634,756
Balance at 1 April 2018	460,000	2,911,785	3,371,785	262,971	3,634,756
Net profit for the period	-	837,495	837,495	(74,484)	763,011
Actuarial gain / (loss) on gratuity	-	(24,711)	(24,711)	(1,413)	(26,124)
Tax on actuarial gain / (loss) on gratuity	-	3,034	3,034	-	3,034
Total comprehensive income	-	815,818	815,818	(75,897)	739,921
Transactions with owners of the Company, recognized directly in equity					
Final dividend paid for the year ended 31 March 2018	-	(50,241)	(50,241)	-	(50,241)
Interim dividend paid for the year ended 31 March 2019	-	(401,925)	(401,925)	-	(401,925)
Total transactions with owners	-	(452,166)	(452,166)	-	(452,166)
Balance at 31 March 2019	460,000	3,275,437	3,735,437	187,074	3,922,511

Note : All values are in LKR' 000s, unless otherwise stated
 Figures in brackets indicate deductions

Statement of Changes in Equity Company

	Stated capital	Retained earnings	Total
Balance at 1 April 2017	460,000	5,298,343	5,758,343
Net profit for the period	-	1,050,536	1,050,536
Actuarial gain / (loss) on gratuity	-	33,803	33,803
Tax on actuarial gain / (loss) on gratuity	-	(3,380)	(3,380)
Total comprehensive income	460,000	1,080,959	1,080,959
Final dividend paid for the year ended 31 March 2017	-	(201,167)	(201,167)
Assets vested with Hatton Plantations PLC	-	(1,856,198)	(1,856,198)
Interim dividend paid for the year ended 31 March 2018	-	(150,722)	(150,722)
Payment for Share Repurchased	-	(1,178,236)	(1,178,236)
Total transactions with owners	-	(3,386,323)	(3,386,323)
Balance at 31 March 2018	460,000	2,992,979	3,452,979
Balance at 1 April 2018	460,000	2,992,979	3,452,979
Net profit for the period	-	1,021,549	1,021,549
Actuarial gain / (loss) on gratuity	-	(21,674)	(21,674)
Tax on actuarial gain / (loss) on gratuity	-	3,034	3,034
Total comprehensive income	-	1,002,909	1,002,909
Transactions with owners of the Company, recognized directly in equity			
Final dividend paid for the year ended 31 March 2018	-	(50,241)	(50,241)
Interim dividend paid for the year ended 31 March 2019	-	(401,925)	(401,925)
Total transactions with owners	-	(452,166)	(452,166)
Balance as at 31 MArch 2019	460,000	3,543,722	4,003,722

Note : All values are in LKR' 000s, unless otherwise stated
Figures in brackets indicate deductions

Statement of Cash Flows

Twelve month ended 31 March	GROUP		COMPANY	
	2019	2018	2019	2018
Cash flows from operating activities				
Profit before tax	921,996	1,163,238	1,180,558	1,276,082
Adjustments for :				
Depreciation & amortisation	271,498	317,768	193,101	278,595
Provision for retirement benefit obligations	44,698	90,894	38,638	87,558
Profit on sale of property, plant and equipment	(13,810)	(17,831)	(11,779)	(17,834)
Profit on sale of rubber trees	(33,105)	(72,625)	(33,105)	(72,625)
Gains on fair valuation of consumable biological assets	(390)	(5,072)	-	(8,237)
Gains on fair valuation of produce on bearer plants	(2,128)	(10,073)	(2,101)	(9,965)
Gain on fair valuation of livestock	24,493	(31,785)	-	-
Income from investment fund	(23,456)	(30,276)	(23,456)	(30,276)
Amortisation of capital grants	(50,554)	(53,862)	(2,357)	(5,665)
Amortisation of other asset	-	(3,200)	-	(3,200)
Debenture impairment	-	-	3,236	-
Net finance cost	114,468	(13,567)	(4,166)	(50,510)
Profit before working capital changes	1,253,710	1,333,609	1,338,569	1,443,923
Changes in working capital				
- Inventories	148,741	(57,579)	90,997	(4,388)
- Trade and other receivables	78,007	9,778	68,777	(25,231)
- Loan due from related parties	-	279,735	(212,259)	269,735
- Amounts due from related parties	(11,607)	(10,311)	(11,607)	(10,311)
- Trade and other payables	(244)	109,973	(18,448)	99,361
Cash generated from operations	1,468,601	1,665,205	1,256,029	1,773,089
Cash flows from operating activities				
Net finance cost	(114,468)	13,567	4,166	50,510
Tax paid	(141,483)	(326,263)	(141,111)	(323,490)
Retirement benefit obligations paid	(22,086)	(80,850)	(19,789)	(76,731)
	(278,037)	(393,546)	(156,734)	(349,711)
Net cash generated from operating activities	1,190,570	1,271,659	1,099,295	1,423,378
Cash flows from investing activities				
Additions to property, plant and equipment	(277,434)	(954,363)	(121,071)	(136,936)
Additions to tangible assets	(5,364)	(2,462)	-	(1,098)
Additions to Bearer plants	(323,191)	(344,662)	(308,992)	(318,058)
Additions to Consumable biological assets	-	(24,193)	-	(24,186)
Proceeds from sale of bearer plants	33,105	81,255	33,105	81,255
Proceeds from sale of property, plant and equipment	14,878	18,028	11,978	17,628
Adjustment to Property, Plant and Equipment	-	1,585	-	1,585
Additions to livestock	(147,511)	(241,889)	-	-
Settlements made to Hatton Plantations PLC	-	(216,227)	-	(216,227)
Investment in Debentures	-	-	(177,324)	-
Net cash used in investing activities	(705,517)	(1,682,928)	(562,304)	(596,037)
Cash flows from financing activities				
Dividend payment	(452,166)	(351,889)	(452,166)	(351,889)
Payment for shares repurchased	-	(1,178,236)	-	(1,178,236)
Proceeds from bank borrowings	250,000	1,298,761	-	89,854
Repayment of bank borrowings	(331,894)	(94,453)	(33,894)	(93,800)
Repayment of lease principal	(1,421)	(7,381)	299	(7,381)
Net cash used in financing activities	(535,481)	(333,198)	(485,761)	(1,541,452)
Net increase / (decrease) in cash & cash equivalent	(50,428)	(744,467)	51,230	(714,111)
Movement in cash and cash equivalents				
At the beginning of the period	143,676	888,143	147,834	861,945
Increase/(decrease) for the period	(50,428)	(744,467)	51,230	(714,111)
At end of period	93,248	143,676	199,064	147,834
Bank overdrafts	(110,753)	(36,588)	-	-
Cash and bank balances	204,001	180,264	199,064	147,834
At end of period	93,248	143,676	199,064	147,834

Note : All values are in LKR' 000s, unless otherwise stated
 Figures in brackets indicate deductions

SEGMENTAL ANALYSIS - GROUP

	Palm Oil		Diary		Others		Inter Segment		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Twelve month ended 31 March									
Revenue	2,468,460	2,031,142	493,301	173,753	119,999	2,743,860	-	-	3,081,760	4,948,755
Gross profit/(loss)	1,301,219	1,105,751	(168,866)	(148,491)	8,129	296,358	-	-	1,140,482	1,253,618
Other operating income	-	-	42,486	79,285	58,742	149,223	(4,891)	2,677	96,337	231,185
Administrative expenses	(187,165)	(173,502)	(7,181)	(6,264)	(4,533)	(155,171)	(1,476)	(195)	(200,355)	(335,132)
Operating profit	1,114,054	932,249	(133,561)	(75,470)	62,338	290,410	(6,367)	2,482	1,036,464	1,149,671
Net finance (cost) / income	6,907	48,023	(101,063)	(16,281)	(2,741)	2,430	(17,571)	(20,605)	(114,468)	13,567
Profit before tax	1,120,961	980,272	(234,624)	(91,751)	59,597	292,840	(23,938)	(18,123)	921,996	1,163,238
Tax	(150,665)	(204,315)	-	976	(8,344)	(21,231)	24	-	(158,985)	(224,570)
Profit for the year	970,296	775,957	(234,624)	(90,775)	51,253	271,609	(23,914)	(18,123)	763,011	938,668
Other Comprehensive Income										
Actuarial gain on gratuity	(21,674)	3,962	(4,450)	1,853	-	29,840	-	-	(26,124)	35,656
Tax on actuarial gain on gratuity	3,034	(396)	-	-	-	(2,984)	-	-	3,034	(3,380)
Total other comprehensive (loss) / income	(18,640)	3,566	(4,450)	1,853	-	26,856	-	-	(23,090)	32,276
Total comprehensive income for the year	951,656	779,523	(239,074)	(88,922)	51,253	298,465	(23,914)	(18,123)	739,921	970,944

Note : All values are in LKR' 000s, unless otherwise stated
Figures in brackets indicate deductions

SEGMENTAL ANALYSIS - GROUP

	Palm Oil		Diary		Others		Inter Segment		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Three months ended 31 March										
Revenue	616,546	425,658	125,396	55,985	17,904	84,746	-	-	759,846	566,389
Gross profit/(loss)	242,717	164,871	(57,896)	(69,441)	(98)	12,345	-	-	184,723	107,775
Other operating income	-	-	(5,711)	80,749	1,148	45,662	695	-	(3,868)	126,411
Administrative expenses	(50,531)	(42,150)	(2,935)	(3,970)	(499)	(15,262)	(957)	(250)	(54,922)	(61,632)
Profit/(loss) from operations	192,186	122,721	(66,542)	7,338	551	42,745	(262)	(250)	125,933	172,554
Net finance (cost) / income	5,461	24,452	(51,163)	(9,742)	(301)	(294)	3,618	(5,299)	(42,385)	9,117
Profit before tax	197,647	147,173	(117,705)	(2,404)	250	42,451	3,356	(5,549)	83,548	181,671
Tax	(4,998)	(116,754)	-	(1,524)	10,989	(70,228)	24	-	6,015	(188,506)
Profit for the year	192,649	30,419	(117,705)	(3,928)	11,239	(27,777)	3,380	(5,549)	89,563	(6,835)
Other Comprehensive Income										
Actuarial gain on gratuity	(21,674)	-	(4,450)	-	-	-	-	-	(26,124)	-
Tax on actuarial gain on gratuity	3,034	-	-	-	-	-	-	-	3,034	-
Total other comprehensive (loss) / income	(18,640)	-	(4,450)	-	-	-	-	-	(23,090)	-
Total comprehensive income for the year	174,009	30,419	(122,155)	(3,928)	11,239	(27,777)	3,380	(5,549)	66,473	(6,835)

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Figures in brackets indicate deductions

SEGMENTAL ANALYSIS - COMPANY

Twelve month ended 31 March	Palm Oil		Others		Total	
	2019	2018	2019	2018	2019	2018
Revenue	2,468,460	2,031,142	119,999	2,733,313	2,588,459	4,764,455
Gross profit/(loss)	1,301,219	1,105,751	8,129	297,907	1,309,348	1,403,658
Other income	-	-	58,742	149,223	58,742	149,223
Administrative expenses	(187,165)	(173,502)	(4,533)	(153,807)	(191,698)	(327,309)
Operating profit	1,114,054	932,249	62,338	293,323	1,176,392	1,225,572
Net finance (cost) / income	6,907	48,022	(2,741)	2,488	4,166	50,510
Profit before tax	1,120,961	980,271	59,597	295,811	1,180,558	1,276,082
Tax expense	(150,665)	(204,314)	(8,344)	(21,232)	(159,009)	(225,546)
Net profit	970,296	775,957	51,253	274,579	1,021,549	1,050,536
Fair value adjustment of investment						
Actuarial gain on gratuity	(21,674)	3,963	-	29,840	(21,674)	33,803
Tax on actuarial gain on gratuity	3,034	(396)	-	(2,984)	3,034	(3,380)
Total other comprehensive income/ (loss)	(18,640)	3,567	-	26,856	(18,640)	30,423
Total comprehensive income for the year	951,656	779,524	51,253	301,435	1,002,909	1,080,959

Note : All values are in LKR' 000s, unless otherwise stated
 Figures in brackets indicate deductions

SEGMENTAL ANALYSIS - COMPANY

Three months ended 31 March	Palm Oil		Others		Total	
	2019	2018	2019	2018	2019	2018
Revenue	616,546	425,658	17,904	84,384	634,450	510,042
Gross profit/(loss)	242,717	164,871	(98)	11,899	242,619	176,770
Other income	-	-	1,150	45,662	1,150	45,662
Administrative expenses	(50,531)	(42,150)	(498)	(14,058)	(51,029)	(56,208)
Operating profit	192,186	122,721	554	43,503	192,740	166,224
Net finance (cost) / income	5,463	24,451	(308)	(269)	5,155	24,182
Profit before tax	197,649	147,172	246	43,234	197,895	190,406
Tax expense	(4,998)	(116,753)	10,989	(70,228)	5,991	(186,981)
Net profit	192,651	30,419	11,235	(26,994)	203,886	3,425
Other Comprehensive Income						
Actuarial gain on gratuity	(21,674)	-	-	-	(21,674)	-
Tax on actuarial gain on gratuity	3,034	-	-	-	3,034	-
Total other comprehensive income/ (loss)	(18,640)	-	-	-	(18,640)	-
Total comprehensive income for the year	174,011	30,419	11,235	(26,994)	185,246	3,425

Note : All values are in LKR' 000s, unless otherwise stated
Figures in brackets indicate deductions

Notes to the 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 period continued to be cultivation and processing of palm oil and Dairy farming.

02. Interim consolidated financial statement

The Consolidated interim financial statements of the Watawala Plantations PLC as at and for the period ended 31 March 2019 comprised the Company and subsidiaries Watawala Dairy Ltd and Watawala Tea Australia Pty Ltd.

03. Approval of financial statement

The Interim Financial Statements of the Group and the Company for the period ended 31 March 2019 were authorised to be published by the Board of Directors on 29 May 2019.

04. Basis of preparation

These 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 Interim Financial Statements. There were no changes to the Accounting Policies and methods of computation since the publication of the Annual Report 2017/18. Further, these 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.

SLFRS 15 Revenue from Contracts with Customers

SLFRS 15 establishes a five-step model to account for revenue arising from contracts with customers. Under SLFRS 15, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under SLFRS.

The Company adopted SLFRS 15 using the full retrospective method of adoption. Based on the assessment performed, the Company concluded that SLFRS 15 does not have a material impact on the Company's Financial Statements.

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. No circumstances have arisen since the Statement of Financial Position date, which would require adjustments to the Interim Financial Statements.

07. There has been no change in the contingent liabilities at the quarter end as compared to 31 March 2018.

08. Fair value adjustments are done annually as per the policy of the Company. Hence, interim financial statements do not reflect any such changes.

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

10. The Interim Financial Statement are not audited.

Shareholder details for the quarter ending 31st March 2019

1 Public Shareholdings

	As at 31.03.2019	As at 31.03.2018
The percentage of shares held by the public	25.76	25.78
Number of Shareholders representing public shareholding	15,579	15,699

	Minimum public holding requirement			
	Option	Float adjusted market capitalisation	Public Holding percentage	Number of Public Shareholders
Listing rule 7.13.1	5	Less than LKR 2.5 Bn	20%	500
Compliance by Watawala		LKR 1.1 Bn	25.76%	15,579

2 Directors' Shareholding as at 31st March 2019

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

	As at 31.03.2019	As at 31.03.2018
S G Wijesinha (Chairman)	1	1
V Govindasamy (Managing Director)	Nil	Nil
G Sathasivam	Nil	Nil
A N Fernando	1	1
N B Weerasekera	Nil	Nil
S Mawzoon	Nil	Nil
Predeep Karunagaran	Nil	Nil

3 Twenty (20) largest shareholders as at

Name	31st March 2019		31 st March 2018	
	No of Shares Held	% of the holding	No of Shares Held	% of the holding
ESTATE MANAGEMENT SERVICES (PVT) LTD.	149,195,309	74.24	149,195,309	74.24
SAMPATH BANK PLC/ SEYLAN BANK PLC/ DR.T.SENTHILVERL	23,576,097	11.73	22,480,010	11.19
K.C. VIGNARAJAH	2,148,684	1.07	2,148,644	1.07
SSBT-DEUSTCHE BANK AG SINGAPORE A/C 01	1,365,459	0.68	1,365,459	0.68
VYJAYANTHI & COMPANY LIMITED	1,000,000	0.50	1,000,000	0.50
N. MULJIE	552,900	0.28	552,900	0.28
M.I. ABDUL HAMEED	350,000	0.17	350,000	0.17
S. VIGNARAJAH	258,811	0.13	258,783	0.13
COCOSHELL ACTIVATED CARBON COMPANY LIMITED	251,666	0.13	251,666	0.13
UNION INVESTMENTS PRIVATE LTD	218,333	0.11	218,333	0.11
BEST REAL INVEST CO SERVICES (PRIVATE) LIMITED	160,964	0.08	160,964	0.08
C M HOLDINGS PLC	141,667	0.07	141,667	0.07
ADAMJEE LUKMANJEE & SONS (PVT) LTD	117,135	0.06	117,135	0.06
D.C.D.L.S.D. PERERA	115,000	0.06	115,000	0.06
K.G.M. PIERIS	104,917	0.05	104,917	0.05
LIFE INSURANCE CORPORATION (LANKA) LTD	101,309	0.05	-	0.00
AL-HAJ S.M.M. HUSSAIN CHARITABLE TRUST	100,000	0.05	-	0.00
M.M. HASHIM	100,000	0.05	135,869	0.07
M H M NAZEER	100,000	0.05	-	0.00
PERSHING LLC S/A AVERBACH GRAUSON & CO.	96,667	0.05	-	0.00
MR M.M. HASHIM	96,208	0.05	135,869	0.07
MRS R D M PERERA	80,000	0.04	-	0.00
Sub Total	180,231,126	89.70	178,596,656	88.87
Other Shareholders	20,731,430	10.30	22,365,900	11.13
Grand Total	200,962,556	100.00	200,962,556	100.00

4 Stated Capital

Stated capital is represented by share in issue as given below

	As at 31.03.2019	As at 31.03.2018
Ordinary Shares	200,962,556	200,962,556
Golden Share	1	1

5 Market Price & Trading Informations

	As at 31.03.2019	As at 31.03.2018
Highest during the period(LKR)	23.30	31.70
lowest during the period(LKR)	18.00	26.30
Closing price (LKR)	18.50	28.90
	Quarter ended 31 Mar 2019	Quarter ended 31 Mar 2018
No. of Transactions	524	817
No. of shares traded	284,057	3,532,657
Value of Shares Traded(LKR)	5,799,721	103,450,176

Corporate Information

Name of the Company

Watawala Plantations PLC

Legal form

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)
V Govindasamy (Managing Director)
G Sathasivam (Alternate: S G Sathasivam)
A N Fernando
N B Weerasekara
S Mawzoon
Predeepan Karunagaran (Alternate: Thanveer Siddique)

Secretaries

Corporate Advisory Services (Pvt) Ltd.
47, Alexandra Place, Colombo 7, Sri Lanka.

Auditors

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

Bankers

Hatton National Bank PLC
Commercial Bank of Ceylon PLC
Amana Bank Ltd
ICICI Bank
MCB Bank Ltd
Nations Trust Bank
Seylan Bank

Lawyers

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(Attorneys-at-Law)
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Nithya Partners
(Attorneys-at-Law)
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