

**WATAWALA PLANTATIONS PLC**  
INTERIM CONDENSED FINANCIAL STATEMENTS  
Quarter ended 30 September, 2023

## Chairman's Message

**Dear Shareholder,**

### **Watawala Plantations PLC (CSE: WATA)**

Watawala Plantations PLC posted a revenue of LKR 4,598 million at group level for the six months ending 30th September 2023 (1H FY 23/24), up 0.4% YoY. Palm oil sector revenue was LKR 3,910 million, down 3.2% YoY due to the drop in price despite the increase in sales volume during the period.

Profit after tax (PAT) at group level was LKR 1,629 million, down 15.7% YoY. The decrease in net profit margin was mainly due to the imposition of the SSCL, loss incurred on other projects, increase in administrative expenditure, and increase in tax expenditure arising from the change in rate of tax.

The net assets per share at group level increased to LKR 34.93 as at 30th September 2023 from LKR 31.99 as at 31st March 2023 due to the increase in retained earnings during the period.

The Company opened a state-of-the-art cinnamon processing centre in Udugama in September 2023 in pursuit of its ambitious drive to produce high-quality cinnamon products.

### **Watawala Dairy Limited (WDL)**

Revenue was LKR 689 million for 1H FY23/24, up 27.9% YoY due to the increase in both volume of milk sold and price. The volume of milk produced was on an upward trend due to a recovery in milk yield.

However, there was a contraction in the gross profit margin during the period due to the increase in feed cost. Consequently, WDL recorded a loss of LKR 55.8 million compared to a loss of LKR 41.5 million in the same period the previous year.

### **Outlook**

Global palm oil prices have been on a downward trend and this trend may continue into the next quarter. Meanwhile, fertilizer price has been on a downward trend which will cushion the impact from the drop in palm oil price.

WDL currently holds a comfortable feed stockholding which will enable the sustenance of milk yield which increased in 2Q FY23/24. The availability of feed in the market has stabilized and the cost has decreased marginally which bodes well for the dairy business.

**Sunil G Wijesinha**

Chairman

9 November 2023

## Condensed Consolidated Income Statement

(all amounts in Sri Lankan Rupees thousands)

	Quarter ended 30 September			Six months ended 30 September		
	2023	2022	Change %	2023	2022	Change %
<b>Revenue</b>	2,240,798	2,726,848	-18%	4,598,165	4,578,738	0%
Cost of sales	(1,221,692)	(1,390,947)	-12%	(2,589,225)	(2,417,473)	7%
<b>Gross profit</b>	<b>1,019,106</b>	<b>1,335,901</b>	<b>-24%</b>	<b>2,008,940</b>	<b>2,161,265</b>	<b>-7%</b>
Other Income / (expenses)	64,725	26,374	145%	66,966	40,096	67%
Gain/(loss) on changes in fair value of biological assets	(13,640)	17,363	-179%	(13,640)	17,363	-179%
Administrative expenses	(121,242)	(103,491)	17%	(260,117)	(185,976)	40%
Selling and distribution expenses (SSCL)	(42,386)	-	n/a	(86,274)	-	n/a
Impairment of Goodwill on acquisition of subsidiary	-	(30,000)	n/a	-	(30,000)	n/a
<b>Operating profits</b>	<b>906,563</b>	<b>1,246,147</b>	<b>-27%</b>	<b>1,715,875</b>	<b>2,002,748</b>	<b>-14%</b>
Finance Income	39,784	28,597	39%	81,982	60,936	35%
Finance Costs	(19,987)	(21,112)	-5%	(37,679)	(44,402)	-15%
<b>Net Finance Income/(Costs)</b>	<b>19,797</b>	<b>7,485</b>	<b>164%</b>	<b>44,303</b>	<b>16,534</b>	<b>168%</b>
Profit before income tax	926,360	1,253,632	-26%	1,760,178	2,019,282	-13%
Income tax expenses	(48,004)	(53,659)	-11%	(130,953)	(85,594)	53%
<b>Profit for the period</b>	<b>878,356</b>	<b>1,199,973</b>	<b>-27%</b>	<b>1,629,225</b>	<b>1,933,688</b>	<b>-16%</b>
<b>Profit is attributable to:</b>						
Equity holders of the parent	879,580	1,200,162		1,634,849	1,938,293	
Non-controlling interests	(1,224)	(189)		(5,624)	(4,605)	
	<b>878,356</b>	<b>1,199,973</b>		<b>1,629,225</b>	<b>1,933,688</b>	
Basic earning per share (LKR)	4.33	5.90		8.04	9.51	
<b>Consolidated Statement of other Comprehensive Income</b>						
Profit for the period	878,356	1,199,973	-27%	1,629,225	1,933,688	-16%
Other comprehensive income for the period (net of tax)	-	-		-	-	
<b>Total comprehensive income for the period</b>	<b>878,356</b>	<b>1,199,973</b>	<b>-27%</b>	<b>1,629,225</b>	<b>1,933,688</b>	<b>-16%</b>
<b>Total comprehensive income attributable to</b>						
Equity holders of the parent	879,580	1,200,162		1,634,849	1,938,293	
Non-controlling interests	(1,224)	(189)		(5,624)	(4,605)	
<b>Total comprehensive income for the period</b>	<b>878,356</b>	<b>1,199,973</b>		<b>1,629,225</b>	<b>1,933,688</b>	

## Condensed Company Income Statement

(all amounts in Sri Lankan Rupees thousands)

	Quarter ended 30 September			Six months ended 30 September		
	2023	2022	Change %	2023	2022	Change %
<b>Revenue</b>	1,892,704	2,410,778	-21%	3,909,599	4,040,579	-3%
Cost of sales	(895,168)	(1,078,606)	-17%	(1,773,294)	(1,857,143)	-5%
<b>Gross profit</b>	<b>997,536</b>	<b>1,332,172</b>	<b>-25%</b>	<b>2,136,305</b>	<b>2,183,436</b>	<b>-2%</b>
Other Income / (expenses)	64,811	23,693	174%	(60,794)	33,648	n/a
Gain/(loss) on changes in fair value of biological assets	(5,795)	11,982	-148%	(5,795)	11,982	-148%
Administrative expenses	(111,325)	(98,937)	13%	(246,984)	(177,078)	39%
Selling and distribution expenses (SSCL)	(42,386)	-	n/a	(86,274)	-	n/a
Impairment on investment in subsidiary	-	(30,000)	n/a	-	(30,000)	n/a
<b>Operating profits</b>	<b>902,841</b>	<b>1,238,910</b>	<b>-27%</b>	<b>1,736,458</b>	<b>2,021,988</b>	<b>-14%</b>
Finance Income	49,579	25,526	94%	105,444	57,842	82%
Finance Costs	(16,106)	(11,034)	46%	(30,836)	(22,541)	37%
<b>Net Finance Income/(Costs)</b>	<b>33,473</b>	<b>14,492</b>	<b>131%</b>	<b>74,608</b>	<b>35,301</b>	<b>111%</b>
Profit before income tax	936,314	1,253,402	-25%	1,811,066	2,057,289	-12%
Income tax expenses	(45,817)	(51,700)	-11%	(126,043)	(82,135)	53%
<b>Profit for the period</b>	<b>890,497</b>	<b>1,201,702</b>	<b>-26%</b>	<b>1,685,023</b>	<b>1,975,154</b>	<b>-15%</b>
Basic earning per share (LKR)	4.38	5.91		8.29	9.72	
<b>Statement of other Comprehensive Income</b>						
Profit for the period	890,497	1,201,702	-26%	1,685,023	1,975,154	-15%
Other comprehensive income for the period (net of tax)	-	-		-	-	
<b>Total comprehensive income for the period</b>	<b>890,497</b>	<b>1,201,702</b>	<b>-26%</b>	<b>1,685,023</b>	<b>1,975,154</b>	<b>-15%</b>
<b>Total comprehensive income attributable to</b>						
Equity holders of the parent	890,497	1,201,702		1,685,023	1,975,154	
<b>Total comprehensive income for the period</b>	<b>890,497</b>	<b>1,201,702</b>		<b>1,685,023</b>	<b>1,975,154</b>	

## Condensed Statement of Financial Position

(all amounts in Sri Lankan Rupees thousands)

As at	Group		Company	
	30.09.2023	31.03.2023	30.09.2023	31.03.2023
<b>Assets</b>				
<b>Non-current assets</b>				
Right to use of assets	372,452	243,876	376,370	247,273
Property, plant and equipment	2,452,743	2,483,314	1,132,859	1,139,489
Intangible assets	52,302	47,437	50,722	45,768
Bearer biological assets	2,498,886	2,566,272	2,449,131	2,515,252
Biological assets-Consumable	44,269	44,269	-	-
Biological assets -Livestock	967,813	893,071	-	-
Investment fund	44,793	53,283	44,793	53,283
Investment in subsidiaries	-	-	2,211,342	2,211,342
<b>Total Non-Current Assets</b>	<b>6,433,258</b>	<b>6,331,522</b>	<b>6,265,217</b>	<b>6,212,407</b>
<b>Current assets</b>				
Inventories	670,325	874,627	266,813	331,502
Biological assets-produce on bearer plants	80,331	86,126	80,331	86,126
Current tax assets	33,719	33,719	33,719	33,719
Trade and other receivables	416,454	497,448	320,428	440,865
Loan given to related Company	-	-	270,000	270,000
Amount due from related Companies	331,423	149,147	566,882	369,455
Short term investments	436,189	4,870	415,695	4,870
Cash and cash equivalents	1,432,805	856,990	1,400,445	853,193
<b>Total current assets</b>	<b>3,401,246</b>	<b>2,502,927</b>	<b>3,354,313</b>	<b>2,389,730</b>
<b>Total assets</b>	<b>9,834,504</b>	<b>8,834,449</b>	<b>9,619,530</b>	<b>8,602,137</b>
<b>Equity and Liabilities</b>				
<b>Capital and Reserves</b>				
Stated capital	511,848	511,848	511,848	511,848
Retained earnings	6,589,951	5,768,337	6,911,870	6,040,082
Equity attributable to equity holders of the company	7,101,799	6,280,185	7,423,718	6,551,930
Non controlling interests	217,180	222,804	-	-
<b>Total Equity</b>	<b>7,318,979</b>	<b>6,502,989</b>	<b>7,423,718</b>	<b>6,551,930</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Interest bearing borrowings	56,291	1,231	-	-
Lease liabilities	406,688	272,394	416,393	282,129
Retirement benefit obligations	331,330	337,389	292,447	295,954
Deferred income and capital grants	37,905	39,084	37,905	39,084
Deferred tax liability	825,505	805,550	741,993	726,238
<b>Total Non-Current Liabilities</b>	<b>1,657,719</b>	<b>1,455,648</b>	<b>1,488,738</b>	<b>1,343,405</b>
<b>Current liabilities</b>				
Interest bearing borrowings	34,610	1,277	-	-
Lease liabilities	3,170	1,637	2,810	1,277
Trade and other payables	749,687	808,176	643,932	704,707
Amount due to related Companies	-	818	-	818
Current tax liabilities	64,721	4,458	60,332	-
Bank overdrafts	5,618	59,446	-	-
<b>Total current liabilities</b>	<b>857,806</b>	<b>875,812</b>	<b>707,074</b>	<b>706,802</b>
<b>Total liabilities</b>	<b>2,515,525</b>	<b>2,331,460</b>	<b>2,195,812</b>	<b>2,050,207</b>
<b>Total equity and liabilities</b>	<b>9,834,504</b>	<b>8,834,449</b>	<b>9,619,530</b>	<b>8,602,137</b>
<b>Net assets per share</b>	<b>34.93</b>	<b>31.99</b>	<b>36.51</b>	<b>32.23</b>

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



**Dhammika Laksiri**  
Financial Controller

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 / Acting CEO  
9 November 2023  
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 2022	511,848	6,345,936	6,857,784	241,887	7,099,671
Profit for the year	-	1,938,293	1,938,293	(4,605)	1,933,688
Total comprehensive income for the period	-	1,938,293	1,938,293	(4,605)	1,933,688
<b>Transactions with owners of the Company, recognised directly in equity</b>					
Effect on changes in effective holding in the subsidiary	-	(14,778)	(14,778)	14,778	-
Dividends paid	-	(1,626,469)	(1,626,469)	-	(1,626,469)
Total transactions with owners	-	(1,641,247)	(1,641,247)	14,778	(1,626,469)
Balance at 30 September 2022	511,848	6,642,982	7,154,830	252,060	7,406,890
Profit for the period	-	425,999	425,999	(27,897)	398,102
Actuarial loss on retirement benefit obligations	-	(113,462)	(113,462)	(1,611)	(115,073)
Deferred tax on actuarial loss on retirement benefit obligations	-	32,600	32,600	322	32,922
Total comprehensive income for the year	-	345,137	345,137	(29,186)	315,951
<b>Transactions with owners of the Company, recognised directly in equity</b>					
Effect on changes in effective holding in the subsidiary	-	70	70	(70)	-
Dividends paid	-	(1,219,852)	(1,219,852)	-	(1,219,852)
Total transactions with owners	-	(1,219,782)	(1,219,782)	(70)	(1,219,852)
Balance at 31 March 2023	511,848	5,768,337	6,280,185	222,804	6,502,989
Profit for the period	-	1,634,849	1,634,849	(5,624)	1,629,225
Total comprehensive income for the period	-	1,634,849	1,634,849	(5,624)	1,629,225
<b>Transactions with owners of the Company, recognised directly in equity</b>					
Dividends paid	-	(813,235)	(813,235)	-	(813,235)
Total transactions with owners	-	(813,235)	(813,235)	-	(813,235)
Balance at 30 September 2023	511,848	6,589,951	7,101,799	217,180	7,318,979

## 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 2022	511,848	6,620,116	7,131,964
Profit for the period	-	1,975,154	1,975,154
<b>Total comprehensive income for the year</b>	-	<b>1,975,154</b>	<b>1,975,154</b>
<b>Transactions with owners of the Company, recognised directly in equity</b>			
Dividends paid	-	(1,626,469)	(1,626,469)
Total transactions with owners	-	(1,626,469)	(1,626,469)
<b>Balance at 30 September 2022</b>	<b>511,848</b>	<b>6,968,801</b>	<b>7,480,649</b>
Profit for the period	-	360,485	360,485
Actuarial loss on retirement benefit obligations	-	(99,074)	(99,074)
Deferred tax on actuarial loss on retirement benefit obligations	-	29,722	29,722
<b>Total comprehensive income for the year</b>	-	<b>291,133</b>	<b>291,133</b>
<b>Transactions with owners of the Company, recognised directly in equity</b>			
Dividends paid	-	(1,219,852)	(1,219,852)
Total transactions with owners	-	(1,219,852)	(1,219,852)
<b>Balance at 31 March 2023</b>	<b>511,848</b>	<b>6,040,082</b>	<b>6,551,930</b>
Profit for the period	-	1,685,023	1,685,023
<b>Total comprehensive income for the period</b>	-	<b>1,685,023</b>	<b>1,685,023</b>
<b>Transactions with owners of the Company, recognised directly in equity</b>			
Dividends paid	-	(813,235)	(813,235)
Total transactions with owners	-	(813,235)	(813,235)
<b>Balance at 30 September 2023</b>	<b>511,848</b>	<b>6,911,870</b>	<b>7,423,718</b>

## Condensed Consolidated Statement of cash flows

(all amounts in Sri Lankan Rupees thousands)

For the period ended 30 September	Group		Company	
	2023	2022	2023	2022
<b>Cash flows from operating activities</b>				
Profit before taxation	1,760,178	2,019,282	1,811,066	2,057,289
<b>Adjustments for:</b>				
Depreciation and amortisation	197,180	202,722	158,770	152,622
Provision for retirement benefit obligations	15,230	14,053	12,910	12,184
Profit on disposal of property, plant and equipment	-	(8,379)	-	-
Impairment of goodwill on acquisition of subsidiary	-	30,000	-	-
Impairment on investment in subsidiary	-	-	-	30,000
Gain/(loss) on fair valuation of livestock	7,845	(5,381)	-	-
Income from investment fund	(510)	(4,491)	(510)	(4,491)
Amortisation of capital grants	(1,179)	(1,178)	(1,179)	(1,178)
Net finance costs	(44,303)	(16,534)	(74,608)	(35,301)
<b>Profit before working capital changes</b>	<b>1,934,441</b>	<b>2,230,094</b>	<b>1,906,449</b>	<b>2,211,125</b>
<b>Changes in working capital</b>				
- Inventories	204,302	(273,573)	64,689	(85,592)
- Biological assets-produce on bearer plants	5,795	(11,983)	5,795	(11,983)
- Trade and other receivables	80,994	(418,799)	120,437	(337,084)
- Amount due from related companies	(182,276)	(77,574)	(197,427)	(161,757)
- Amount due to related companies	(818)	(31,259)	(818)	(34,483)
- Trade and other payables	(58,492)	195,082	(60,775)	120,715
<b>Cash generated from operations</b>	<b>1,983,948</b>	<b>1,611,988</b>	<b>1,838,350</b>	<b>1,700,941</b>
Interest paid	(8,073)	(15,526)	(1,260)	(2,694)
Interest received	81,982	60,936	105,444	57,842
Income Tax paid	(50,735)	(28,899)	(49,956)	(27,906)
Retirement benefit obligations paid	(21,289)	(17,626)	(16,417)	(14,212)
	1,885	(1,115)	37,811	13,030
<b>Net cash generated from operating activities</b>	<b>1,985,833</b>	<b>1,610,873</b>	<b>1,876,161</b>	<b>1,713,971</b>
<b>Cash flows from investing activities</b>				
Additions to property, plant and equipment	(67,611)	(274,220)	(55,375)	(268,634)
Addition to Intangible assets	(6,060)	(10,686)	(5,545)	(10,686)
Additions to Bearer biological assets	(22,114)	(36,802)	(22,271)	(36,802)
Proceeds from disposal of biological assets (Livestock)	29,257	25,205	-	-
Proceeds from sale of property, plant and equipment	-	13,000	-	-
Investment made through short/long term investments	(431,319)	-	(410,825)	-
Withdrawals made through short/long term investments	9,000	516,432	9,000	484,329
Additions to livestock	(111,844)	(70,000)	-	-
Acquisition of subsidiaries (net of cash)	-	(68,796)	-	-
Investment in subsidiaries	-	-	-	(433,796)
<b>Net cash used in investing activities</b>	<b>(600,691)</b>	<b>94,133</b>	<b>(485,016)</b>	<b>(265,589)</b>
<b>Cash flows from financing activities</b>				
Dividends paid	(813,235)	(1,626,469)	(813,235)	(1,626,469)
Loans obtained during the year	100,000	-	-	-
Repayment of borrowings	(11,606)	(54,339)	-	(45,500)
Repayment of lease liabilities	(30,658)	(21,127)	(30,658)	(20,606)
<b>Net cash used in financing activities</b>	<b>(755,499)</b>	<b>(1,701,935)</b>	<b>(843,893)</b>	<b>(1,692,575)</b>
<b>Increase / (decrease) in cash and cash equivalents</b>	<b>629,643</b>	<b>3,071</b>	<b>547,252</b>	<b>(244,193)</b>
<b>Movement in cash and cash equivalents</b>				
At the beginning of period	797,544	1,427,013	853,193	1,412,534
Increase / (decrease) for the period	629,643	3,071	547,252	(244,193)
<b>At end of period</b>	<b>1,427,187</b>	<b>1,430,084</b>	<b>1,400,445</b>	<b>1,168,341</b>
Cash & cash equivalents	1,432,805	1,430,084	1,400,445	1,168,341
Bank overdrafts	(5,618)	-	-	-
<b>At end of period</b>	<b>1,427,187</b>	<b>1,430,084</b>	<b>1,400,445</b>	<b>1,168,341</b>



## Segmental Analysis - Group

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

Six months ended 30 September	Palm Oil		Dairy		Others		Inter Segment		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue	3,909,599	4,040,579	688,686	538,520	-	-	(120)	(361)	4,598,165	4,578,738
Cost of sales	(1,773,294)	(1,857,143)	(792,825)	(601,890)	-	-	(23,106)	41,560	(2,589,225)	(2,417,473)
Gross profit/(loss)	2,136,305	2,183,436	(104,139)	(63,370)	-	-	(23,226)	41,199	2,008,940	2,161,265
Other operating income/(expenses)	47,731	10,728	97,289	53,028	(114,320)	34,902	22,626	(41,199)	53,326	57,459
Administrative expenses	(246,984)	(177,078)	(13,733)	(8,898)	-	-	600	-	(260,117)	(185,976)
Selling and distribution expenses (SSCL)	(83,753)	-	-	-	(2,521)	-	-	-	(86,274)	-
Impairment of goodwill on acquisition of subsidiary	-	-	-	-	-	(30,000)	-	-	-	(30,000)
Operating profit/(loss)	1,853,299	2,017,086	(20,583)	(19,240)	(116,841)	4,902	-	-	1,715,875	2,002,748
Net finance expenses	74,608	35,301	(30,305)	(18,767)	-	-	-	-	44,303	16,534
Profit/(loss) before tax	1,927,907	2,052,387	(50,888)	(38,007)	(116,841)	4,902	-	-	1,760,178	2,019,282
Tax expenses	(120,522)	(71,371)	(4,910)	(3,459)	(5,521)	(10,764)	-	-	(130,953)	(85,594)
Net profit / (loss)	1,807,385	1,981,016	(55,798)	(41,466)	(122,362)	(5,862)	-	-	1,629,225	1,933,688

Quarter ended 30 September	Palm Oil		Dairy		Others		Inter Segment		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue	1,892,704	2,410,778	348,214	316,290	-	-	(120)	(220)	2,240,798	2,726,848
Cost of sales	(895,168)	(1,078,606)	(385,563)	(335,213)	-	-	59,039	22,872	(1,221,692)	(1,390,947)
Gross profit/(loss)	997,536	1,332,172	(37,349)	(18,923)	-	-	58,919	22,652	1,019,106	1,335,901
Other operating income/(expenses)	47,731	10,728	51,588	30,714	11,285	24,947	(59,519)	(22,652)	51,085	43,737
Administrative expenses	(111,325)	(98,937)	(10,517)	(4,554)	-	-	600	-	(121,242)	(103,491)
Selling and distribution expenses/(SSCL)	(40,894)	-	-	-	(1,492)	-	-	-	(42,386)	-
Impairment of goodwill on acquisition of subsidiary	-	-	-	-	-	(30,000)	-	-	-	(30,000)
Operating profit/(loss)	893,048	1,243,963	3,722	7,237	9,793	(5,053)	-	-	906,563	1,246,147
Net finance expenses	33,473	14,492	(13,676)	(7,007)	-	-	-	-	19,797	7,485
Profit/(loss) before tax	926,521	1,258,455	(9,954)	230	9,793	(5,053)	-	-	926,360	1,253,632
Tax expenses	(43,030)	(43,327)	(2,187)	(1,959)	(2,787)	(8,373)	-	-	(48,004)	(53,659)
Net profit / (loss)	883,491	1,215,128	(12,141)	(1,729)	7,006	(13,426)	-	-	878,356	1,199,973

## Segmental Analysis - Company

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

Six months ended 30 September	Palm Oil		Others		Total	
	2023	2022	2023	2022	2023	2022
Revenue	3,909,599	4,040,579	-	-	3,909,599	4,040,579
Cost of sales	(1,773,294)	(1,857,143)	-	-	(1,773,294)	(1,857,143)
Gross profit	2,136,305	2,183,436	-	-	2,136,305	2,183,436
Other operating income/(expenses)	47,731	10,728	(114,320)	34,902	(66,589)	45,630
Administrative expenses	(246,984)	(177,078)	-	-	(246,984)	(177,078)
Selling and distribution expenses/(SSCL)	(83,753)	-	(2,521)	-	(86,274)	-
Impairment on investment in subsidiary	-	-	-	(30,000)	-	(30,000)
Operating profit	1,853,299	2,017,086	(116,841)	4,902	1,736,458	2,021,988
Net finance expenses	74,608	35,301	-	-	74,608	35,301
Profit before tax	1,927,907	2,052,387	(116,841)	4,902	1,811,066	2,057,289
Tax expenses	(120,522)	(71,371)	(5,521)	(10,764)	(126,043)	(82,135)
Net profit / (loss)	1,807,385	1,981,016	(122,362)	(5,862)	1,685,023	1,975,154

Quarter ended 30 September	Palm Oil		Others		Total	
	2023	2022	2023	2022	2023	2022
Revenue	1,892,704	2,410,778	-	-	1,892,704	2,410,778
Cost of sales	(895,168)	(1,078,606)	-	-	(895,168)	(1,078,606)
Gross profit	997,536	1,332,172	-	-	997,536	1,332,172
Other operating income/(expenses)	47,731	10,728	11,285	24,947	59,016	35,675
Administrative expenses	(111,325)	(98,937)	-	-	(111,325)	(98,937)
Selling and distribution expenses/(SSCL)	(40,894)	-	(1,492)	-	(42,386)	-
Impairment on investment in subsidiary	-	-	-	(30,000)	-	(30,000)
Operating profit/(loss)	893,048	1,243,963	9,793	(5,053)	902,841	1,238,910
Net finance expenses	33,473	14,492	-	-	33,473	14,492
Profit before tax	926,521	1,258,455	9,793	(5,053)	936,314	1,253,402
Tax expenses	(43,030)	(43,327)	(2,787)	(8,373)	(45,817)	(51,700)
Net profit / (loss)	883,491	1,215,128	7,006	(13,426)	890,497	1,201,702

## 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 period 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 period ended 30 September 2023 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 period ended 30 September 2023 were authorised to be published by the Board of Directors on 9 November 2023.

### 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 2022/23, 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 2023.

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 30 September 2023	Fair value through profit or loss	Amortised cost	Fair value through other comprehensive income	Total carrying amount	Level 1	Level 2	Level 3	Total Fair value
<b>Financial assets measured at fair value</b>								
Investment fund	44,793	-	-	44,793	-	44,793	-	44,793
	44,793	-	-	44,793	-	44,793	-	44,793
<b>Financial assets not measured at fair value</b>								
Trade and Other receivables	-	416,454	-	416,454	-	-	416,454	416,454
Amounts due from related company	-	331,423	-	331,423	-	-	331,423	331,423
Short term investments	-	436,189	-	436,189	-	436,189	-	436,189
Cash at banks and in hand	-	1,432,805	-	1,432,805	-	1,432,805	-	1,432,805
	-	2,616,871	-	2,616,871	-	1,868,994	747,877	2,616,871
<b>Total financial assets</b>	<b>44,793</b>	<b>2,616,871</b>	<b>-</b>	<b>2,661,664</b>	<b>-</b>	<b>1,913,787</b>	<b>747,877</b>	<b>2,661,664</b>
<b>Financial liabilities not measured at fair value</b>								
Interest bearing borrowings	-	90,901	-	90,901	-	90,901	-	90,901
Trade and other payables	-	749,687	-	749,687	-	-	749,687	749,687
Lease Liabilities	-	409,858	-	409,858	-	-	409,858	409,858
Bank overdrafts	-	5,618	-	5,618	-	5,618	-	5,618
	-	1,256,064	-	1,256,064	-	96,519	1,159,545	1,256,064
<b>Total financial liabilities</b>	<b>-</b>	<b>1,256,064</b>	<b>-</b>	<b>1,256,064</b>	<b>-</b>	<b>96,519</b>	<b>1,159,545</b>	<b>1,256,064</b>

Group - As at 31 March 2023	Fair value through profit or loss	Amortised cost	Fair value through other comprehensive income	Total carrying amount	Level 1	Level 2	Level 3	Total Fair value
<b>Financial assets measured at fair value</b>								
Investment fund	53,283	-	-	53,283	-	53,283	-	53,283
	53,283	-	-	53,283	-	53,283	-	53,283
<b>Financial assets not measured at fair value</b>								
Trade and Other receivables	-	497,448	-	497,448	-	-	497,448	497,448
Amounts due from related company	-	149,147	-	149,147	-	-	149,147	149,147
Short term investments	-	4,870	-	4,870	-	4,870	-	4,870
Cash at banks and in hand	-	856,990	-	856,990	-	856,990	-	856,990
	-	1,508,455	-	1,508,455	-	861,860	646,595	1,508,455
<b>Total financial assets</b>	<b>53,283</b>	<b>1,508,455</b>	<b>-</b>	<b>1,561,738</b>	<b>-</b>	<b>915,143</b>	<b>646,595</b>	<b>1,561,738</b>
<b>Financial liabilities not measured at fair value</b>								
Interest bearing borrowings	-	2,508	-	2,508	-	2,508	-	2,508
Trade and other payables	-	808,176	-	808,176	-	-	808,176	808,176
Lease Liabilities	-	274,031	-	274,031	-	-	274,031	274,031
Amount due to related companies	-	818	-	818	-	-	818	818
	-	1,085,533	-	1,085,533	-	2,508	1,083,025	1,085,533
<b>Total financial liabilities</b>	<b>-</b>	<b>1,085,533</b>	<b>-</b>	<b>1,085,533</b>	<b>-</b>	<b>2,508</b>	<b>1,083,025</b>	<b>1,085,533</b>

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

Company - As at 30 September 2023	Fair value through profit or loss	Amortised cost	Fair value through other comprehensive income	Total carrying amount	Level 1	Level 2	Level 3	Total Fair value
<b>Financial assets measured at fair value</b>								
Investment fund	44,793	-	-	44,793	-	44,793	-	44,793
	<b>44,793</b>	<b>-</b>	<b>-</b>	<b>44,793</b>	<b>-</b>	<b>44,793</b>	<b>-</b>	<b>44,793</b>
<b>Financial assets not measured at fair value</b>								
Trade and Other receivables	-	320,428	-	320,428	-	-	320,428	320,428
Loan given to related company	-	270,000	-	270,000	-	-	270,000	270,000
Amounts due from related company	-	566,882	-	566,882	-	-	566,882	566,882
Short term investments	-	415,695	-	415,695	-	415,695	-	415,695
Cash at banks and in hand	-	1,400,445	-	1,400,445	-	1,400,445	-	1,400,445
	-	<b>2,973,450</b>	-	<b>2,973,450</b>	-	<b>1,816,140</b>	<b>1,157,310</b>	<b>2,973,450</b>
<b>Total financial assets</b>	<b>44,793</b>	<b>2,973,450</b>	<b>-</b>	<b>3,018,243</b>	<b>-</b>	<b>1,860,933</b>	<b>1,157,310</b>	<b>3,018,243</b>
<b>Financial liabilities not measured at fair value</b>								
Lease Liabilities	-	419,203	-	419,203	-	-	419,203	419,203
Trade and other payables	-	643,932	-	643,932	-	-	643,932	643,932
	-	<b>1,063,135</b>	-	<b>1,063,135</b>	-	-	<b>1,063,135</b>	<b>1,063,135</b>
<b>Total financial liabilities</b>	<b>-</b>	<b>1,063,135</b>	<b>-</b>	<b>1,063,135</b>	<b>-</b>	<b>-</b>	<b>1,063,135</b>	<b>1,063,135</b>

Company - As at 31 March 2023	Fair value through profit or loss	Amortised cost	Fair value through other comprehensive income	Total carrying amount	Level 1	Level 2	Level 3	Total Fair value
<b>Financial assets measured at fair value</b>								
Investment fund	53,283	-	-	53,283	-	53,283	-	53,283
	<b>53,283</b>	<b>-</b>	<b>-</b>	<b>53,283</b>	<b>-</b>	<b>53,283</b>	<b>-</b>	<b>53,283</b>
<b>Financial assets not measured at fair value</b>								
Trade and Other receivables	-	440,865	-	440,865	-	-	440,865	440,865
Loan given to related Company	-	270,000	-	270,000	-	-	270,000	270,000
Amounts due from related company	-	369,455	-	369,455	-	-	369,455	369,455
Short term investments	-	4,870	-	4,870	-	4,870	-	4,870
Cash at banks and in hand	-	853,193	-	853,193	-	853,193	-	853,193
	-	<b>1,938,383</b>	-	<b>1,938,383</b>	-	<b>858,063</b>	<b>1,080,320</b>	<b>1,938,383</b>
<b>Total financial assets</b>	<b>53,283</b>	<b>1,938,383</b>	<b>-</b>	<b>1,991,666</b>	<b>-</b>	<b>911,346</b>	<b>1,080,320</b>	<b>1,991,666</b>
<b>Financial liabilities not measured at fair value</b>								
Lease Liabilities	-	283,406	-	283,406	-	-	283,406	283,406
Trade and other payables	-	704,707	-	704,707	-	-	704,707	704,707
Amount due to related Companies	-	818	-	818	-	-	818	818
	-	<b>988,931</b>	-	<b>988,931</b>	-	-	<b>988,931</b>	<b>988,931</b>
<b>Total financial liabilities</b>	<b>-</b>	<b>988,931</b>	<b>-</b>	<b>988,931</b>	<b>-</b>	<b>-</b>	<b>988,931</b>	<b>988,931</b>

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 30 September 2023

### 1 Public Shareholdings

	As at 30.09.2023	As at 31.03.2023
The percentage of shares held by the public	23.16	23.17
Number of Shareholders representing public shareholding	18,685	18,568

	Requirement by CSE	As at 30 September 2023	Requirement by CSE	As as 31 March 2023
Option (Listing Rule 7.13.1 (i) (a))	4	4	4	4
Float adjusted market capitalization	Above LKR 2.5Bn	LKR 3.58Bn	Above LKR 2.5Bn	LKR 3.51Bn
The percentage of shares held by the public	10%	23.16%	10%	23.17%
Number of shareholders representing public holding	500	18,685	500	18,568

### 2 Directors' Shareholding as at 30 September 2023

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

	As at 30.09.2023	As at 31.03.2023
S G Wijesinha (Chairman)	1	1
V Govindasamy (Acting CEO w.e.f. 1 October 2023)	Nil	Nil
N B Weerasekera	Nil	Nil
M S Mawzoon	Nil	Nil
H D Abeywickrama	Nil	Nil
M R Rao	Nil	Nil
A R Rasiah	10,000	10,000
C L Loo (Alternate: M T Siddique)	Nil	Nil
S G Sathasivam	Nil	Nil
<b>Total</b>	<b>10,001</b>	<b>10,001</b>

### 3 Chief Executive Officers' Shareholding as at 30 September 2023

	As at 30.09.2023	As at 31.03.2023
Binesh Pananwala (Resigned w.e.f 30 September 2023)	Nil	Nil

#### 4 Twenty (20) largest shareholders as at

Name	30 September 2023		31st March 2023	
	No of Shares Held	% of the holding	No of Shares Held	% of the holding
Sunshine Wilmar (Private) Limited	156,207,043	76.83	156,207,043	76.83
Kangasu Chelvadurai Vignarajah	2,495,332	1.23	2,486,108	1.22
Sri Lanka Insurance Corporation LTD-Life Fund	2,418,295	1.19	2,418,295	1.19
Vyjayanthi & Company Limited	1,011,674	0.50	1,011,674	0.50
Jayampathi Divale Bandaranayake	840,250	0.42	640,250	0.31
Talib Tawfiq Talib Al-Nakib (Deceased)	700,000	0.34	700,000	0.34
Deutsche Bank Ag Singapore A/C 2 (Dcs Clt Acc For Deutsche Bank Ag Singapore- Pwm Wm Client)	693,480	0.34	713,480	0.35
Nandini Muljie	559,354	0.28	559,354	0.28
Mohamed Imtizam Abdul Hameed	354,085	0.17	354,085	0.17
Sugath Weeraratne	346,339	0.17	305,700	0.15
Bagwan Wassiamal Kundanmal	327,418	0.16	327,418	0.16
Jayawarna Arachchige Sanath Priyantha	315,000	0.15	300,000	0.15
Sri Lanka Insurance Corporation Ltd-General Fund	312,832	0.15	312,832	0.15
DFCC Bank PLC/P. Muralitharan	253,000	0.12	-	-
Mohamed Macky Hashim	250,000	0.12	250,000	0.12
Union Investments Private Ltd	220,881	0.11	-	-
Sarathathevy Vignarajah	214,675	0.11	-	-
Hatton National Bank PLC/Anuja Chamila Jayasinghe	208,991	0.10	242,400	0.12
Arunodhaya (Private) Limited	200,000	0.10	-	-
Arunodhaya Industries (Private) Limited	200,000	0.10	-	-
Arunodhaya Investments (Private) Limited	200,000	0.10	-	-
Malship Ceylon Ltd	200,000	0.10	-	-
Upali Amarasinghe	200,000	0.10	-	-
Perera and Sons Bakers (Pvt) Limited	200,000	0.10	-	-
<b>Sub Total</b>	<b>168,928,649</b>	<b>83.09</b>	<b>166,828,639</b>	<b>82.06</b>
<b>Other Shareholders</b>	<b>34,379,985</b>	<b>16.91</b>	<b>36,479,995</b>	<b>17.94</b>
<b>Grand Total</b>	<b>203,308,634</b>	<b>100.00</b>	<b>203,308,634</b>	<b>100.00</b>

#### 5 Stated Capital

Stated capital is represented by share in issue as given below

	As at 30.09.2023	As at 31.03.2023
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 30.09.2023	As at 31.03.2023
Highest during the period(LKR)	78.60	80.00
Lowest during the period(LKR)	70.10	68.00
Last traded price (LKR)	76.10	74.50

	Quarter ended 30 Sep 2023	Quarter ended 31 Mar 2023
No. of Transactions	6,472	4,620
No. of shares traded	4,532,430	2,791,411
Value of Shares Traded(LKR)	340,243,294	204,549,268

## 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*)

V Govindasamy (*Acting CEO w.e.f 1 October 2023*)

N B Weerasekera

M S Mawzoon

H D Abeywickrama

M R Rao

A R Rasiah

C L Loo (*Alternate : M T Siddique*)

S G Sathasivam

**Chief Executive Officer**

Binesh Pananwala (*Resigned w.e.f 30 September 2023*)

**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 Ltd  
Hatton National Bank PLC  
Commercial Bank of Ceylon PLC  
DFCC Bank PLC  
Seylan Bank PLC  
People's Bank  
National Development Bank PLC  
Indian Overseas Bank  
Indian Bank

**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