

WATAWALA PLANTATIONS PLC
INTERIM CONDENSED FINANCIAL STATEMENTS
Quarter ended 31 December, 2023

Chairman's Message

Dear Shareholder,

Watawala Plantations PLC (CSE: WATA)

Watawala Plantations PLC posted a revenue of LKR 6,483 million at group level for the nine months ending 31st December 2023 (9M FY 23/24), down 2.5% YoY. Palm oil sector revenue was LKR 5,395 million, down 6.4% YoY due to the drop in price whilst the sales volume increased during the period.

Profit after tax (PAT) at group level was LKR 2,203 million, down 15% YoY. The decrease in net profit margin was mainly due to the dip in palm oil prices, imposition of the SSCL, 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 decreased to LKR 29.73 as at 31st December 2023 from LKR 31.99 as at 31st March 2023. During the nine months, WATA paid a final dividend of LKR 4.00 per share for FY 22/23 and an interim dividend of LKR 8.00 per share for FY 23/24 amounting to a total dividend payment of LKR 2,440 million which resulted in the decrease in the net assets per share.

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 1,088 million for 9M FY23/24, up 23.0% YoY due to the increase in both volume of milk sold and price.

The dairy business reported a gross profit margin of 5.6% during the three months ending 31st December 2023 (3Q FY 23/24) mainly due to the increase in volume of milk sold resulting from the increase in milk yield. The milk yield has now stabilized with the consistent availability of cattle feed.

Consequent to the turnaround of the dairy business in 3Q FY 23/24, WDL recorded a PAT of LKR 2.5 million in 9M FY 23/24 compared to a loss of LKR 63.5 million during the corresponding period last year.

Outlook

Global palm oil prices have stabilized, and prices are expected to remain at similar levels during the next quarter despite the imposition of value added tax (VAT) on palm oil. The domestic demand for palm oil is expected to gradually increase in the upcoming quarters with the recovery in the economy.

WDL is expected to sustain the milk yield due to better management and stockholding of cattle feed. Meanwhile, demand is expected to remain stable despite the imposition of value added tax (VAT) on fresh milk.

Sunil G Wijesinha

Chairman

12 February 2024

Condensed Consolidated Income Statement

(all amounts in Sri Lankan Rupees thousands)

	Quarter ended 31 December			Nine months ended 31 December		
	2023	2022	Change %	2023	2022	Change %
Revenue	1,885,171	2,070,424	-9%	6,483,336	6,649,162	-2%
Cost of sales	(1,151,513)	(1,229,625)	-6%	(3,740,738)	(3,647,098)	3%
Gross profit	733,658	840,799	-13%	2,742,598	3,002,064	-9%
Other Income	20,810	10,982	89%	87,776	51,078	72%
Gain/(loss) on changes in fair value of biological assets	-	-	n/a	(13,640)	17,363	n/a
Administrative expenses	(114,537)	(89,006)	29%	(374,654)	(274,982)	36%
Selling and distribution expenses (SSCL)	(32,214)	(38,618)	-17%	(118,488)	(38,618)	207%
Impairment of Goodwill on acquisition of subsidiary	-	(30,000)	n/a	-	(60,000)	n/a
Operating profits	607,717	694,157	-12%	2,323,592	2,696,905	-14%
Finance Income	38,391	42,946	-11%	120,373	103,882	16%
Finance Costs	(18,111)	(37,869)	-52%	(55,790)	(82,271)	-32%
Net Finance Income	20,280	5,077	299%	64,583	21,611	199%
Profit before income tax	627,997	699,234	-10%	2,388,175	2,718,516	-12%
Income tax expenses	(53,926)	(38,412)	40%	(184,879)	(124,006)	49%
Profit for the period	574,071	660,822	-13%	2,203,296	2,594,510	-15%
Profit is attributable to:						
Equity holders of the parent	568,190	663,041		2,203,039	2,601,334	
Non-controlling interests	5,881	(2,219)		257	(6,824)	
	574,071	660,822		2,203,296	2,594,510	
Basic earning per share (LKR)	2.79	3.26		10.84	12.80	
Consolidated Statement of other Comprehensive Income						
Profit for the period	574,071	660,822	-13%	2,203,296	2,594,510	-15%
Other comprehensive income for the period (net of tax)	-	-		-	-	
Total comprehensive income for the period	574,071	660,822	-13%	2,203,296	2,594,510	-15%
Total comprehensive income attributable to						
Equity holders of the parent	568,190	663,041		2,203,039	2,601,334	
Non-controlling interests	5,881	(2,219)		257	(6,824)	
Total comprehensive income for the period	574,071	660,822		2,203,296	2,594,510	

Condensed Company Income Statement

(all amounts in Sri Lankan Rupees thousands)

	Quarter ended 31 December			Nine months ended 31 December		
	2023	2022	Change %	2023	2022	Change %
Revenue	1,485,418	1,724,038	-14%	5,395,017	5,764,617	-6%
Cost of sales	(819,301)	(881,611)	-7%	(2,592,595)	(2,738,754)	-5%
Gross profit	666,117	842,427	-21%	2,802,422	3,025,863	-7%
Other Income / (expenses)	11,799	8,017	47%	(48,995)	41,665	n/a
Gain/(loss) on changes in fair value of biological assets	-	-	n/a	(5,795)	11,982	n/a
Administrative expenses	(112,459)	(87,097)	29%	(359,443)	(264,175)	36%
Selling and distribution expenses (SSCL)	(32,214)	(38,618)	-17%	(118,488)	(38,618)	207%
Impairment of Goodwill on acquisition of subsidiary	-	(30,000)	n/a	-	(60,000)	n/a
Operating profits	533,243	694,729	-23%	2,269,701	2,716,717	-16%
Finance Income	46,232	34,823	33%	151,676	92,665	64%
Finance Costs	(13,908)	(10,743)	29%	(44,744)	(33,284)	34%
Net Finance Income	32,324	24,080	34%	106,932	59,381	80%
Profit before income tax	565,567	718,809	-21%	2,376,633	2,776,098	-14%
Income tax expenses	(49,841)	(35,974)	39%	(175,884)	(118,109)	49%
Profit for the period	515,726	682,835	-24%	2,200,749	2,657,989	-17%
Basic earning per share (LKR)	2.54	3.36		10.82	13.07	
Statement of other Comprehensive Income						
Profit for the period	515,726	682,835	-24%	2,200,749	2,657,989	-17%
Other comprehensive income for the period (net of tax)	-	-		-	-	
Total comprehensive income for the period	515,726	682,835	-24%	2,200,749	2,657,989	-17%
Total comprehensive income attributable to						
Equity holders of the parent	515,726	682,835		2,200,749	2,657,989	
Total comprehensive income for the period	515,726	682,835		2,200,749	2,657,989	

Condensed Statement of Financial Position

(all amounts in Sri Lankan Rupees thousands)

As at	Group		Company	
	31.12.2023	31.03.2023	31.12.2023	31.03.2023
Assets				
Non-current assets				
Right to use of assets	372,392	243,876	376,370	247,273
Property, plant and equipment	2,527,669	2,483,314	1,213,399	1,139,489
Intangible assets	57,629	47,437	56,346	45,768
Bearer biological assets	2,468,050	2,566,272	2,418,296	2,515,252
Biological assets-Consumable	44,269	44,269	-	-
Biological assets -Livestock	1,026,925	893,071	-	-
Investment fund	45,048	53,283	45,048	53,283
Investment in subsidiaries	-	-	2,211,342	2,211,342
Total Non-Current Assets	6,541,982	6,331,522	6,320,801	6,212,407
Current assets				
Inventories	735,961	874,627	283,205	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	310,429	497,448	211,834	440,865
Loan given to related Company	-	-	190,000	270,000
Amount due from related Companies	96,456	149,147	380,535	369,455
Short term investments	253,736	4,870	252,907	4,870
Cash and cash equivalents	831,962	856,990	828,246	853,193
Total current assets	2,342,594	2,502,927	2,260,777	2,389,730
Total assets	8,884,576	8,834,449	8,581,578	8,602,137
Equity and Liabilities				
Capital and Reserves				
Stated capital	511,848	511,848	511,848	511,848
Retained earnings	5,531,672	5,768,337	5,801,127	6,040,082
Equity attributable to equity holders of the company	6,043,520	6,280,185	6,312,975	6,551,930
Non controlling interests	223,061	222,804	-	-
Total Equity	6,266,581	6,502,989	6,312,975	6,551,930
Liabilities				
Non-current liabilities				
Interest bearing borrowings	47,695	1,231	-	-
Lease liabilities	409,575	272,394	419,280	282,129
Retirement benefit obligations	308,356	337,389	268,850	295,954
Deferred income and capital grants	37,316	39,084	37,316	39,084
Deferred tax liability	831,715	805,550	746,121	726,238
Total Non-Current Liabilities	1,634,657	1,455,648	1,471,567	1,343,405
Current liabilities				
Interest bearing borrowings	89,510	1,277	-	-
Lease liabilities	3,170	1,637	2,810	1,277
Trade and other payables	784,828	808,176	735,217	704,707
Amount due to related Companies	-	818	-	818
Current tax liabilities	65,401	4,458	59,009	-
Bank overdrafts	40,429	59,446	-	-
Total current liabilities	983,338	875,812	797,036	706,802
Total liabilities	2,617,995	2,331,460	2,268,603	2,050,207
Total equity and liabilities	8,884,576	8,834,449	8,581,578	8,602,137
Net assets per share	29.73	31.99	31.05	32.23

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
12 February 2024
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 period	-	2,601,334	2,601,334	(6,824)	2,594,510
Total comprehensive income for the period	-	2,601,334	2,601,334	(6,824)	2,594,510
Transactions with owners of the Company, recognised directly in equity					
Effect on changes in effective holding in the subsidiary	-	(14,778)	(14,778)	14,778	-
Dividends paid	-	(2,846,321)	(2,846,321)	-	(2,846,321)
Total transactions with owners	-	(2,861,099)	(2,861,099)	14,778	(2,846,321)
Balance at 31 December 2022	511,848	6,086,171	6,598,019	249,841	6,847,860
Profit for the period	-	(237,042)	(237,042)	(25,678)	(262,720)
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 period	-	(317,904)	(317,904)	(26,967)	(344,871)
Transactions with owners of the Company, recognised directly in equity					
Effect on changes in effective holding in the subsidiary	-	70	70	(70)	-
Total transactions with owners	-	70	70	(70)	-
Balance at 31 March 2023	511,848	5,768,337	6,280,185	222,804	6,502,989
Profit for the period	-	2,203,039	2,203,039	257	2,203,296
Total comprehensive income for the period	-	2,203,039	2,203,039	257	2,203,296
Transactions with owners of the Company, recognised directly in equity					
Dividends paid	-	(2,439,704)	(2,439,704)	-	(2,439,704)
Total transactions with owners	-	(2,439,704)	(2,439,704)	-	(2,439,704)
Balance at 31 December 2023	511,848	5,531,672	6,043,520	223,061	6,266,581

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	-	2,657,989	2,657,989
Total comprehensive income for the period	-	2,657,989	2,657,989
Transactions with owners of the Company, recognised directly in equity			
Dividends paid	-	(2,846,321)	(2,846,321)
Total transactions with owners	-	(2,846,321)	(2,846,321)
Balance at 31 December 2022	511,848	6,431,784	6,943,632
Profit for the period	-	(322,350)	(322,350)
Actuarial loss on retirement benefit obligations	-	(99,074)	(99,074)
Deferred tax on actuarial loss on retirement benefit obligations	-	29,722	29,722
Total comprehensive income for the period	-	(391,702)	(391,702)
Balance at 31 March 2023	511,848	6,040,082	6,551,930
Profit for the period	-	2,200,749	2,200,749
Total comprehensive income for the period	-	2,200,749	2,200,749
Transactions with owners of the Company, recognised directly in equity			
Dividends paid	-	(2,439,704)	(2,439,704)
Total transactions with owners	-	(2,439,704)	(2,439,704)
Balance at 31 December 2023	511,848	5,801,127	6,312,975

Condensed Consolidated Statement of cash flows

(all amounts in Sri Lankan Rupees thousands)

For the period ended 31 December	Group		Company	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit before taxation	2,388,175	2,718,516	2,376,633	2,776,098
Adjustments for:				
Depreciation and amortisation	291,133	298,101	233,951	224,946
Provision for retirement benefit obligations	22,870	22,204	19,927	18,264
Profit on disposal of property, plant and equipment	-	(8,379)	-	-
Gain/(loss) on fair valuation of livestock	7,845	(5,381)	-	-
Impairment of goodwill on acquisition of subsidiary	-	60,000	-	-
Impairment on investment in subsidiary	-	-	-	60,000
Income from investment fund	(765)	(5,942)	(765)	(5,942)
Amortisation of capital grants	(1,769)	(1,768)	(1,769)	(1,768)
Net finance costs	(64,583)	(21,611)	(106,932)	(59,381)
Profit before working capital changes	2,642,906	3,055,740	2,521,045	3,012,217
Changes in working capital				
- Inventories	138,666	(583,953)	48,297	(165,510)
- Biological assets-produce on bearer plants	5,795	(11,983)	5,795	(11,983)
- Trade and other receivables	187,019	(206,771)	229,031	(147,426)
- Amount due from related companies	52,691	(68,477)	(11,080)	(237,551)
- Loan given to related Company	-	-	80,000	-
- Amount due to related companies	(818)	(31,259)	(818)	(33,754)
- Trade and other payables	(21,509)	166,415	32,318	115,514
Cash generated from operations	3,004,750	2,319,712	2,904,588	2,531,507
Interest paid	(11,064)	(23,406)	(217)	(3,512)
Interest received	120,373	103,882	151,676	92,665
Income Tax paid	(97,772)	(57,022)	(96,993)	(55,811)
Retirement benefit obligations paid	(51,903)	(28,569)	(47,031)	(23,168)
	(40,366)	(5,115)	7,435	10,174
Net cash generated from operating activities	2,964,384	2,314,597	2,912,023	2,541,681
Cash flows from investing activities				
Additions to property, plant and equipment	(191,737)	(307,055)	(166,700)	(295,164)
Addition to Intangible assets	(11,982)	(12,951)	(11,467)	(12,951)
Additions to Bearer biological assets	(35,377)	(67,628)	(35,535)	(67,628)
Proceeds from disposal of biological assets (Livestock)	40,002	41,941	-	-
Proceeds from sale of property, plant and equipment	-	13,000	-	-
Investment made through short/long term investments	(748,866)	-	(748,037)	-
Withdrawals made through short/long term investments	509,000	534,038	509,000	501,934
Additions to livestock	(181,702)	(109,300)	-	-
Acquisition of subsidiaries (net of cash)	-	(68,796)	-	-
Investment in subsidiaries	-	-	-	(433,795)
Net cash used in investing activities	(620,662)	23,249	(452,739)	(307,604)
Cash flows from financing activities				
Dividends paid	(2,439,704)	(2,846,321)	(2,439,704)	(2,846,321)
Loans obtained during the period	154,900	-	-	-
Repayment of borrowings	(20,203)	(47,879)	-	(45,500)
Repayment of lease liabilities	(44,726)	(31,429)	(44,527)	(30,909)
Net cash used in financing activities	(2,349,733)	(2,925,629)	(2,484,231)	(2,922,730)
Decrease in cash and cash equivalents	(6,011)	(587,783)	(24,947)	(688,653)
Movement in cash and cash equivalents				
At the beginning of period	797,544	1,427,013	853,193	1,412,534
Increase for the period	(6,011)	(587,783)	(24,947)	(688,653)
At end of period	791,533	839,230	828,246	723,881
Cash & cash equivalents	831,962	853,265	828,246	723,881
Bank overdrafts	(40,429)	(14,035)	-	-
At end of period	791,533	839,230	828,246	723,881

Segmental Analysis - Group

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

Nine months ended 31 December	Palm Oil		Dairy		Others		Inter Segment		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue	5,395,017	5,764,617	1,088,490	885,109	-	-	(171)	(564)	6,483,336	6,649,162
Cost of sales	(2,592,595)	(2,738,754)	(1,170,420)	(976,836)	-	-	22,277	68,492	(3,740,738)	(3,647,098)
Gross profit/(loss)	2,802,422	3,025,863	(81,930)	(91,727)	-	-	22,106	67,928	2,742,598	3,002,064
Other operating income/(expenses)	55,969	-	151,932	82,722	(110,759)	53,647	(23,006)	(67,928)	74,136	68,441
Administrative expenses	(359,443)	(264,175)	(16,111)	(10,807)	-	-	900	-	(374,654)	(274,982)
Selling and distribution expenses (SSCL)	(115,077)	(36,181)	-	-	(3,411)	(2,437)	-	-	(118,488)	(38,618)
Impairment of goodwill on acquisition of subsidiary	-	-	-	-	-	(60,000)	-	-	-	(60,000)
Operating profit/(loss)	2,383,871	2,725,507	53,891	(19,812)	(114,170)	(8,790)	-	-	2,323,592	2,696,905
Net finance expenses	106,932	59,381	(42,349)	(37,770)	-	-	-	-	64,583	21,611
Profit/(loss) before tax	2,490,803	2,784,888	11,542	(57,582)	(114,170)	(8,790)	-	-	2,388,175	2,718,516
Tax expenses	(167,892)	(102,516)	(8,995)	(5,897)	(7,992)	(15,593)	-	-	(184,879)	(124,006)
Net profit / (loss)	2,322,911	2,682,372	2,547	(63,479)	(122,162)	(24,383)	-	-	2,203,296	2,594,510

Quarter ended 31 December	Palm Oil		Dairy		Others		Inter Segment		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue	1,485,418	1,724,038	399,804	346,589	-	-	(51)	(203)	1,885,171	2,070,424
Cost of sales	(819,301)	(881,611)	(377,595)	(374,946)	-	-	45,383	26,932	(1,151,513)	(1,229,625)
Gross profit/(loss)	666,117	842,427	22,209	(28,357)	-	-	45,332	26,729	733,658	840,799
Other operating income/(expenses)	8,238	-	54,643	29,694	3,561	8,017	(45,632)	(26,729)	20,810	10,982
Administrative expenses	(112,459)	(87,097)	(2,378)	(1,909)	-	-	300	-	(114,537)	(89,006)
Selling and distribution expenses/(SSCL)	(31,324)	(36,181)	-	-	(890)	(2,437)	-	-	(32,214)	(38,618)
Impairment of goodwill on acquisition of subsidiary	-	-	-	-	-	(30,000)	-	-	-	(30,000)
Operating profit/(loss)	530,572	719,149	74,474	(572)	2,671	(24,420)	-	-	607,717	694,157
Net finance expenses	32,324	24,080	(12,044)	(19,003)	-	-	-	-	20,280	5,077
Profit/(loss) before tax	562,896	743,229	62,430	(19,575)	2,671	(24,420)	-	-	627,997	699,234
Tax expenses	(47,370)	(31,145)	(4,085)	(2,438)	(2,471)	(4,829)	-	-	(53,926)	(38,412)
Net profit / (loss)	515,526	712,084	58,345	(22,013)	200	(29,249)	-	-	574,071	660,822

Segmental Analysis - Company

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

Nine months ended 31 December	Palm Oil		Others		Total	
	2023	2022	2023	2022	2023	2022
Revenue	5,395,017	5,764,617	-	-	5,395,017	5,764,617
Cost of sales	(2,592,595)	(2,738,754)	-	-	(2,592,595)	(2,738,754)
Gross profit	2,802,422	3,025,863	-	-	2,802,422	3,025,863
Other operating income/(expenses)	55,969	-	(110,759)	53,647	(54,790)	53,647
Administrative expenses	(359,443)	(264,175)	-	-	(359,443)	(264,175)
Selling and distribution expenses/(SSCL)	(115,077)	(36,181)	(3,411)	(2,437)	(118,488)	(38,618)
Impairment on investment in subsidiary	-	-	-	(60,000)	-	(60,000)
Operating profit	2,383,871	2,725,507	(114,170)	(8,790)	2,269,701	2,716,717
Net finance expenses	106,932	59,381	-	-	106,932	59,381
Profit before tax	2,490,803	2,784,888	(114,170)	(8,790)	2,376,633	2,776,098
Tax expenses	(167,892)	(102,516)	(7,992)	(15,593)	(175,884)	(118,109)
Net profit / (loss)	2,322,911	2,682,372	(122,162)	(24,383)	2,200,749	2,657,989

Quarter ended 31 December	Palm Oil		Others		Total	
	2023	2022	2023	2022	2023	2022
Revenue	1,485,418	1,724,038	-	-	1,485,418	1,724,038
Cost of sales	(819,301)	(881,611)	-	-	(819,301)	(881,611)
Gross profit/(loss)	666,117	842,427	-	-	666,117	842,427
Other operating income	8,238	-	3,561	8,017	11,799	8,017
Administrative expenses	(112,459)	(87,097)	-	-	(112,459)	(87,097)
Selling and distribution expenses/(SSCL)	(31,324)	(36,181)	(890)	(2,437)	(32,214)	(38,618)
Impairment on investment in subsidiary	-	-	-	(30,000)	-	(30,000)
Operating profit/(loss)	530,572	719,149	2,671	(24,420)	533,243	694,729
Net finance expenses	32,324	24,080	-	-	32,324	24,080
Profit/(Loss) before tax	562,896	743,229	2,671	(24,420)	565,567	718,809
Tax expenses	(47,370)	(31,145)	(2,471)	(4,829)	(49,841)	(35,974)
Net profit / (loss)	515,526	712,084	200	(29,249)	515,726	682,835

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 31 December 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 31 December 2023 were authorised to be published by the Board of Directors on 12 February 2024.

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 31 December 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
Financial assets measured at fair value								
Investment fund	45,048	-	-	45,048	-	45,048	-	45,048
	45,048	-	-	45,048	-	45,048	-	45,048
Financial assets not measured at fair value								
Trade and Other receivables	-	310,429	-	310,429	-	-	310,429	310,429
Amounts due from related company	-	96,456	-	96,456	-	-	96,456	96,456
Short term investments	-	253,736	-	253,736	-	253,736	-	253,736
Cash at banks and in hand	-	831,962	-	831,962	-	831,962	-	831,962
	-	1,492,583	-	1,492,583	-	1,085,698	406,885	1,492,583
Total financial assets	45,048	1,492,583	-	1,537,631	-	1,130,746	406,885	1,537,631
Financial liabilities not measured at fair value								
Interest bearing borrowings	-	137,205	-	137,205	-	137,205	-	137,205
Trade and other payables	-	784,828	-	784,828	-	-	784,828	784,828
Lease Liabilities	-	412,745	-	412,745	-	-	412,745	412,745
Bank overdrafts	-	40,429	-	40,429	-	40,429	-	40,429
	-	1,375,207	-	1,375,207	-	177,634	1,197,573	1,375,207
Total financial liabilities	-	1,375,207	-	1,375,207	-	177,634	1,197,573	1,375,207

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
Financial assets measured at fair value								
Investment fund	53,283	-	-	53,283	-	53,283	-	53,283
	53,283	-	-	53,283	-	53,283	-	53,283
Financial assets not measured at fair value								
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
Total financial assets	53,283	1,508,455	-	1,561,738	-	915,143	646,595	1,561,738
Financial liabilities not measured at fair value								
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
Total financial liabilities	-	1,085,533	-	1,085,533	-	2,508	1,083,025	1,085,533

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

Company - As at 31 December 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
Financial assets measured at fair value								
Investment fund	45,048	-	-	45,048	-	45,048	-	45,048
	45,048	-	-	45,048	-	45,048	-	45,048
Financial assets not measured at fair value								
Trade and Other receivables	-	211,834	-	211,834	-	-	211,834	211,834
Loan given to related company	-	190,000	-	190,000	-	-	190,000	190,000
Amounts due from related company	-	380,535	-	380,535	-	-	380,535	380,535
Short term investments	-	252,907	-	252,907	-	252,907	-	252,907
Cash at banks and in hand	-	828,246	-	828,246	-	828,246	-	828,246
	-	1,863,522	-	1,863,522	-	1,081,153	782,369	1,863,522
Total financial assets	45,048	1,863,522	-	1,908,570	-	1,126,201	782,369	1,908,570
Financial liabilities not measured at fair value								
Lease Liabilities	-	422,090	-	422,090	-	-	422,090	422,090
Trade and other payables	-	735,217	-	735,217	-	-	735,217	735,217
	-	1,157,307	-	1,157,307	-	-	1,157,307	1,157,307
Total financial liabilities	-	1,157,307	-	1,157,307	-	-	1,157,307	1,157,307

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
Financial assets measured at fair value								
Investment fund	53,283	-	-	53,283	-	53,283	-	53,283
	53,283	-	-	53,283	-	53,283	-	53,283
Financial assets not measured at fair value								
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 Companies	-	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
	-	1,938,383	-	1,938,383	-	858,063	1,080,320	1,938,383
Total financial assets	53,283	1,938,383	-	1,991,666	-	911,346	1,080,320	1,991,666
Financial liabilities not measured at fair value								
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 Company	-	818	-	818	-	-	818	818
	-	988,931	-	988,931	-	45,500	988,931	988,931
Total financial liabilities	-	988,931	-	988,931	-	45,500	988,931	988,931

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 December 2023

1 Public Shareholdings

	As at 31.12.2023	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 31 December 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 3.40Bn	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 31 December 2023

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

	As at 31.12.2023	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 (Resigned w.e.f 18 November 2023)	n/a	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) (Resigned w.e.f 5 December 2023)	n/a	Nil
S G Sathasivam	Nil	Nil
A Herath (Appointed w.e.f. 12 December 2023)	Nil	n/a
M R Mihular (Appointed w.e.f. 12 December 2023)	Nil	n/a
M T Siddique (Appointed w.e.f. 12 December 2023)	Nil	n/a
Total	10,001	10,001

3 Chief Executive Officers' Shareholding as at 31 December 2023

	As at 31.12.2023	As at 31.03.2023
Binesh Pananwala (Resigned w.e.f 30 September 2023)	n/a	Nil

4 Twenty (20) largest shareholders as at

Name	31 December 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	2,511,332	1.24	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
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)	593,480	0.29	713,480	0.35
Nandini Muljie	559,354	0.28	559,354	0.28
Perera and Sons Bakers (Pvt) Limited	500,000	0.25	-	-
Jayampathi Divale Bandaranayake	450,250	0.22	640,250	0.31
Jayampathi Divale Bandaranayake	450,000	0.22	-	-
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
Upali Amarasinghe	325,000	0.16	-	-
Assetline Finance Limited	314,451	0.15	-	-
Sri Lanka Insurance Corporation Ltd-General Fund	312,832	0.15	312,832	0.15
Union Investments Private Ltd	220,881	0.11	-	-
Mohamed Macky Hashim	220,000	0.11	250,000	0.12
Sarathathevy Vignarajah	214,675	0.11	-	-
Alliance Finance Company PLC	205,000	0.10	-	-
Sub Total	168,242,109	82.75	166,286,239	81.79
Other Shareholders	35,066,525	17.25	37,022,395	18.21
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 31.12.2023	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 31.12.2023	As at 31.03.2023
Highest during the period(LKR)	80.50	80.00
Lowest during the period(LKR)	70.00	68.00
Last traded price (LKR)	72.20	74.50

	Quarter ended 31 Dec 2023	Quarter ended 31 Mar 2023
No. of Transactions	5,326	4,620
No. of shares traded	3,353,475	2,791,411
Value of Shares Traded(LKR)	253,114,813	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 (*Resigned w.e.f 18 November 2023*)

M S Mawzoon

H D Abeywickrama

M R Rao

A R Rasiah

C L Loo (*Alternate: M T Siddique*) (*Resigned w.e.f 5 December 2023*)

S G Sathasivam

A Herath (*Appointed w.e.f. 12 December 2023*)

M R Mihular (*Appointed w.e.f. 12 December 2023*)

M T Siddique (*Appointed w.e.f. 12 December 2023*)

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)

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Web: www.watawalaplantations.lk