

WATAWALA PLANTATIONS PLC
INTERIM CONDENSED FINANCIAL STATEMENTS
Quarter ended 31 March, 2024

Chairman's Message

Dear Shareholder,

Watawala Plantations PLC (CSE: WATA)

Watawala Plantations PLC posted a revenue of LKR 8,321 million at group level for the year ending 31st March 2024 (FY 23/24), down 5.1% YoY. Palm oil sector revenue was LKR 6,867 million, down 9.3% YoY due to the drop in price despite an increase in sales volume.

Profit after tax (PAT) at group level was LKR 2,345 million during FY 23/24, up 0.6% YoY. The increase in net profit was mainly due to the lower deferred tax expenditure recorded, increase in other income, despite the dip in gross profit, and increase in administrative, and selling and distribution expenses.

The net assets per share at group level decreased to LKR 30.44 as at 31st March 2024 from LKR 31.99 as at 31st March 2023. During the year, 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.

Watawala Dairy Limited (WDL)

Revenue was LKR 1,454 million for the year ending 31st March 2024 (FY 23/24), up 21.7% YoY due to the increase in both volume of milk sold and price. The consistent availability of cattle feed contributed to the increase in milk yield and volume of milk sold.

The dairy business reported a 12.9% decrease in gross loss during the year due to a 21.7% growth in top-line, which was partly offset by an inventory provisioning in the fourth quarter of the year.

A tax expense of LKR 179.9 million was recorded mainly due to the deferred tax expenditure identified on cattle valuation after the expiry of tax exemption period, WDL recorded a loss of LKR 139.2 million compared to a loss of LKR 320.9 million last year.

Outlook

Despite a marginal uptick in global palm oil prices in the latter part of the fourth quarter, global palm oil prices have broadly stabilized. Meanwhile, the domestic palm oil price is expected to remain at similar levels during the next quarter.

Watawala Dairy is expected to sustain the increased milk yield due to better management and stockholding of cattle feed. The management is pursuing numerous initiatives to further optimize feed procurement and reduce feed cost.

Sunil G Wijesinha

Chairman

29 May 2024

Condensed Consolidated Income Statement

(all amounts in Sri Lankan Rupees thousands)

	Quarter ended 31 March			Twelve months ended 31 March		
	2024	2023	Change %	2024	2023	Change %
Revenue	1,837,567	2,118,879	-13%	8,320,903	8,768,041	-5%
Cost of sales	(1,425,574)	(1,582,858)	-10%	(5,166,312)	(5,229,956)	-1%
Gross profit	411,993	536,021	-23%	3,154,591	3,538,085	-11%
Other Income / (expenses)	(26,776)	(85,905)	-69%	61,000	(34,827)	n/a
Gain/(loss) on changes in fair value of biological assets	53,629	(149,857)	n/a	39,989	(132,494)	n/a
Administrative expenses	(69,540)	(86,085)	-19%	(444,194)	(361,067)	23%
Selling and distribution expenses (SSCL)	(32,184)	(40,334)	-20%	(150,672)	(78,952)	91%
Reversal of impairment of goodwill on acquisition of subsidiary	-	60,000	n/a	-	-	n/a
Operating profits	337,122	233,840	44%	2,660,714	2,930,745	-9%
Finance Income	63,398	35,056	81%	183,771	138,938	32%
Finance Costs	(22,849)	(33,924)	-33%	(78,639)	(116,195)	-32%
Net Finance Income	40,549	1,132	3482%	105,132	22,743	362%
Profit before income tax	377,671	234,972	61%	2,765,846	2,953,488	-6%
Income tax expenses	(236,231)	(497,692)	-53%	(421,110)	(621,698)	-32%
Profit / (loss) for the period	141,440	(262,720)	-154%	2,344,736	2,331,790	1%
Profit is attributable to:						
Equity holders of the parent	155,731	(237,042)		2,358,770	2,364,292	
Non-controlling interests	(14,291)	(25,678)		(14,034)	(32,502)	
	141,440	(262,720)		2,344,736	2,331,790	
Basic earning per share (LKR)	0.77	(1.17)		11.60	11.63	
Consolidated Statement of other Comprehensive Income / (loss)						
Profit / (loss) for the period	141,440	(262,720)	n/a	2,344,736	2,331,790	1%
Actuarial loss on retirement benefit obligations	(15,005)	(115,073)		(15,005)	(115,073)	
Deferred Tax on actuarial loss on retirement obligations	4,305	32,922		4,305	32,922	
Other comprehensive income for the period (net of tax)	(10,700)	(82,151)		(10,700)	(82,151)	
Total comprehensive income for the period	130,740	(344,871)	n/a	2,334,036	2,249,639	4%
Total comprehensive income attributable to						
Equity holders of the parent	145,190	(319,193)		2,348,229	2,283,430	
Non-controlling interests	(14,450)	(25,678)		(14,193)	(33,791)	
Total comprehensive income for the period	130,740	(344,871)	n/a	2,334,036	2,249,639	4%

Condensed Company Income Statement

(all amounts in Sri Lankan Rupees thousands)

	Quarter ended 31 March			Twelve months ended 31 March		
	2024	2023	Change %	2024	2023	Change %
Revenue	1,472,128	1,809,199	-19%	6,867,145	7,573,816	-9%
Cost of sales	(1,034,739)	(1,091,973)	-5%	(3,627,334)	(3,830,727)	-5%
Gross profit	437,389	717,226	-39%	3,239,811	3,743,089	-13%
Other Income/(expenses)	(106,533)	(530,490)	-80%	(155,528)	(488,825)	-68%
Gain/(loss) on changes in fair value of biological assets	(9,464)	2,473	n/a	(15,259)	14,455	n/a
Administrative expenses	(71,706)	(82,884)	-13%	(431,149)	(347,059)	24%
Selling and distribution expenses (SSCL)	(32,184)	(40,334)	-20%	(150,672)	(78,952)	91%
Reversal of impairment of goodwill on acquisition of subsidiary	-	60,000	n/a	-	-	n/a
Operating profits	217,502	125,991	73%	2,487,203	2,842,708	-13%
Finance Income	68,152	33,451	104%	219,828	126,116	74%
Finance Costs	(17,218)	(10,602)	62%	(61,962)	(43,886)	41%
Net Finance Income	50,934	22,849	123%	157,866	82,230	92%
Profit before income tax	268,436	148,840	80%	2,645,069	2,924,938	-10%
Income tax expenses	(65,331)	(471,190)	-86%	(241,215)	(589,299)	-59%
Profit / (loss) for the period	203,105	(322,350)	-163%	2,403,854	2,335,639	3%
Basic earning per share (LKR)	1.00	(1.59)		11.82	11.49	
Statement of other Comprehensive Income						
Profit / (loss) for the period	203,105	(322,350)	n/a	2,403,854	2,335,639	3%
Actuarial loss on retirement benefit obligations	(13,040)	(99,074)		(13,040)	(99,074)	
Deferred Tax on actuarial loss on retirement obligations	3,912	29,722		3,912	29,722	
Other comprehensive income / (expenses) for the period (net of tax)	(9,128)	(69,352)		(9,128)	(69,352)	
Total comprehensive income for the period	193,977	(391,702)	n/a	2,394,726	2,266,287	6%
Total comprehensive income attributable to						
Equity holders of the parent	193,977	(391,702)		2,394,726	2,266,287	
Total comprehensive income for the period	193,977	(391,702)	n/a	2,394,726	2,266,287	6%

Condensed Statement of Financial Position

(all amounts in Sri Lankan Rupees thousands)

As at	Group		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Assets				
Non-current assets				
Right to use of assets	359,850	243,876	363,888	247,273
Property, plant and equipment	2,555,913	2,483,314	1,212,638	1,139,489
Intangible assets	48,143	47,437	48,009	45,768
Bearer biological assets	2,422,978	2,566,272	2,374,489	2,515,252
Biological assets-consumable	70,086	44,269	-	-
Biological assets -livestock	1,165,589	893,071	-	-
Investment fund	51,393	53,283	51,393	53,283
Investment in subsidiaries	-	-	2,131,217	2,211,342
Total Non-Current Assets	6,673,952	6,331,522	6,181,634	6,212,407
Current assets				
Inventories	559,813	874,627	242,106	331,502
Biological assets-produce on bearer plants	70,867	86,126	70,867	86,126
Current tax assets	38,752	33,719	38,752	33,719
Trade and other receivables	334,734	497,448	234,758	440,865
Loan given to related company	-	-	170,000	270,000
Amount due from related companies	31,747	149,147	289,143	369,455
Short term investments	924,030	4,870	923,169	4,870
Cash and cash equivalents	797,421	856,990	774,475	853,193
Total current assets	2,757,364	2,502,927	2,743,270	2,389,730
Total assets	9,431,316	8,834,449	8,924,904	8,602,137
Equity and Liabilities				
Capital and Reserves				
Stated capital	511,848	511,848	511,848	511,848
Retained earnings	5,676,862	5,768,337	5,995,104	6,040,082
Equity attributable to equity holders of the company	6,188,710	6,280,185	6,506,952	6,551,930
Non controlling interests	208,611	222,804	-	-
Total Equity	6,397,321	6,502,989	6,506,952	6,551,930
Liabilities				
Non-current liabilities				
Interest bearing borrowings	39,090	1,231	-	-
Lease liabilities	401,592	272,394	411,297	282,129
Retirement benefit obligations	370,065	337,389	322,284	295,954
Deferred income and capital grants	36,726	39,084	36,726	39,084
Deferred tax liability	978,449	805,550	715,956	726,238
Total non-current liabilities	1,825,922	1,455,648	1,486,263	1,343,405
Current liabilities				
Interest bearing borrowings	89,511	1,277	-	-
Lease liabilities	3,170	1,637	2,810	1,277
Trade and other payables	916,493	808,176	810,620	704,707
Amount due to related Companies	9,669	818	9,669	818
Current tax liabilities	108,590	4,458	108,590	-
Bank overdrafts	80,640	59,446	-	-
Total current liabilities	1,208,073	875,812	931,689	706,802
Total liabilities	3,033,995	2,331,460	2,417,952	2,050,207
Total equity and liabilities	9,431,316	8,834,449	8,924,904	8,602,137
Net assets per share	30.44	31.99	32.01	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
29 May 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 at 1 April 2023	511,848	6,345,936	6,857,784	241,887	7,099,671
Profit / (loss) for the period	-	2,364,292	2,364,292	(32,502)	2,331,790
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	-	2,283,430	2,283,430	(33,791)	2,249,639
Transactions with owners of the Company, recognised directly in equity					
Effect on changes in effective holding in the subsidiary		(14,708)	(14,708)	14,708	-
Dividends paid	-	(2,846,321)	(2,846,321)	-	(2,846,321)
Total transactions with owners	-	(2,861,029)	(2,861,029)	14,708	(2,846,321)
Balance at 31 March 2023	511,848	5,768,337	6,280,185	222,804	6,502,989
Balance at 1 April 2023	511,848	5,768,337	6,280,185	222,804	6,502,989
Profit / (loss) for the period	-	2,358,770	2,358,770	(14,034)	2,344,736
Actuarial loss on retirement benefit obligations		(14,807)	(14,807)	(198)	(15,005)
Deferred tax on actuarial loss on retirement benefit obligations		4,266	4,266	39	4,305
Total comprehensive income for the period		2,348,229	2,348,229	(14,193)	2,334,036
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 March 2024	511,848	5,676,862	6,188,710	208,611	6,397,321

Condensed Statement of changes in equity - Company

(all amounts in Sri Lankan Rupees thousands)

	Stated capital	Retained earnings	Total equity
Balance at 1 April 2023	511,848	6,620,116	7,131,964
Profit for the period	-	2,335,639	2,335,639
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	-	2,266,287	2,266,287
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 March 2023	511,848	6,040,082	6,551,930
Profit for the period	-	2,403,854	2,403,854
Actuarial loss on retirement benefit obligations		(13,040)	(13,040)
Deferred tax on actuarial loss on retirement benefit obligations		3,912	3,912
Total comprehensive income for the period	-	2,394,726	2,394,726
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 March 2024	511,848	5,995,104	5,995,104

Condensed Consolidated Statement of cash flows

(all amounts in Sri Lankan Rupees thousands)

For the period ended 31 March	Group		Company	
	2024	2023	2024	2023
Cash flows from operating activities				
Profit before taxation	2,765,846	2,953,488	2,645,069	2,924,938
Adjustments for:				
Depreciation and amortisation	411,786	412,213	333,799	317,922
Provision for retirement benefit obligations	82,210	45,739	71,484	39,926
Loss / (profit) on disposal of property, plant and equipment	13,839	(8,707)	13,839	(328)
Impairment of lease hold right	-	88,671	-	-
(Gain)/loss on fair valuation of livestock	(29,431)	157,435	-	-
(Gain)/loss on on fair valuation of consumable biological assets ¹	(25,817)	(10,486)	-	-
(Gain)/loss on fair valuation of biological assets bearer plants	15,259	(14,455)	15,259	(14,455)
Impairment on investment in subsidiary	-	-	80,125	405,719
Income from investment fund	(7,110)	(4,657)	(7,110)	(4,657)
Amortisation of capital grants	(2,358)	(2,358)	(2,358)	(2,358)
Net finance costs	(105,132)	(22,743)	(157,866)	(82,230)
Profit before working capital changes	3,119,092	3,594,140	2,992,241	3,584,477
Changes in working capital				
- Inventories	314,814	(629,984)	89,396	(138,437)
- Trade and other receivables	162,714	(241,100)	206,107	(211,248)
- Amount due from related companies	117,400	(148,892)	80,312	(365,354)
- Amount due to related companies	8,851	(30,441)	8,851	(36,243)
- Trade and other payables	108,316	228,304	105,914	164,717
Cash generated from operations	3,831,187	2,772,027	3,582,821	2,997,912
Interest paid	(20,102)	(34,963)	(3,455)	(2,990)
Interest received	183,771	138,938	219,828	126,116
Income tax paid	(144,806)	(109,521)	(144,029)	(108,037)
Retirement benefit obligations paid	(64,539)	(36,052)	(58,194)	(29,728)
	(45,676)	(41,598)	14,150	(14,639)
Net cash generated from operating activities	3,785,511	2,730,429	3,496,971	2,983,273
Cash flows from investing activities				
Additions to property, plant and equipment	(289,562)	(354,005)	(216,675)	(315,705)
Addition to intangible assets	(12,517)	(26,864)	(12,517)	(26,864)
Additions to bearer biological assets	(36,020)	(64,052)	(36,177)	(64,052)
Proceeds from disposal of biological assets (Livestock)	63,122	57,870	-	-
Proceeds from sale of property, plant and equipment	-	27,408	-	408
Investment made through short/long term investments	(1,419,160)	-	(1,418,299)	-
Withdrawals made through short/long term investments	509,000	533,731	509,000	501,628
Additions to livestock	(306,209)	(165,176)	-	-
Acquisition of subsidiaries (net of cash)	-	(68,796)	-	-
Loan settled / (given) to related company	-	-	100,000	(270,000)
Investment in subsidiaries	-	-	-	(433,796)
Net cash used in investing activities	(1,491,346)	(59,884)	(1,074,668)	(608,381)
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	(27,778)	(410,201)	-	(45,500)
Repayment of lease liabilities	(62,346)	(43,492)	(61,317)	(42,412)
Net cash used in financing activities	(2,374,928)	(3,300,014)	(2,501,021)	(2,934,233)
Decrease in cash and cash equivalents	(80,763)	(629,469)	(78,718)	(559,341)
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	(80,763)	(629,469)	(78,718)	(559,341)
At end of the period	716,781	797,544	774,475	853,193
Cash & cash equivalents	797,421	797,544	774,475	853,193
Bank overdrafts	(80,640)	-	-	-
At end of the period	716,781	797,544	774,475	853,193

Segmental Analysis - Group

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

Twelve months ended 31 March	Palm Oil		Dairy		Others		Inter Segment		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Revenue	6,867,145	7,573,816	1,453,992	1,194,789	-	-	(234)	(564)	8,320,903	8,768,041
Cost of sales	(3,627,334)	(3,830,727)	(1,600,833)	(1,363,463)	-	-	61,855	(35,766)	(5,166,312)	(5,229,956)
Gross profit/(loss)	3,239,811	3,743,089	(146,841)	(168,674)	-	-	61,621	(36,330)	3,154,591	3,538,085
Other operating income/(expenses)	71,530	-	254,472	(45,130)	(242,317)	(68,651)	17,304	35,131	100,989	(78,650)
Administrative expenses	(431,149)	(347,059)	(14,245)	(14,052)	-	-	1,200	44	(444,194)	(361,067)
Selling and distribution expenses (SSCL)	(146,332)	(66,540)	-	-	(4,340)	(12,412)	-	-	(150,672)	(78,952)
Impairment of goodwill on acquisition of subsidiary	-	-	-	-	-	(88,671)	-	-	-	(88,671)
Operating profit/(loss)	2,733,860	3,329,490	93,386	(227,856)	(246,657)	(169,734)	80,125	(1,155)	2,660,714	2,930,745
Net finance income / (expenses)	157,866	82,230	(52,734)	(60,602)	-	-	-	1,115	105,132	22,743
Profit/(loss) before tax	2,891,726	3,411,720	40,652	(288,458)	(246,657)	(169,734)	80,125	(40)	2,765,846	2,953,488
Tax expenses	(236,847)	(573,569)	(179,895)	(32,400)	(4,368)	(15,729)	-	-	(421,110)	(621,698)
Net profit / (loss)	2,654,879	2,838,151	(139,243)	(320,858)	(251,025)	(185,463)	80,125	(40)	2,344,736	2,331,790
Actuarial gain/(loss) on gratuity	(13,040)	(99,074)	(1,965)	(15,999)	-	-	-	-	(15,005)	(115,073)
Tax on actuarial gain/(loss) on gratuity	3,912	29,722	393	3,200	-	-	-	-	4,305	32,922
Total other comprehensive income/(loss)	(9,128)	(69,352)	(1,572)	(12,799)	-	-	-	-	(10,700)	(82,151)
Total comprehensive income/(loss)	2,645,751	2,768,799	(140,813)	(333,657)	(251,025)	(185,463)	80,125	(40)	2,334,036	2,249,639

Quarter ended 31 March	Palm Oil		Dairy		Others		Inter Segment		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Revenue	1,472,128	1,809,199	365,502	309,680	-	-	(63)	-	1,837,567	2,118,879
Cost of sales	(1,034,739)	(1,091,973)	(430,413)	(386,627)	-	-	39,578	(104,258)	(1,425,574)	(1,582,858)
Gross profit/(loss)	437,389	717,226	(64,911)	(76,947)	-	-	39,515	(104,258)	411,993	536,021
Other operating income/(expenses)	15,561	-	102,540	(127,852)	(131,558)	(122,298)	40,310	103,059	26,853	(147,091)
Administrative expenses	(71,706)	(82,884)	1,866	(3,245)	-	-	300	44	(69,540)	(86,085)
Selling and distribution expenses/(SSCL)	(31,255)	(30,359)	-	-	(929)	(9,975)	-	-	(32,184)	(40,334)
Impairment of goodwill on acquisition of subsidiary	-	-	-	-	-	(28,671)	-	-	-	(28,671)
Operating profit/(loss)	349,989	603,983	39,495	(208,044)	(132,487)	(160,944)	80,125	(1,155)	337,122	233,840
Net finance income / (expenses)	50,934	22,849	(10,385)	(22,832)	-	-	-	1,115	40,549	1,132
Profit/(loss) before tax	400,923	626,832	29,110	(230,876)	(132,487)	(160,944)	80,125	(40)	377,671	234,972
Tax expenses	(68,955)	(471,053)	(170,900)	(26,503)	3,624	(136)	-	-	(236,231)	(497,692)
Net profit / (loss)	331,968	155,779	(141,790)	(257,379)	(128,863)	(161,080)	80,125	(40)	141,440	(262,720)
Actuarial gain/(loss) on gratuity	(13,040)	(99,074)	(1,965)	(15,999)	-	-	-	-	(15,005)	(115,073)
Tax on actuarial gain/(loss) on gratuity	3,912	29,722	393	3,200	-	-	-	-	4,305	32,922
Total other comprehensive income/(loss)	(9,128)	(69,352)	(1,572)	(12,799)	-	-	-	-	(10,700)	(82,151)
Total comprehensive income/(loss)	322,840	86,427	(143,362)	(270,178)	(128,863)	(161,080)	80,125	(40)	130,740	(344,871)

Segmental Analysis - Company

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

Twelve months ended 31 March	Palm Oil		Others		Total	
	2024	2023	2024	2023	2024	2023
Revenue	6,867,145	7,573,816	-	-	6,867,145	7,573,816
Cost of sales	(3,627,334)	(3,830,727)	-	-	(3,627,334)	(3,830,727)
Gross profit	3,239,811	3,743,089	-	-	3,239,811	3,743,089
Other operating income/(expenses)	71,530	-	(242,317)	(68,651)	(170,787)	(68,651)
Administrative expenses	(431,149)	(347,059)	-	-	(431,149)	(347,059)
Selling and distribution expenses/(SSCL)	(146,332)	(66,540)	(4,340)	(12,412)	(150,672)	(78,952)
Impairment on investment in subsidiary	-	-	-	(405,719)	-	(405,719)
Operating profit	2,733,860	3,329,490	(246,657)	(486,782)	2,487,203	2,842,708
Net finance expenses	157,866	82,230	-	-	157,866	82,230
Profit before tax	2,891,726	3,411,720	(246,657)	(486,782)	2,645,069	2,924,938
Tax expenses	(236,847)	(573,569)	(4,368)	(15,730)	(241,215)	(589,299)
Net profit / (loss)	2,654,879	2,838,151	(251,025)	(502,512)	2,403,854	2,335,639
Other comprehensive income						
Actuarial gain/(loss) on retirement benefit obligations	(13,040)	(99,074)	-	-	(13,040)	(99,074)
Deferred tax on actuarial gain/(loss)	3,912	29,722	-	-	3,912	29,722
Total other comprehensive income/(expense) for the year (net of tax)	(9,128)	(69,352)	-	-	(9,128)	(69,352)
Total comprehensive income for the period	2,645,751	2,768,799	(251,025)	(502,512)	2,394,726	2,266,287

Quarter ended 31 March	Palm Oil		Others		Total	
	2024	2023	2023	2023	2023	2023
Revenue	1,472,128	1,809,199	-	-	1,472,128	1,809,199
Cost of sales	(1,034,739)	(1,091,973)	-	-	(1,034,739)	(1,091,973)
Gross profit/(loss)	437,389	717,226	-	-	437,389	717,226
Other operating income	15,561	-	(131,558)	(122,298)	(115,997)	(122,298)
Administrative expenses	(71,706)	(82,884)	-	-	(71,706)	(82,884)
Selling and distribution expenses/(SSCL)	(31,255)	(30,359)	(929)	(9,975)	(32,184)	(40,334)
Impairment on investment in subsidiary	-	-	-	(345,719)	-	(345,719)
Operating profit/(loss)	349,989	603,983	(132,487)	(477,992)	217,502	125,991
Net finance expenses	50,934	22,849	-	-	50,934	22,849
Profit/(Loss) before tax	400,923	626,832	(132,487)	(477,992)	268,436	148,840
Tax expenses	(68,955)	(471,053)	3,624	(137)	(65,331)	(471,190)
Net profit / (loss)	331,968	155,779	(128,863)	(478,129)	203,105	(322,350)
Other comprehensive income						
Actuarial gain/(loss) on retirement benefit obligations	(13,040)	(99,074)	-	-	(13,040)	(99,074)
Deferred tax on actuarial gain/(loss)	3,912	29,722	-	-	3,912	29,722
Total other comprehensive income/(expense) for the year (net of tax)	(9,128)	(69,352)	-	-	(9,128)	(69,352)
Total comprehensive income for the period	322,840	86,427	(128,863)	(478,129)	193,977	(391,702)

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 31 March 2024 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 March 2024 were authorised to be published by the Board of Directors on 29 May 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 March 2024	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	51,393	-	-	51,393	-	51,393	-	51,393
	51,393	-	-	51,393	-	51,393	-	51,393
Financial assets not measured at fair value								
Trade and other receivables	-	334,734	-	334,734	-	-	334,734	334,734
Amounts due from related company	-	31,747	-	31,747	-	-	31,747	31,747
Short term investments	-	924,030	-	924,030	-	924,030	-	924,030
Cash at banks and in hand	-	797,421	-	797,421	-	797,421	-	797,421
	-	2,087,932	-	2,087,932	-	1,721,451	366,481	2,087,932
Total financial assets	51,393	2,087,932	-	2,139,325	-	1,772,844	366,481	2,139,325
Financial liabilities not measured at fair value								
Interest bearing borrowings	-	128,601	-	128,601	-	128,601	-	128,601
Trade and other payables	-	916,492	-	916,492	-	-	916,492	916,492
Lease Liabilities	-	404,762	-	404,762	-	-	404,762	404,762
Bank overdrafts	-	80,640	-	80,640	-	80,640	-	80,640
	-	1,530,495	-	1,530,495	-	209,241	1,321,254	1,530,495
Total financial liabilities	-	1,530,495	-	1,530,495	-	209,241	1,321,254	1,530,495

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
Bank overdrafts	-	59,446	-	59,446	-	59,446	-	59,446
	-	1,144,979	-	1,144,979	-	61,954	1,083,025	1,144,979
Total financial liabilities	-	1,144,979	-	1,144,979	-	61,954	1,083,025	1,144,979

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

Company - As at 31 March 2024	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	51,393	-	-	51,393	-	51,393	-	51,393
	51,393	-	-	51,393	-	51,393	-	51,393
Financial assets not measured at fair value								
Trade and other receivables	-	234,758	-	234,758	-	-	234,758	234,758
Loan given to related company	-	170,000	-	170,000	-	-	170,000	170,000
Amounts due from related company	-	289,143	-	289,143	-	-	289,143	289,143
Short term investments	-	923,169	-	923,169	-	923,169	-	923,169
Cash at banks and in hand	-	774,475	-	774,475	-	774,475	-	774,475
	-	2,391,545	-	2,391,545	-	1,697,644	693,901	2,391,545
Total financial assets	51,393	2,391,545	-	2,442,938	-	1,749,037	693,901	2,442,938
Financial liabilities not measured at fair value								
Lease liabilities	-	414,107	-	414,107	-	-	414,107	414,107
Trade and other payables	-	810,620	-	810,620	-	-	810,620	810,620
	-	1,224,727	-	1,224,727	-	-	1,224,727	1,224,727
Total financial liabilities	-	1,224,727	-	1,224,727	-	-	1,224,727	1,224,727

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 March 2024

1 Public Shareholdings

	As at 31.03.2024	As at 31.03.2023
The percentage of shares held by the public	23.16	23.17
Number of Shareholders representing public shareholding	18,325	18,568

	Requirement by CSE	As at 31 March 2024	Requirement by CSE	As at 31 March 2023
Option (Listing Rule 7.13.1 (i) (a))	4	4	4	4
Float adjusted market capitalization	Above LKR 2.5Bn	LKR 4.18Bn	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	18,325	500	18,568

2 Directors' Shareholding as at 31 March 2024

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

	As at 31.03.2024	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

3 Chief Executive Officers' Shareholding as at 31 March 2024

	As at 31.03.2024	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 March 2024		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
Sri Lanka Insurance Corporation LTD-Life Fund	2,418,295	1.19	2,418,295	1.19
Kangasu Chelvadurai Vignarajah	2,331,412	1.15	2,486,108	1.22
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
Nandini Muljie	559,354	0.28	559,354	0.28
Deutsche Bank Ag Singapore A/C 2 (Dcs Clt Acc For Deutsche Bank Ag Singapore- Pwm Wm Client)	553,480	0.27	713,480	0.35
Jayampathi Divale Bandaranayake	500,250	0.25	640,250	0.31
Jayampathi Divale Bandaranayake	500,000	0.25	-	-
Perera and Sons Bakers (Pvt) Limited	500,000	0.25	-	-
Sugath Weeraratne	372,839	0.18	305,700	0.15
Mohamed Imtizam Abdul Hameed	354,085	0.17	354,085	0.17
Assetline Finance Limited/JSA Priyanta	340,000	0.17	-	-
Bagwan Wassiamal Kundanmal	327,418	0.16	327,418	0.16
Sri Lanka Insurance Corporation Ltd-General Fund	312,832	0.15	312,832	0.15
Upali Amarasinghe	275,000	0.14	-	-
Alliance Finance Company PLC	256,165	0.13	-	-
Palliya Guruge Nadeeshan Danidu Gunathilake	250,000	0.12	-	-
Rubber Investment Trust LTD	233,000	0.11	-	-
Union Investments Private Ltd	220,881	0.11	-	-
Jasbinderjit Kaurpiara Singh	220,000	0.11	250,000	0.12
Sub Total	168,443,728	82.85	166,286,239	81.79
Other Shareholders	34,864,906	17.15	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 31.03.2024	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 31.03.2024	As at 31.03.2023
Highest during the period(LKR)	94.50	80.00
Lowest during the period(LKR)	72.00	68.00
Last traded price (LKR)	88.70	74.50

	Quarter ended 31 Mar 2024	Quarter ended 31 Mar 2023
No. of Transactions	5,736	4,620
No. of shares traded	4,558,818	2,791,411
Value of Shares Traded(LKR)	381,894,769	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)

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