



Good Hope PLC

**Summarised Financial Report
for the Six months ended
30th September 2023**

GOOD HOPE PLC

Review of operations for the period ended 30th September 2023

The main source of income is the interest income earned from the Company's short-term deposits. During the period under review the interest rates witnessed a drop from the high rates that prevailed earlier. Consequently, the Company recorded an after-tax profit of Rs 0.66 Mn during the period under review; compared to a profit of Rs. 1.06 Mn recorded in the corresponding period of the previous financial year.

Minimum Public Holding and Decision to De-list

As per Rule 7.13.1 (1) (a) of the Listing Rules of the Colombo Stock Exchange (CSE), a Listed Entity on the Main Board having a public holding below the specified requirement in terms of the said rules, has to ensure that the public holding of such entity is maintained at a defined public holding percentage of shares in the hands of a minimum number of public shareholders as specified in the said rules.

As previously informed via annual and interim reports, the Company has been non-compliant with the CSE Listing Rules relating to minimum public holding requirements for companies listed on the Main Board since 1st December 2015. Due to such non-compliance, the Company was transferred to the 'Watch List' of the CSE in terms of the previous Listing Rules of the CSE with effect from 02nd July 2018 and thereafter transferred to the Second Board with effect from 15th November 2019 in accordance with the amended Listing Rules of the CSE.

In this regard, we wish to highlight that the objective of the voluntary offer made to all shareholders in 2011 was to acquire the entire minority shareholding. The offer document dated 17th March 2011 also mentioned that upon completion of the voluntary offer, the rationale for remaining listed will be evaluated. Since the voluntary offer did not result in the acquisition of the entire minority shareholding, the Company continued to remain listed.

In 2016, the Company sold its main operational asset, the Malaysian oil palm plantation and the proceeds received by the Company was distributed via a share buy-back and cash dividend in 2017 after deducting taxes and related expenses.

The CSE via letter dated 22nd February 2022 informed the Company that the CSE in consultation with the SEC (Securities and Exchange Commission of Sri Lanka), is contemplating to carry out enforcement actions for noncompliance with the Listing Rules relating to minimum public holding requirement.

In response to CSE's request for the submission of an Action Plan to comply with the minimum public holding requirement, the company via letter dated 13th June 2022 communicated to CSE that it is conducting preliminary discussions with Goodhope Asia Holdings Limited (GAHL) being the majority shareholder, for the purchase of shares from shareholders of the company, who may wish to divest their shares. GAHL communicated to the Company an exit offer to acquire the shares of the minority shareholders who may wish to divest their shares. Accordingly, the Board of Directors of the Company decided on the 17th of May 2023 to accept the exit offer made by GAHL in order to acquire the minority shares and to facilitate the proposed de-listing of the ordinary shares of the Company from the official list of the Colombo Stock Exchange.

An Extraordinary General Meeting was held on 19th June 2023 and the delisting resolution was approved with more than 75% of the shareholders present at the said meeting. Pursuant to the application in terms of Rule 5(1) of the SEC Rules, 2001 submitted on 22nd June 2023, SEC's approval was received on 7th August 2023. Accordingly, GAHL, the major shareholder made an exit offer on 24th August 2023 and the offer was to conclude on 18th September 2023. Subsequently, the exit offer period was extended by GAHL and was closed on 10th October 2023.

The Board of Directors will take all necessary steps in accordance with the Rules of the Securities and Exchange Commission of Sri Lanka published in Gazette Extraordinary No 1215/2 dated December 18, 2001, in relation to the de-listing of shares from the Official List of the CSE.

Agro Harapan Lestari (Pvt) Ltd

Managers

08th November 2023

GOOD HOPE PLC
Statement of Profit or Loss

(All figures in Sri Lankan Rupees '000)

Interest income

Administrative expenses

Profit before tax for the period

Income tax expense

Profit for the period

Earnings Per Share (Rs.)

Quarter ended			Six months ended		
30th September	Change %		30th September	Change %	
2023			2023		
1,845	1,744	6%	4,059	2,411	68%
1,845	1,744	6%	4,059	2,411	68%
(667)	(498)	34%	(3,196)	(985)	224%
1,178	1,246	-5%	863	1,426	-39%
(138)	(319)	-57%	(200)	(367)	-46%
1,040	927	12%	663	1,059	-37%
0.27	0.24		0.17	0.27	

Statement of Comprehensive Income

Profit for the period

Other comprehensive income

Other Comprehensive Income/(Expense) not to be reclassified to profit or loss in subsequent periods

Gain/ (Loss) on Change in Fair Value of Financial Assets classified under Fair Value through Other Comprehensive income (FVOCI)

Net Other Comprehensive Income / (Expense) not to be reclassified to profit or loss in subsequent periods

Total Comprehensive Income / (Expense) for the period, net of tax

Quarter ended			Six months ended		
30th September	Change %		30th September	Change %	
2023			2023		
1,040	927	12%	663	1,059	-37%
-	60,405	-100%	(5,647)	18,113	-131%
-	60,405	-100%	(5,647)	18,113	-131%
1,040	61,332	-98%	(4,984)	19,172	-126%

Changes represent the percentage change in current period's results compared to corresponding period of last year.

Figures in brackets indicate deductions/negative changes.

The above figures are subject to audit.

GOOD HOPE PLC
Statement of Financial Position

(All figures in Sri Lankan Rupees '000)

	<u>Notes</u>	As at 30.09.2023	As at 31.03.2023
ASSETS			
Non-Current Assets			
Property, plant and equipment		72	134
Non-current financial assets	(Note 3)	12,741,602	12,747,249
Total Non- Current Assets		12,741,674	12,747,383
Current Assets			
Advances and prepayments		145	1,121
Income tax receivable		569	6
Cash and cash equivalents		45,431	44,300
Total Current Assets		46,145	45,427
Total Assets		12,787,819	12,792,810
EQUITY AND LIABILITIES			
Equity			
Stated capital	(Note 6)	68,713	68,713
Retained earnings		96,734	96,071
Other reserves		12,590,218	12,595,865
Total Shareholders' Funds		12,755,665	12,760,649
Current Liabilities			
Provisions and accrued expenses		375	382
Unclaimed dividend		31,779	31,779
Total Current Liabilities		32,154	32,161
Total Liabilities		32,154	32,161
Total Equity and Liabilities		12,787,819	12,792,810
Net Asset per share (Rs.)		3,284.34	3,285.62

I certify that these financial statements are in compliance with the requirements of the Companies Act No. 7 of 2007.

(Sgd.)

Aneesh Dudeja
President / Chief Financial Officer

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

Approved & signed for and on behalf of the Managers,

Approved & signed for and on behalf of the Board,

(Sgd.)

(Sgd.)

(Sgd.)

Rushdi Azeez
Director
Agro Harapan Lestari (Pvt) Ltd

H. Selvanathan
Chairman

D. C. R. Gunawardena
Director

08th November 2023

The above figures are subject to audit.

GOOD HOPE PLC**Statement of Changes in Equity**

(All figures in Sri Lankan Rupees '000)

	Stated Capital	Fair Value Reserve	Retained Earnings	Total Shareholders' Funds
Balance as at 31st March 2022	68,713	10,537,434	92,971	10,699,118
Surcharge tax	-	-	(692)	(692)
Balance as at 01st April 2022 (Adjusted)	68,713	10,537,434	92,279	10,698,426
Profit for the period	-	-	1,059	1,059
Other comprehensive income for the period	-	18,113	-	18,113
Total comprehensive income for the period	-	18,113	1,059	19,172
Balance as at 30th September 2022	68,713	10,555,547	93,338	10,717,598

	Stated Capital	Fair Value Reserve	Retained Earnings	Total Shareholders' Funds
Balance as at 01st April 2023	68,713	12,595,865	96,071	12,760,649
Profit for the period	-	-	663	663
Other comprehensive income / (expense) for the period	-	(5,647)	-	(5,647)
Total comprehensive income / (expense) for the period	-	(5,647)	663	(4,984)
Balance as at 30th September 2023	68,713	12,590,218	96,734	12,755,665

*The above figures are subject to audit.**Figures in brackets indicate deductions/negative changes.*

GOOD HOPE PLC
Cash Flow Statement

For the period ended 30th September
 (All figures in Sri Lankan Rupees '000)

	2023	2022	31.03.2023
Net cash outflows from operating activities	(2,927)	(2,651)	(4,096)
Net cash inflows from investing activities	4,058	37,729	42,909
Net cashflows from financing activities	-	-	-
Increase in cash and cash equivalents	1,131	35,078	38,813
Cash and cash equivalents at the beginning of the period	44,300	5,487	5,487
Cash and cash equivalents at the end of the period	45,431	40,565	44,300
Cash and cash equivalents:			
Cash and bank balances	2,450	851	1,027
Short-term deposits	42,981	39,714	43,273
	45,431	40,565	44,300

Figures in brackets indicate deductions/negative changes.
The above figures are subject to audit.

GOOD HOPE PLC

1. Basis of preparation of Summarised Financial Report

The interim condensed financial statements have been prepared in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting. These interim condensed financial statements should be read in conjunction with the annual financial statements for the year ended 31st March 2023.

Further, provisions of the Companies Act no.7 of 2007 have been considered in preparing the interim condensed financial statements of the Company.

2. Accounting policies and comparative information

The same accounting policies and methods of computation as stated in the annual financial statements for the year ended 31st March 2023 are followed in the preparation of these Interim Condensed Financial Statements.

The comparative information have been reclassified wherever necessary to conform to the current year classification.

3. Fair Value Measurement

The following table provides the fair value measurement hierarchy of the Company's financial assets which are stated as fair values.

Fair value measurement hierarchy for financial assets as at 30th September 2023 and 31st March 2023 are as follows :

(All the figures are in Sri Lankan Rupees '000)

		Fair value measurement using			
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Non Current Financial Assets Measured at Fair Value:	Date of valuation	Total			
As at 30th September 2023					
<u>Equity Investments at Fair Value through OCI (FVOCI)</u>					
<u>Quoted Equity Shares</u>					
Shalimar (Malay) PLC (Note 4(b))	30th September 2023	214,849	214,849	-	-
<u>Unquoted Equity Shares</u>					
Shalimar Developments Sdn.Bhd. (Note 4(a))	31st December 2022	12,526,753	-	-	12,526,753
FVOCI financial assets as at 30th September 2023		12,741,602	214,849	-	12,526,753
As at 31st March 2023					
<u>Equity Investments at Fair Value through OCI (FVOCI)</u>					
<u>Quoted Equity Shares</u>					
Shalimar (Malay) PLC (Note 4(b))	31st March 2023	220,496	220,496	-	-
<u>Unquoted Equity Shares</u>					
Shalimar Developments Sdn.Bhd.(Note 4(a))	31st December 2022	12,526,753	-	-	12,526,753
FVOCI financial assets as at 31st March 2023		12,747,249	220,496	-	12,526,753

GOOD HOPE PLC

4. Non-current financial assets

a). Equity Investments at Fair Value through OCI - Unquoted Equity Shares

The Company holds a 13.33% equity investment (March 2023: 13.33%) in Shalimar Developments Sdn. Bhd. (SDSB), an investment holding Company incorporated in Malaysia. The sole equity investment of SDSB is in PT Agro Indomas (PTAI), an oil palm plantation Company based in Indonesia, in which it has a controlling interest. The Company has designated its investment in SDSB as Financial Asset classified under Fair Value through OCI, and is measured at fair value.

The Company obtained the services of PricewaterhouseCoopers Advisory Services Sdn. Bhd, Malaysia (PwC) to carry out an independent indicative fair market valuation of the equity interest in the unquoted investment in SDSB as at valuation date of 31st December 2022. This independent professional valuation is carried out annually and recognized as at 31st March 2023. Any changes in fair value accordingly, is recognized on an annual basis.

The primary approach adopted in arriving the fair market valuation of the equity interest of PT Agro Indomas (PTAI) was income approach. The fair market valuation of the equity interest in the unquoted investment in SDSB was derived using adjusted net assets basis, which was very much dependent on the fair value of the palm oil plantation held by PTAI. The fair market valuation of the equity interest in the unquoted investment of SDSB in PTAI was derived using discounted cash flows method.

The fair value of the equity investment of SDSB in PTAI has been valued based on the following key assumptions/bases:

- (a) Estimated economic life of the oil palm plantations of PTAI is 28 years.
- (b) Consider one planting cycle (i.e. no replantation at the end of the economic life).
- (c) Yield per hectare is estimated considering maturity profile, weather, soil and terrain conditions.
- (d) CPO ex-mill prices in FY 2022/23 and FY 2023/24 is estimated to be USD 760/MT and USD 675/MT respectively.
FY 2024/25 onwards, prices are in line with the World Bank CPO price forecast (Oct 2021 and Oct 2022) and adjusted for the transportation cost and Indonesia palm export levy. After FY 2031/32, prices are assumed to remain unchanged.
- (e) Weighted average cost of capital (WACC) of 10.5%.
- (f) Indonesian corporate taxation rate at 22% in FY 2023 and beyond.
- (g) Inflation is based on International Monetary Fund (IMF) forecasts.

Sensitivity of the key assumptions used

The significant unobservable inputs used in the above fair value measurement categorised within Level 3 of the fair value hierarchy (Note 3) together with a quantitative sensitivity analysis are as shown below:

The below values are based on 13.33% equity stake in SDSB and base case is at WACC of 10.5%.

	WACC		CPO ex – mill price		Yield	
	1% Increase Rs'000	1% Decrease Rs'000	5% Increase Rs'000	5% Decrease Rs'000	5% Increase Rs'000	5% Decrease Rs'000
Effect of fair value in unquoted equity shares in SDSB designated as Financial Assets classified under FVOCI	(965)	1,039	4,824	(4,824)	3,340	(3,340)

b). Equity Investments at Fair Value through OCI - Quoted Equity Shares

The Company holds a non-controlling interests of 3.10% (March 2023 : 3.10%) in Shalimar (Malay) PLC. The fair value of the said investment was recorded based on the last traded market price published by Colombo Stock Exchange (CSE) to be consistent with the previous periods. As noted in the Operational Review, the Exit Price of LKR 2,452/- was offered to Minority Shareholders of the Company by the majority Shareholder, Goodhope Asia Holdings Limited in order to facilitate the delisting of the ordinary shares of the Company from the official list of CSE.

5. Contingent Liabilities, Assets Pledged & Events After the Reporting Period

5.1 Contingent Liabilities

There are no material contingent liabilities as at the reporting date.

5.2 Assets Pledged

There were no assets pledged as at the reporting date.

GOOD HOPE PLC

5.3 Events After the Reporting Period

There have been no material events occurring after the reporting date that require adjustments to or disclosures in the financial statements.

6. Stated Capital

Stated capital of the company consists of,

As at 30.09.2023	As at 31.03.2023
3,883,782	3,883,782

Fully paid ordinary shares (voting)

7. Related Party Transactions

7.1 Recurrent Related Party Transactions

7.1.1 Secretarial Fee

The Secretarial fee charged by Carsons Management Services (Private) Limited of Rs. 0.17 Mn (30th September 2022 : Rs.0.13 Mn) has been charged in arriving at the profit before income tax for the period ended 30th September 2023.

All the above recurrent related party transactions have been conducted on agreed commercial terms with the respective parties on an arm's length basis.

7.2 Non-Recurrent Related Party Transactions

There are no non-recurrent related party transactions for the period ended 30th September 2023.

8. Going Concern

The financial statements of the Company have been prepared on a going concern basis as the Company continues to hold its main investment in SDSB. The directors have a reasonable expectation that the Company's investment segment operation will continue for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going concern basis.

INVESTOR INFORMATION

Share information

	Quarter ended		Year ended
	30.09.2023	30.09.2022	31.03.2023
Highest price per share (Rs.)	-	1,618.75	1,659.00
Lowest price per share (Rs.)	-	1,175.00	950.00
Last traded price (Rs.)	-	1,246.25	1,051.75
Volume traded (No. of shares)	-	219	616

Share dealings of Good Hope PLC were suspended with effect from 17th May 2023, along with the delisting announcement to CSE.

GOOD HOPE PLC

Additional Notes

I Names and the Number of Shares (voting) held by the top 20 shareholders as at 30th September 2023.

	Name of Shareholders	Number of Shares	%
1	Goodhope Asia Holdings Ltd	3,530,821	90.91
2	Exit offer by Goodhope Asia Holdings Ltd to purchase the shares of Good Hope prior to the delisting (Non Resident)*	148,646	3.83
3	Maj.Gen N.S.S.J. Bahadur Rana	41,990	1.08
4	Mr. A.O. Wanner (Decd)	20,995	0.54
5	Mrs. M. Van Rooyen	20,995	0.54
6	Mr. W.R.F. Spearman	20,995	0.54
7	Exit offer by Goodhope Asia Holdings Ltd to purchase the shares of Good Hope prior to the delisting (Resident)*	19,470	0.50
8	Miss. N.M. Jarvis	10,497	0.27
9	Mr. F.W. Obeyesekere (Decd)	8,397	0.22
10	Mr. C.C.S. Stephenson (Decd)	8,397	0.22
11	Mrs. R.M.M. Dean	7,275	0.19
12	Mr. A.M.A. Vanderspar	6,858	0.18
13	Mrs. C.M. Papageorge	6,717	0.17
14	Mrs. M.R. Layton (Decd)	5,176	0.13
15	Administratrix of the Estate of Ramiah (Decd)	5,176	0.13
16	Mr. N. Izat (Decd).	4,197	0.11
17	Mrs. G.S. Amerasinghe	2,098	0.05
18	Mr. S.A. Obeyesekere	2,098	0.05
19	Mrs E.W. Tomalin	2,037	0.05
20	Thurston Investments Limited	1,200	0.03
		3,874,035	99.75

* As informed via market disclosures, the Company obtained the approval of shareholders and the Securities and Exchange Commission of Sri Lanka to delist the shares of the Company from the official list of the Colombo Stock Exchange (CSE) on 19th June 2023 and 8th August 2023 respectively. Goodhope Asia Holdings Ltd, the major shareholder via offer document dated 25th August 2023 made an offer to purchase 352,961 shares at a price of Rs. 3,513/- per share from the shareholders who wish to sell their shares prior to the de-listing of shares of the Company (Exit Offer) and the said offer closed on 10th October 2023.

i.) No. 02 and No.7 are Reserve Accounts opened to facilitate the said Exit Offer.

ii.) The no of shares surrendered by the non-resident shareholders of the Company as at 30th September 2023 are shown in No. 2.

iii.) The no of shares surrendered by the resident shareholders of the Company as at 30th September 2023 are shown in No. 7.

II Ordinary Shares of the Company held by the public as at 30th September 2023 are as follows;

Number of public shareholders	242
Percentage of public holding	9.09%
Float adjusted market capitalization (Rs.)	423,819,458

The Company is not in compliance with the minimum public holding requirements set out in Rule 7.13.1 (a) of the Listing Rules of the Colombo Stock Exchange.

III Directors shareholdings as at 30th September 2023.

Name of Director	Number of Shares
Mr. H. Selvanathan	-
Mr. M. Selvanathan	-
Mr. I. Paulraj	-
Mr. D.C.R.Gunawardena	-
Mr. S. N. Alles	-
Mr. D. P. De Silva	-

IV PT Agro Indomas, the Company's investment made through Shalimar Developments Sdn. Bhd. (Investment vehicle in Malaysia) is located in Kalimantan province, Indonesia. The total land area of PT Agro Indomas is approximately 26,516 Ha.

Operational performance information is given below.

Operational performance indicators	Period ended	
	30th September	
	2023	2022
Crop Production - Internal (MT)	230,626	272,174
Crop Production - External (MT)	158,027	236,086
Total Crop Production (MT)	388,653	508,260
Total CPO (MT)	79,035	102,541
Total PK (MT)	19,445	24,288
CPO Ex Mill Price (US\$)	723	782
FFB Yield (MT per Hectare)	11.58	13.67
CPO / Ha (MT)	2.48	2.90
Milling Capacity (MT per Hour)	225	225

MT-Metric Tones

CORPORATE INFORMATION

Name of the Company

Good Hope PLC

Company No

PQ 43

Legal Form

A Public Quoted Company with
Limited Liability.
Incorporated in Sri Lanka in 1910.

Directors

H. Selvanathan
M. Selvanathan
I. Paulraj
D. C. R. Gunawardena
S. N. Alles
D. P. De Silva

Bankers

Commercial Bank of Ceylon PLC
Standard Chartered Bank
Hatton National Bank PLC

Auditors of the Company

Messrs. Ernst & Young
Chartered Accountants
201, De Saram Place,
Colombo 10
Sri Lanka.
Tel: + 94 11 2463500
Fax: + 94 11 2697369

Managers

Agro Harapan Lestari (Pvt) Ltd
03rd Floor
No. 65C
Dharmapala Mawatha
Colombo 7
Sri Lanka.

Tel : +94 114357777

Fax : +94 114357788

Secretaries

Carsons Management Services (Private) Limited
No. 61, Janadhipathi Mawatha
Colombo 01
Sri Lanka.
Tel; +94 11 2039200
Fax; +94 11 2039300

Registered Office

No. 61, Janadhipathi Mawatha
Colombo 01
Sri Lanka.
Tel; +94 11 2039200
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Corporate Website

www.goodhopeholdings.com

Holding Company

Goodhope Asia Holdings Ltd

Ultimate Parent & Controlling Entity

Bukit Darah PLC