

PRUDENCE. RESILIENCE. ENDURANCE.

Bukit Darah PLC | Condensed Interim Financial Statements
For the period ended 31st December 2019

Bukit Darah PLC - Interim Review for the 31st December 2019

Your group continues to keep pace with the market challenges in delivering value and progress.

Bukit Darah PLC's consolidated net profit for the nine months ended 31st December 2019, totalled Rs. 2.1 Bn, based on a consolidated revenue of Rs. 80 Bn. The revenue growth over the comparable nine months was at 11%. Such revenue increase was predominantly attributable to the positive performance of the Oil Palm Plantations, Beverage and Portfolio and Asset Management sectors. However, the net profit depicted a YoY decline of 12% YoY to reach Rs. 2.15 Bn from Rs. 2.43 Bn reported in the comparative period with the increased cost metrics, which will be elaborated in the descriptions that follow, highlighting the performances of salient sectors of the group.

Outline of the key sectors

Oil Palm Plantations

Concluded nine months saw the sector revenue expanding by 19% relative to the prior period to be at Rs. 25.5 Bn. The above increase is due

to broadened sales volumes stemming from the successful processing of external crop, offsetting the reduction of internal Fresh Fruit Bunch (FFB) crop. During the nine months period, the average selling price achieved by the sector reduced 5% YoY; weighed down by the first six months price performance within the Industry.

Nevertheless, the Crude Palm Oil (CPO) prices started to move in an upward trend towards the commencement of the third quarter, as signs of gradual recovery from the global price downtrend, which transpired due to industry's lower crop, as well as global impacts from the trade dispute affecting China and its soy imports.

The sector continued its progress on young mature plantations, to build them into fully operational locations with work progressing on the investments of the three new mills. The Nabire main mill is on schedule to be fully operational by May 2020. Cost reduction efforts of the sector proved to be successful even though such costs were negatively impacted by the appreciation

of the Indonesian currency relative to the past period. For the nine months period, the net finance cost of the sector showed a prominent increase in the context of increased LIBOR/Interest rates, enhanced working capital usage as well as loan restructuring expenses. Accordingly, the Oil Palm Plantations sector reported a loss of Rs. 1.6 Bn for the period under review. However, with the already completed refinancing exercise of the existing funding facilities, where future repayments are aligned to the future cash flow generation from its young mature ventures, the sector's capital structure is expected to gradually optimize. As of December 2019, the sector supplied to 250 customers spanning across 47 countries.

Oils and Fats

The Oils and fats segment's topline which stood at Rs. 16.1 Bn, demonstrated a flat growth, reflecting the dip in Palm kernel prices. However, specialty fats production plant utilization was higher by 9% YoY, leading to greater specialty fats volumes sold, which increased by a

For the period ended 31st December 2019

significant 17% YoY. The sector posted a profit after tax of Rs. 312.9 Mn after discounted operations, compared to a net loss of Rs. 235.8 Mn in the comparable nine months.

During the period under review, the downstream Oils and Fats segment entered into a strategic business tie-up with a J-Oil Mills INC of Japan, which is a listed entity in the Tokyo Stock Exchange, where by J-Oil acquired an investment of 20% in the segment's leading specialty fats business (Premium Vegetable Oils Sdn Bhd), and a controlling investment (51%) in Premium Fats Sdn Bhd - the margarine production plant. The Oils and Fats segment will continue to focus on increasing margin from trading business, as well as expansion of its customer base and growth via increased sales to existing markets and new markets. A key strategy for this segment would be to retain customers via the technical support on product development and R&D. The Oils and Fats segment is also expected to

leverage on the tie-up with J-Oil Mills in the immediate future.

Beverage

The Beverage sector witnessed an upturn of 12% in its revenue, reaching Rs. 37 Bn for the period. Aforementioned revenue achievement was despite a challenging operating context, where reduced economic and consumer activity following the April 21st incident coupled with the inclement weather, slowed down the sales potential of the sector for the period. As a result, the sector was compelled to account for an impairment of Rs. 538 Mn in relation to the brands acquired from Miller Brewery. Consequently, the profit for the period saw a decline of 12% YoY to be at Rs. 2.2 Bn for the period under consideration. Pursuant to the latest tax changes by the Government, VAT on beer was reduced to 8% w.e.f. 1st December 2019. However, the impact of the increase in excise duties outweighed such VAT reduction, leading to upward price revisions of most of the beer brands. The sector's export business

covered 26 countries as of end of the reviewed period.

Portfolio and Asset Management

The total portfolio of the sector, which stood at Rs. 15.5 Bn as of 31st March 2019, noted an appreciation of 13.59% to reach Rs. 17.6 Bn by 31st December 2019. The discretionary component appreciated by a commendable 13.06% during the same period to reach Rs. 12.9 Bn, compared to the All Share Price Index gain of 10.30%. Despite a slowly growing economy, the activity in the Colombo Stock Exchange was stimulated following the conclusion of the presidential elections and the expected fiscal stimulus, which was further motivated by the expectations of a low interest rate regime. Supported by the above reasons, the sector secured a 60% growth YoY in its topline, recording Rs. 606 Mn for the concluded nine months period. Further, with the recording of Rs. 1.1 Bn as unrealized gains on fair value adjustments on the Equity investments of the discretionary portfolio, the

sector reported a net profit of Rs. 1.5 Bn for the period in comparison to a net loss of Rs. 1.2 Bn recorded in the corresponding period. The total assets managed under the sector stood at Rs. 26.2 Bn as of 31st December 2019.

Through mastering numerous external challenges and opportunities, we remain confident and committed in ensuring sustainable returns into the days ahead.

*Carsons Management
Services (Pvt) Ltd*

6th February 2020

Company Statement of Income

Condensed Interim Financial Statements

Unaudited financial statements for the nine months ended 31st December 2019

(Amounts expressed in Sri Lankan Rs. '000)

	For the three months ended 31st December			For the nine months ended 31st December		
	2019	2018	% Change	2019	2018	% Change
Revenue	932	722	29	76,534	2,387	3,106
Direct operating expenses	-	-	-	-	-	-
	932	722	29	76,534	2,387	3,106
Items of expenses						
Administrative expenses	(7,589)	(6,215)	22	(20,986)	(21,708)	(3)
Profit / (Loss) before income tax expenses	(6,657)	(5,493)	21	55,548	(19,321)	(388)
Income tax expenses						
Current taxation	(94)	(202)	(53)	(546)	(668)	-
Profit / (Loss) for the period	(6,751)	(5,695)	19	55,002	(19,989)	(375)
Other Comprehensive Income						
Net change in fair value of financial assets measured at fair value through other comprehensive income	(3,900)	(89,700)	(96)	61,100	57,980	5
Total other comprehensive income / (expenses)	(3,900)	(89,700)	(96)	61,100	57,980	5
Total Comprehensive Income / (expenses) for the period	(10,651)	(95,395)	(89)	116,102	37,991	206
Earnings / (Loss) per ordinary share (Rs.)	(0.14)	(0.06)	145	0.47	(0.20)	(337)
Dividend per ordinary share (Rs.) [Note 6]	0.50	-	-	0.50	-	-

Figures in brackets indicate deductions.

The notes on pages 16 to 30 form an integral part of these financial statements.

6th February 2020

Company Statement of Financial Position

Condensed Interim Financial Statements

Unaudited financial statements for the nine months ended 31st December 2019

(Amounts expressed in Sri Lankan Rs. '000)

As at	31st December 2019	31.03.2019 (Audited)
Assets		
Non Current Assets		
Investments in subsidiaries	7,026,770	7,026,770
Investments in equity securities	782,600	721,500
Total non - current assets	7,809,370	7,748,270
Current Assets		
Other non financial receivables	2,067	2,091
Cash and cash equivalents	37,357	77,938
Total current assets	39,424	80,029
Total assets	7,848,794	7,828,299
Equity and Liabilities		
Equity		
Stated capital	412,635	412,635
Capital Reserve	40,000	40,000
Revenue reserves	7,315,714	7,257,987
Total equity	7,768,349	7,710,622
Current Liabilities		
Other financial payables	80,445	117,596
Current tax liabilities	-	81
Total current liabilities	80,445	117,677
Total liabilities	80,445	117,677
Total Equity and Liabilities	7,848,794	7,828,299
Net assets per ordinary share (Rs.)	75.76	75.19

I certify that these financial statements are in compliance with the requirements of Companies Act No. 07 of 2007.

Sgd.

A. P. Weeraturunge

Director

Carsons Management Services (Pvt) Ltd.

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

These financial statements were approved by the Board on 6th February 2020.

Sgd

M. Selvanathan

Director

Sgd.

D. C. R. Gunawardena

Director

The notes on pages 16 to 30 form an integral part of these financial statements.

Company Statement of Changes in Equity

Condensed Interim Financial Statements

Unaudited financial statements for the nine months ended 31st December 2019

(Amounts expressed in Sri Lankan Rs. '000)

	Stated Capital	Capital Reserve	Revenue Reserves	Total Equity
Balance as at 31st March 2019 (Audited)	412,635	40,000	7,257,987	7,710,622
Profit for the period	-	-	55,002	55,002
Other comprehensive income for the period	-	-	61,100	61,100
Total Comprehensive Income for the period	-	-	116,102	116,102
Transaction with owners of the Company, recognised directly in equity				
Dividend paid - Ordinary Shares	-	-	(51,000)	(51,000)
Dividend paid - Participating Cumulative Preference Shares	-	-	(7,375)	(7,375)
Balance as at 31st December 2019 (Unaudited)	412,635	40,000	7,315,714	7,768,349
Balance As at 31st March 2018 (Audited)	412,635	40,000	7,241,179	7,693,814
Loss for the period	-	-	(19,989)	(19,989)
Other comprehensive income for the period	-	-	57,980	57,980
Total Comprehensive Income for the period	-	-	37,991	37,991
Transaction with owners of the Company, recognised directly in equity				
Dividend paid - Participating Cumulative Preference Shares	-	-	(108)	(108)
Balance as at 31st December 2018 (Unaudited)	412,635	40,000	7,279,062	7,731,697

The Notes from pages 16 to 30 form an integral part of these financial statements.

Company Statement of Cash Flow

Condensed Interim Financial Statements

Unaudited financial statements for the nine months ended 31st December 2019

(Amounts expressed in Sri Lankan Rs. '000)

For the nine months ended 31st December	2019	2018
Cash flows from operating activities		
Profit / (Loss) before income tax expenses	55,548	(19,321)
Operating profit before working capital changes	55,548	(19,321)
Changes in		
Trade and other receivables	559	462
Trade and other payables	(2,106)	(1,165)
Cash generated from/(used in) operations	54,001	(20,024)
Income tax paid	(1,162)	(959)
Net cash generated from/(used in) operating activities	52,839	(20,983)
Cash flows from financing activities		
Dividend paid by the Company	(93,420)	(58,190)
Net cash used in financing activities	(93,420)	(58,190)
Net decrease in cash & cash equivalents	(40,581)	(79,173)
Cash & cash equivalents at the beginning of the year	77,938	115,258
Cash & cash equivalents at the end of the period	37,357	36,085
Statement of Cash & Cash Equivalents		
Cash and cash equivalents	37,357	36,085
	37,357	36,085

The Notes from pages 16 to 30 form an integral part of these financial statements.

Consolidated Statement of Income

Condensed Interim Financial Statements

Unaudited financial statements for the nine months ended 31st December 2019

(Amounts expressed in Sri Lankan Rs. '000)

		For the three months ended 31st December			For the nine months ended 31st December		
	Note	2019	2018	% Change	2019	2018	% Change
Continuing operations							
Revenue		27,687,193	25,460,357	9	79,688,965	71,828,088	11
Direct operating expenses		(20,961,301)	(19,008,283)	10	(60,474,807)	(49,935,642)	21
Gross profit		6,725,892	6,452,074	4	19,214,158	21,892,446	(12)
Change in fair value of fair value through profit or loss financial assets		737,332	165,613	345	1,156,127	(1,284,863)	(190)
Other income		60,010	302,536	(80)	792,330	757,267	5
Distribution expenses		(1,461,822)	(1,949,987)	(25)	(4,712,588)	(5,565,933)	(15)
Administrative expenses		(2,456,871)	(2,172,827)	13	(6,715,274)	(5,912,428)	14
Other operating expenses		(100,806)	(29,230)	245	(470,547)	(295,429)	59
Impairment of intangible assets	12	(538,182)	-	-	(538,182)	-	-
Foreign exchange (losses)/gains		493,302	761,698	(35)	597,722	(1,026,472)	(158)
Profit from operations		3,458,855	3,529,877	(2)	9,323,746	8,564,588	9
Net finance cost		(1,693,705)	(1,219,254)	39	(4,911,605)	(3,552,798)	38
Share of net results of equity accounted investee	11	(6,287)	2,014	(412)	(3,556)	5,829	(161)
Profit before Income tax expenses		1,758,863	2,312,637	(24)	4,408,585	5,017,619	(12)
Income tax expenses							
Current taxation		(920,731)	(739,309)	25	(2,664,636)	(1,937,532)	38
Deferred taxation		236,220	79,566	197	527,907	(521,135)	(201)
		(684,511)	(659,743)	4	(2,136,729)	(2,458,667)	(13)
Profit from continuing operations		1,074,352	1,652,894	(35)	2,271,856	2,558,952	(11)

		For the three months ended 31st December			For the nine months ended 31st December		
	Note	2019	2018	% Change	2019	2018	% Change
Discontinued operations							
Net impact from discontinued operations, net of tax		(44,812)	(46,265)	(3)	(123,168)	(124,485)	(1)
Total Loss for the Period from Discontinued Operations	5	(44,812)	(46,265)	(3)	(123,168)	(124,485)	(1)
Profit for the period		1,029,540	1,606,629	(36)	2,148,688	2,434,467	(12)
Profit / (loss) Attributable to:							
Owners of the Company		22,247	488,805	(95)	(98,753)	863,604	(111)
Non controlling interest		1,007,293	1,117,824	(10)	2,247,441	1,570,863	43
		1,029,540	1,606,629	(36)	2,148,688	2,434,467	(12)
Earnings / (loss) per ordinary share (Rs.)		0.15	4.79	(97)	(1.04)	8.47	(112)
Earnings / (loss) per ordinary share - Continuing operations (Rs.)		0.41	5.06	(92)	(0.32)	9.20	(103)
Dividend Per ordinary share (Rs.)		0.50	-	-	0.50	-	-

* Discontinued operations for the current period and prior period refers to results of Arani Agro Oil Industries Private Limited, which is further explained in Note 5.

Figures in brackets indicate deductions.

The notes on pages 16 to 30 form an integral part of these financial statements

6th February 2020

Consolidated Statement of Other Comprehensive Income

Condensed Interim Financial Statements

Unaudited financial statements for the nine months ended 31st December 2019

(Amounts expressed in Sri Lankan Rs. '000)

	For the three months ended 31st December			For the nine months ended 31st December		
	2019	2018	Change %	2019	2018	Change %
Profit for the period	1,029,540	1,606,629	(36)	2,148,688	2,434,467	(12)
Other Comprehensive Income						
Items that may be reclassified subsequently to profit or loss:						
Exchange differences on translation of foreign operations	1,085,356	3,591,991	(70)	2,132,262	2,194,666	(3)
Cash flow Hedge reserve	(362,393)	-		(362,393)	-	
Other comprehensive income for the period, net of tax	722,963	3,591,991	(80)	1,769,869	2,194,666	(19)
Total Comprehensive income for the period	1,752,503	5,198,620	(66)	3,918,557	4,629,133	(15)
Attributable to:						
Owners of the Company	438,702	2,379,873	(82)	856,172	1,910,124	(55)
Non controlling interest	1,313,801	2,818,747	(53)	3,062,385	2,719,009	13
	1,752,503	5,198,620	(66)	3,918,557	4,629,133	(15)

Figures in brackets indicate deductions.

The notes on pages 16 to 30 form an integral part of these financial statements.

6th February 2020

Consolidated Statement of Financial Position

Condensed Interim Financial Statements

Unaudited financial statements for the nine months ended 31st December 2019

(Amounts expressed in Sri Lankan Rs. '000)

As at	31st December 2019	31.03.2019 (Audited)
ASSETS		
Non - Current Assets		
Property, plant & equipment	56,929,934	55,268,429
Bearer Plants	34,614,347	34,216,375
Prepaid lease payment for land	4,893,072	4,801,099
Right of use assets	247,849	-
Investment properties	3,887,846	3,878,996
Intangible assets	4,320,108	5,026,486
Investments in equity accounted investee (Note 11)	600,706	48,123
Deferred tax assets	4,728,488	4,109,867
Other financial receivables	24,759	24,759
Other non financial receivables	8,036,056	5,729,033
Total non - current assets	118,283,165	113,103,167
Current Assets		
Inventories	9,008,150	6,886,406
Trade receivables	3,824,870	3,648,705
Other financial receivables	1,876,186	1,272,806
Other non financial receivables	14,472,231	7,223,841
Current tax recoverable	627,815	149,619
Investment in equity and debt securities	10,179,972	9,731,706
Investment in Unit trusts	1,279,064	270,091
Derivative financial instruments	74,509	59,156
Biological assets	1,581,112	1,497,067
Cash and cash equivalents	14,445,976	14,875,722
	57,369,885	45,615,119
Assets held for sale	703,065	702,927
Total current assets	58,072,950	46,318,046
Total assets	176,356,115	159,421,213
EQUITY AND LIABILITIES		
EQUITY		
Stated capital	412,635	412,635
Capital reserves	2,504,098	2,504,098
Revenue reserves	20,725,876	19,644,330
Equity attributable to owners of the Company	23,642,609	22,561,063
Non-controlling interest	39,058,941	34,979,709
Total equity	62,701,550	57,540,772
Investment through subsidiaries	(10,688)	(10,688)
	62,690,862	57,530,084

Consolidated Statement of Financial Position

Condensed Interim Financial Statements

Unaudited financial statements for the nine months ended 31st December 2019

(Amounts expressed in Sri Lankan Rs. '000)

As at	31st December 2019	31.03.2019 (Audited)
LIABILITIES		
Non - Current Liabilities		
Loans and borrowings	53,078,490	42,692,542
Other financial payables	74,579	87,368
Other non financial liabilities	1,452,910	1,343,057
Deferred tax liabilities	10,216,210	10,235,928
Total non - current liabilities	64,822,189	54,358,895
Current Liabilities		
Trade payables	5,945,243	3,941,910
Other financial payables	14,385,248	9,973,411
Derivative financial instruments	556,370	-
Current tax liabilities	1,337,943	1,093,471
Loans and borrowings	26,618,260	30,445,157
Debenture	-	2,078,285
Total current liabilities	48,843,064	47,532,234
Total liabilities	113,665,253	101,891,129
Total equity and liabilities	176,356,115	159,421,213
Net assets per ordinary share (Rs.)	231.39	220.79

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

Sgd.

A. P. Weeraratne

Director

Carsons Management Services (Pvt) Ltd.

The Board of Directors is responsible for the preparation and presentation of these financial statements. These financial statements were approved by the Board on 6th February 2020.

Sgd.

M. Selvanathan

Director

Sgd.

D. C. R. Gunawardena

Director

The notes on pages 16 to 30 form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

Condensed Interim Financial Statements

Unaudited financial statements for the nine months ended 31st December 2019

(Amounts expressed in Sri Lankan Rs. '000)

	Stated Capital	Capital Reserve	Revenue Reserve	Attributable to owners of the company	Non - controlling interest	Total Equity
Balance as at 31st March 2019	412,635	2,504,098	19,644,330	22,561,063	34,979,709	57,540,772
Profit/(loss) for the period	-	-	(98,753)	(98,753)	2,247,441	2,148,688
Other comprehensive income for the period	-	-	954,925	954,925	814,944	1,769,869
Total comprehensive income for the period	-	-	856,172	856,172	3,062,385	3,918,557
Transactions with owners of the Company, recognised directly in equity						
Share capital contributed by non-controlling shareholders	-	-	-	-	828,744	828,744
Dividend paid	-	-	(44,893)	(44,893)	-	(44,893)
Dividend paid to non controlling shareholders	-	-	-	-	(323,056)	(323,056)
Goodwill on change in share holdings	-	-	264,786	264,786	70,012	334,798
Acquisition, disposal and changes in non-controlling interest	-	-	5,481	5,481	441,147	446,628
Transactions with owners of the company, recognized directly in equity	-	-	225,374	225,374	1,016,847	1,242,221
Balance as at 31st December 2019 (Unaudited)	412,635	2,504,098	20,725,876	23,642,609	39,058,941	62,701,550
Balance as at 31st March 2018	412,635	2,451,129	18,520,535	21,384,299	32,771,762	54,156,061
Profit for the period	-	-	863,604	863,604	1,570,863	2,434,467
Other comprehensive expenses for the period	-	-	1,046,520	1,046,520	1,148,146	2,194,666
Total comprehensive expenses	-	-	1,910,124	1,910,124	2,719,009	4,629,133
Transactions with owners of the company, recognized directly in equity						
Goodwill on change in shareholding	-	-	(139,032)	(139,032)	(186,996)	(326,028)
Dividend paid - Participating Cumulative Preference Shares	-	-	(108)	(108)	-	(108)
Acquisition, disposal and changes in non-controlling interest	-	10,511	55,165	65,676	117,765	183,441
Transactions with owners of the company, recognized directly in equity	-	10,511	(83,975)	(73,464)	(69,231)	(142,695)
Balance as at 31st December 2018 (Unaudited)	412,635	2,461,640	20,346,684	23,220,959	35,421,540	58,642,499

The Notes from pages 16 to 30 form an integral part of these financial statements.

Consolidated Statement of Cash Flow

Condensed Interim Financial Statements

Unaudited financial statements for the nine months ended 31st December 2019

(Amounts expressed in Sri Lankan Rs. '000)

For the nine months ended 31st December	Group	
	2019	2018
Cash flows from operating activities		
Profit before income tax expenses from continuing operations	4,408,585	5,017,619
Loss before income tax expenses from discontinued operations	(123,168)	(124,485)
	4,285,417	4,893,134
Adjustments for:		
Mark to market value adjustments - unrealized	(1,156,127)	1,284,863
Unwinding of discount on compensation receivable	-	(14,524)
Impairment of business assets/new investments	688,288	-
Share of net result of equity accounted investee	3,556	(5,829)
Depreciation - property, plant & equipment	3,074,255	2,667,440
Depreciation - Bearer Plants	1,526,876	1,207,526
Amortization of intangible assets/prepaid lease payment	229,009	181,263
Provision for retiring gratuity	196,059	221,360
Finance expenses	4,995,795	3,635,473
Plasma interest income	(475,678)	-
Loss on Property, Plant & equipments write-off	-	30,992
Profit on disposal of property, plant & equipment	(16,226)	(102,167)
Unrealized fair values on Derivative financial instruments	176,151	-
Net Inventory Provision	6,390	(77,408)
Amortisation of deferred revenue	-	(6,698)
Exchange impact on translation of foreign operations	(597,722)	709,001
	8,650,626	9,731,292
Operating profit before working capital changes	12,936,043	14,624,426
Changes in :		
Inventories	(2,064,205)	(1,587,271)
Trade and other receivables	(7,191,161)	(3,449,043)
Trade and other payables	6,519,416	(3,204,717)
	10,200,093	6,383,395
Net cash movement in investments	(370,769)	457,482

For the nine months ended 31st December	Group	
	2019	2018
Cash generated from operations	9,829,324	6,840,877
Interest paid	(4,686,790)	(3,391,603)
Income tax paid	(2,981,490)	(797,798)
Gratuity paid	(149,007)	(170,479)
Net cash generated from operating activities	2,012,037	2,480,997
Cash flows from investing activities		
Payments for property, plant & equipment/investment property	(3,393,205)	(2,404,385)
Payments for bearer plant development costs	(267,435)	(699,459)
Payments for intangible assets/prepaid lease payments	(9,057)	(60,721)
Proceeds from disposal of long term investment in subsidiaries	1,324,188	-
Payments for acquisition of additional interest in subsidiaries	-	(341,043)
Movement in non current VAT and other receivables	(1,645,829)	397,356
Movement in plasma investment	(291,148)	(14,507)
Proceeds from disposal of property, plant & equipment and bearer plants	37,210	186,006
Deposits received	211,950	211,710
Net cash used in investing activities	(4,033,326)	(2,725,043)
Cash flows from financing activities		
Net change in borrowings	(1,545,774)	(4,228,134)
Payment of finance lease creditors	(184,174)	(66,435)
Non Controlling Interest Contribution for Subsidiary Share Issue	-	200,293
Redemption of units	(4,388)	-
Dividend paid to non - controlling shareholders by subsidiaries	(378,568)	(105,360)
Dividend paid by the Company	(79,940)	(58,190)
Net cash used in financing activities	(2,192,844)	(4,257,826)
Net decrease in cash & cash equivalents	(4,214,133)	(4,501,872)
Cash & cash equivalents at the beginning of the year	(3,574,552)	(582,180)
Cash & cash equivalents at the end of the period	(7,788,685)	(5,084,052)

The Notes from pages 16 to 30 form an integral part of these financial statements.

Notes to the Condensed Interim Financial Statements

Condensed Interim Financial Statements

Unaudited financial statements for the nine months ended 31st December 2019

(Amounts expressed in Sri Lankan Rs. '000)

Operating Segment Information - Group

(a). Segmental results are as follows:

	Investment Holdings		Portfolio & Asset Management		Oil Palm Plantations		Oils and fats	
For the three months ended 31st December	2019	2018	2019	2018	2019	2018	2019	2018
Total revenue	4,163	9,780	329,357	85,173	13,072,611	9,172,455	5,955,197	6,048,722
Intra segment revenue	(3,137)	-	(28,158)	(20,959)	(3,220,402)	(1,288,612)	(79,812)	(25,608)
Segment revenue	1,026	9,780	301,199	64,214	9,852,209	7,883,843	5,875,385	6,023,114
Inter segment revenue	-	-	(10,346)	-	(548,846)	(469,906)	(167,918)	(152,059)
Revenue	1,026	9,780	290,853	64,214	9,303,363	7,413,937	5,707,467	5,871,055
Segment results	(23,207)	(14,872)	960,453	171,501	506,837	745,629	338,488	147,769
Foreign exchange (losses)/ gains	-	-	245	(20,186)	397,438	761,238	84,453	(5,356)
Impairment of intangible assets	-	-	-	-	-	-	-	-
Profit/(loss) from operations	(23,207)	(14,872)	960,698	151,315	904,275	1,506,867	422,941	142,413
Net Finance cost	(48,071)	(50,875)	(7,371)	(4,958)	(1,282,915)	(754,241)	(153,705)	(166,578)
Share of net results of equity accounted investee	-	-	1,598	2,014	-	-	(7,885)	-
Profit/(loss) before Income tax expenses	(71,278)	(65,747)	954,925	148,371	(378,640)	752,626	261,351	(24,165)
Income tax expenses								
Current taxation	(94)	(202)	(14,968)	(15,182)	(291,132)	(423,036)	(8,134)	(1,517)
Deferred taxation	-	-	(1,689)	-	18,103	152,677	(12,503)	(11,775)
	(94)	(202)	(16,657)	(15,182)	(273,029)	(270,359)	(20,637)	(13,292)
Profit/(loss) from continuing operations	(71,372)	(65,949)	938,268	133,189	(651,669)	482,267	240,714	(37,457)
Discontinued operation								
Loss from discontinued operation, net of tax	-	-	-	-	-	-	(44,812)	(46,265)
Profit/(loss) for the period	(71,372)	(65,949)	938,268	133,189	(651,669)	482,267	195,902	(83,722)
Attributable to:								
Owners of the Company	(37,972)	(33,219)	243,738	36,679	(411,377)	267,692	75,811	(51,630)
Non controlling interest	(33,400)	(32,730)	694,530	96,510	(240,292)	214,575	120,091	(32,092)
	(71,372)	(65,949)	938,268	133,189	(651,669)	482,267	195,902	(83,722)

Beverage		Real Estate		Leisure		Management Services		Group	
2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
12,355,377	12,042,985	71,202	81,319	161,034	170,593	150,245	112,448	32,099,186	27,723,475
(197,583)	(188,651)	-	-	-	-	-	-	(3,529,092)	(1,523,830)
12,157,794	11,854,334	71,202	81,319	161,034	170,593	150,245	112,448	28,570,094	26,199,645
-	-	(6,607)	(5,637)	-	-	(149,184)	(111,686)	(882,901)	(739,288)
12,157,794	11,854,334	64,595	75,682	161,034	170,593	1,061	762	27,687,193	25,460,357
1,677,389	1,674,276	41,484	49,659	(12,576)	13,555	14,867	(19,338)	3,503,735	2,768,179
11,150	25,848	-	-	16	154	-	-	493,302	761,698
(538,182)	-	-	-	-	-	-	-	(538,182)	-
1,150,357	1,700,124	41,484	49,659	(12,560)	13,709	14,867	(19,338)	3,458,855	3,529,877
(207,408)	(256,866)	5,314	3,487	881	10,738	(430)	39	(1,693,705)	(1,219,254)
-	-	-	-	-	-	-	-	(6,287)	2,014
942,949	1,443,258	46,798	53,146	(11,679)	24,447	14,437	(19,299)	1,758,863	2,312,637
(594,493)	(282,720)	(11,909)	(16,652)	-	-	(1)	-	(920,731)	(739,309)
233,167	(57,849)	(1,799)	(1,750)	941	(1,737)	-	-	236,220	79,566
(361,326)	(340,569)	(13,708)	(18,402)	941	(1,737)	(1)	-	(684,511)	(659,743)
581,623	1,102,689	33,090	34,744	(10,738)	22,710	14,436	(19,299)	1,074,352	1,652,894
-	-	-	-	-	-	-	-	(44,812)	(46,265)
581,623	1,102,689	33,090	34,744	(10,738)	22,710	14,436	(19,299)	1,029,540	1,606,629
135,851	253,810	14,015	14,954	(4,414)	9,335	6,595	(8,816)	22,247	488,805
445,772	848,879	19,075	19,790	(6,324)	13,375	7,841	(10,483)	1,007,293	1,117,824
581,623	1,102,689	33,090	34,744	(10,738)	22,710	14,436	(19,299)	1,029,540	1,606,629

Notes to the Condensed Interim Financial Statements

Condensed Interim Financial Statements

Unaudited financial statements for the nine months ended 31st December 2019

(Amounts expressed in Sri Lankan Rs. '000)

Operating Segment Information - Group

(a). Segmental results are as follows:

For the nine months ended 31st December	Investment Holdings		Portfolio & Asset Management		Oil Palm Plantations		Oils and fats	
	2019	2018	2019	2018	2019	2018	2019	2018
Total revenue	269,008	30,010	699,790	455,055	32,150,458	27,166,053	16,663,481	16,759,811
Intra segment revenue	(70,416)	-	(83,422)	(76,109)	(6,009,732)	(3,386,552)	(223,186)	(85,535)
Segment revenue	198,592	30,010	616,368	378,946	26,140,726	23,779,501	16,440,295	16,674,276
Inter segment revenue	(193,325)	-	(10,346)	-	(605,152)	(2,302,218)	(324,119)	(360,058)
Revenue	5,267	30,010	606,022	378,946	25,535,574	21,477,283	16,116,176	16,314,218
Segment results	(68,734)	(54,677)	1,553,098	(1,096,899)	1,996,295	5,533,409	942,977	283,067
Foreign exchange (losses)/ gains	-	-	1,448	(33,069)	488,755	(1,122,099)	92,634	92,475
Impairment of intangible assets	-	-	-	-	-	-	-	-
Profit/(loss) from operations	(68,734)	(54,677)	1,554,546	(1,129,968)	2,485,050	4,411,310	1,035,611	375,542
Net Finance cost	(145,920)	(133,335)	(18,015)	(5,626)	(3,698,241)	(2,085,632)	(483,711)	(484,028)
Share of net results of equity accounted investee	-	-	4,329	5,829	-	-	(7,885)	-
Profit/(loss) before Income tax expenses	(214,654)	(188,012)	1,540,860	(1,129,765)	(1,213,191)	2,325,678	544,015	(108,486)
Income tax expenses								
Current taxation	(6,281)	(668)	(45,255)	(43,050)	(805,394)	(1,450,425)	(31,085)	(4,914)
Deferred taxation	-	-	(1,689)	2,338	372,343	651,703	(76,858)	2,085
	(6,281)	(668)	(46,944)	(40,712)	(433,051)	(798,722)	(107,943)	(2,829)
Profit/(loss) from continuing operations	(220,935)	(188,680)	1,493,916	(1,170,477)	(1,646,242)	1,526,956	436,072	(111,315)
Discontinued operation								
Loss from discontinued operation, net of tax	-	-	-	-	-	-	(123,168)	(124,485)
Profit/(loss) for the period	(220,935)	(188,680)	1,493,916	(1,170,477)	(1,646,242)	1,526,956	312,904	(235,800)
Attributable to:								
Owners of the Company	(113,530)	(97,045)	386,793	(301,391)	(1,014,896)	819,256	142,981	(145,686)
Non controlling interest	(107,405)	(91,635)	1,107,123	(869,086)	(631,346)	707,700	169,923	(90,114)
	(220,935)	(188,680)	1,493,916	(1,170,477)	(1,646,242)	1,526,956	312,904	(235,800)

Beverage		Real Estate		Leisure		Management Services		Group	
2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
37,565,661	33,414,338	224,859	236,636	442,609	486,458	409,064	331,905	88,424,930	78,880,266
(789,162)	(495,368)	-	-	-	-	-	-	(7,175,918)	(4,043,564)
36,776,499	32,918,970	224,859	236,636	442,609	486,458	409,064	331,905	81,249,012	74,836,702
-	-	(21,196)	(16,912)	-	-	(405,909)	(329,426)	(1,560,047)	(3,008,614)
36,776,499	32,918,970	203,663	219,724	442,609	486,458	3,155	2,479	79,688,965	71,828,088
4,763,341	4,795,454	149,607	163,210	(44,664)	31,699	(27,714)	(64,203)	9,264,206	9,591,060
14,794	35,898	-	-	91	323	-	-	597,722	(1,026,472)
(538,182)	-	-	-	-	-	-	-	(538,182)	-
4,239,953	4,831,352	149,607	163,210	(44,573)	32,022	(27,714)	(64,203)	9,323,746	8,564,588
(578,069)	(877,267)	9,617	4,850	3,036	28,218	(302)	22	(4,911,605)	(3,552,798)
-	-	-	-	-	-	-	-	(3,556)	5,829
3,661,884	3,954,085	159,224	168,060	(41,537)	60,240	(28,016)	(64,181)	4,408,585	5,017,619
(1,735,755)	(390,775)	(39,650)	(47,700)	-	-	(1,216)	-	(2,664,636)	(1,937,532)
234,693	(1,166,494)	(4,752)	(5,246)	4,170	(5,521)	-	-	527,907	(521,135)
(1,501,062)	(1,557,269)	(44,402)	(52,946)	4,170	(5,521)	(1,216)	-	(2,136,729)	(2,458,667)
2,160,822	2,396,816	114,822	115,114	(37,367)	54,719	(29,232)	(64,181)	2,271,856	2,558,952
-	-	-	-	-	-	-	-	(123,168)	(124,485)
2,160,822	2,396,816	114,822	115,114	(37,367)	54,719	(29,232)	(64,181)	2,148,688	2,434,467
479,671	545,926	48,941	49,365	(15,360)	22,496	(13,353)	(29,317)	(98,753)	863,604
1,681,151	1,850,890	65,881	65,749	(22,007)	32,223	(15,879)	(34,864)	2,247,441	1,570,863
2,160,822	2,396,816	114,822	115,114	(37,367)	54,719	(29,232)	(64,181)	2,148,688	2,434,467

Notes to the Condensed Interim Financial Statements

Condensed Interim Financial Statements

Unaudited financial statements for the nine months ended 31st December 2019

(Amounts expressed in Sri Lankan Rs. '000)

Operating Segment Information - Group

(b) Segments Assets/ liabilities are as follows:

Business Segment	Investment Holdings		Portfolio & Asset Management		Oil Palm Plantations		Oils and fats	
As at	31.12.2019	31.03.2019	31.12.2019	31.03.2019	31.12.2019	31.03.2019	31.12.2019	31.03.2019
SEGMENT ASSETS								
Non - Current Assets								
Fixed assets**	-	-	2,090	2,185	67,095,665	65,145,944	7,894,706	8,218,805
Intangible assets	-	-	97,386	100,720	752,186	749,971	1,437,290	1,605,695
Investment in equity accounted investee	-	-	44,570	48,123	556,136	-	-	-
Deferred tax assets	-	-	922	2,611	4,702,614	4,082,305	-	-
Other financial receivables	-	-	-	-	-	-	-	-
Other non financial receivables	-	-	-	-	8,036,056	5,729,033	-	-
Total non - current assets	-	-	144,968	153,639	81,142,657	75,707,253	9,331,996	9,824,500
Current Assets								
Inventories / biological assets	-	-	-	-	4,144,440	3,750,056	3,263,354	2,053,722
Trade debtors and other financial assets	-	-	13,913	42,299	1,991,524	1,357,433	2,427,257	2,087,508
Other non financial receivables	22,396	18,542	85,093	66,188	9,910,008	5,448,369	3,844,504	716,324
Investment in equity and debt securities	94,033	89,048	11,213,993	9,843,117	-	-	-	-
Cash and cash equivalents	43,106	141,646	2,149,221	1,773,714	638,012	1,529,305	1,884,573	445,430
	159,535	249,236	13,462,220	11,725,318	16,683,984	12,085,163	11,419,688	5,302,984
Assets held for sale	-	-	-	-	-	-	703,065	702,927
Total current assets	159,535	249,236	13,462,220	11,725,318	16,683,984	12,085,163	12,122,753	6,005,911
Total segmental assets	159,535	249,236	13,607,188	11,878,957	97,826,641	87,792,416	21,454,749	15,830,411
SEGMENT LIABILITIES								
Non - Current Liabilities								
Loans and borrowings/ debentures	-	-	-	-	44,859,463	33,607,495	5,534,760	5,701,464
Other financial payables	-	-	-	-	-	-	-	-
Other non financial liabilities	-	-	9,226	7,758	1,160,405	1,057,310	-	-
Deferred tax liabilities	-	-	-	-	3,793,628	3,595,898	343,898	327,235
Total non - current liabilities	-	-	9,226	7,758	49,813,496	38,260,703	5,878,658	6,028,699
Current Liabilities								
Trade and other financial liabilities	248,358	345,092	157,741	194,784	10,753,810	6,632,248	5,462,017	1,924,518
Loans and borrowings/ debentures	1,879,889	1,609,594	523,761	182,172	9,210,009	13,642,972	5,611,675	6,709,743
Total current liabilities	2,128,247	1,954,686	681,502	376,956	19,963,819	20,275,220	11,073,692	8,634,261
Total segmental liabilities	2,128,247	1,954,686	690,728	384,714	69,777,315	58,535,923	16,952,350	14,662,960

** Fixed assets include, Property plant & equipments, Bearer Plants, Rights of use assets, Leasehold land rights & Investment properties.

Beverage		Real Estate		Leisure		Management Services		Group	
31.12.2019	31.03.2019	31.12.2019	31.03.2019	31.12.2019	31.03.2019	31.12.2019	31.03.2019	31.12.2019	31.03.2019
19,206,136	18,493,199	4,283,640	4,273,888	2,018,610	2,007,612	72,201	23,266	100,573,048	98,164,899
2,019,678	2,556,356	12,799	12,799	-	-	769	944	4,320,108	5,026,486
-	-	-	-	-	-	-	-	600,706	48,123
7,828	7,828	-	-	-	-	17,124	17,123	4,728,488	4,109,867
-	-	-	-	24,759	24,759	-	-	24,759	24,759
-	-	-	-	-	-	-	-	8,036,056	5,729,033
21,233,642	21,057,383	4,296,439	4,286,687	2,043,369	2,032,371	90,094	41,333	118,283,165	113,103,167
3,157,832	2,562,431	-	-	23,003	17,180	633	84	10,589,262	8,383,473
1,281,764	1,399,301	28,626	24,558	32,157	69,390	324	178	5,775,565	4,980,667
1,034,714	952,724	144,196	131,805	40,095	26,321	19,040	13,187	15,100,046	7,373,460
-	-	35,132	40,150	115,878	29,482	-	-	11,459,036	10,001,797
9,222,896	10,564,799	335,419	271,930	130,203	123,076	42,546	25,822	14,445,976	14,875,722
14,697,206	15,479,255	543,373	468,443	341,336	265,449	62,543	39,271	57,369,885	45,615,119
-	-	-	-	-	-	-	-	703,065	702,927
14,697,206	15,479,255	543,373	468,443	341,336	265,449	62,543	39,271	58,072,950	46,318,046
35,930,848	36,536,638	4,839,812	4,755,130	2,384,705	2,297,820	152,637	80,604	176,356,115	159,421,213
2,528,249	3,326,271	-	-	156,018	57,312	-	-	53,078,490	42,692,542
-	-	74,579	87,368	-	-	-	-	74,579	87,368
195,235	204,060	3,533	3,302	21,525	19,950	62,986	50,677	1,452,910	1,343,057
4,858,072	5,092,765	1,018,139	1,013,386	202,473	206,644	-	-	10,216,210	10,235,928
7,581,556	8,623,096	1,096,251	1,104,056	380,016	283,906	62,986	50,677	64,822,189	54,358,895
5,140,871	5,417,979	244,641	266,967	158,307	153,112	59,059	74,093	22,224,804	15,008,792
9,320,522	10,327,405	-	-	53,904	51,323	18,500	233	26,618,260	32,523,442
14,461,393	15,745,384	244,641	266,967	212,211	204,435	77,559	74,326	48,843,064	47,532,234
22,042,949	24,368,480	1,340,892	1,371,023	592,227	488,341	140,545	125,003	113,665,253	101,891,129

Notes to the Condensed Interim Financial Statements

Condensed Interim Financial Statements

Unaudited financial statements for the nine months ended 31st December 2019

(Amounts expressed in Sri Lankan Rs. '000)

1 REPORTING ENTITY

Bukit Darah PLC is a limited liability company which is incorporated in Sri Lanka. The ordinary shares of the Company have a primary listing on the Colombo Stock Exchange.

The Group is a diversified conglomerate and one of the foremost business establishments in Sri Lanka backed by a heritage of well over 100 years. Today it is positioned as a Group whose outlook is regional and focused on a future which is technology-oriented, results driven and world class.

The Group businesses range from oil palm plantations in Indonesia, palm oil refining in Malaysia to breweries, investment holdings, portfolio & assets management, real estate and leisure in Sri Lanka. The Group has offices in Malaysia, Singapore, Indonesia and India, in addition to Sri Lanka.

There were no significant changes in the nature of the principal activities of the Company and the Group during the financial period under review.

2 BASIS OF PREPARATION OF INTERIM CONDENSED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements for the period ended 31st December 2019 have been prepared in accordance with LKAS 34 Interim Financial Reporting. The Group has applied the same accounting policies and methods of computation in the preparation of the consolidated financial statements for the current reporting period compared with the audited financial statements as at 31 March 2019.

The interim condensed financial statements are presented in Sri Lankan Rupees (LKR) and all values are rounded to the nearest thousand except when otherwise indicated.

(a) New standards, interpretations and amendments adopted by the Group

The Group and the Company adopted SLFRS 16, 'Leases', with effect from 1st April 2019, which resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. The Group and Company has adopted SLFRS 16 using modified retrospective method from 1st April 2019, without restating comparatives for the 2018/19 reporting period, as permitted under the specific transitional provisions in the standard.

On adoption of SLFRS 16, the Company and the Group recognised right-of-use assets and lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of LKAS 17, 'Leases'.

i) Nature of the effect of adoption of SLFRS 16

The Group has lease contracts for various items such as lands and vehicles. Vehicle leases are the major asset included in the right of use assets category. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. On adoption of SLFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of LKAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate as of the transition date.

ii) Summary of new accounting policies

Set out below are the new accounting policies of the Group upon adoption of SLFRS 16, which have been applied from the date of initial application:

Right of use assets

The Group recognises right of use assets when the underlying asset is available for use. Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right of use assets are depreciated on a straight-line basis over the shorter of its estimated useful life or the lease term. Right of use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The effect of adopting SLFRS 16 is, as follows

Description	Right of Use Assets	Lease Creditor
As at 1st April 2019	292,574	296,947
Addition	5,643	5,643
Depreciation	(50,368)	-
Interest Expense	-	26,985
Payments	-	(63,347)
As at 31st December 2019	247,849	266,228

**Lease Creditors classified under Loans and borrowings*

3 SEGMENTAL INFORMATION

For management purposes the Group's primary format segment reporting is Industry segments. The risks and returns of the Group's operations are primarily determined by the nature of the different activities that the group engages in, rather than the geographical location of these operations.

This is reflected by the Group's organizational structure. Industry segment activities of the group have been broadly classified into eight segments: Investment Holdings, Portfolio and Asset Management, Oil Palm Plantations, Beverage, Real-Estate, Leisure, Oils & Fats and Management Services according to the nature of product sold or service rendered. The principal product and services of each segments are follows.

Notes to the Condensed Interim Financial Statements

Condensed Interim Financial Statements

Unaudited financial statements for the nine months ended 31st December 2019

(Amounts expressed in Sri Lankan Rs. '000)

Investment Holdings - Holding of Strategic Investments

Portfolio and Asset Management - Investment and management of listed, private equity, fixed income and unit trust investments

Oils & Fats	Manufacturing, marketing and selling of refined oils and specialty fats to the bakery, chocolate and confectionery, Ice creams and creamer industries.
Oil Palm Plantations	Production and sale of palm oil, palm kernel and fresh fruit bunches (FFB) to the local and international market.
Beverage	Production and sale of Beer, Import & distribution of alcoholic beverages
Real Estate	Letting office and warehouse premises on rent for commercial purposes.
Leisure	Hoteliering.
Management Services	Providing support services to the Group Companies.

Sales between segments are made at prices that approximate the market prices. Segment revenue, segment expenses and segment results include transactions between industry segments. These transactions and any unrealized profits and losses are eliminated on consolidation. Segmental expenses are expenses that are directly attributed to a relevant segment or a portion of expenses that can be allocated on a reasonable basis as determined by the Management.

4 EXCHANGE RATES

The results and net assets of the Group, as reported in Sri Lankan Rupees, are affected by movements in exchange rates between Sri Lankan Rupees and operational currencies of overseas subsidiaries. Bukit Darah PLC uses the average of respective exchange rates prevailing during the period to translate the results and cash flows of overseas Group subsidiaries and associates into Sri Lankan Rupees and period end rates to translate the net assets of those undertakings. The currencies which most influence these translations and the relevant exchange rates, are:

	Nine Months ended 31.12.2019 Rs.	Six Months ended 30.09.2019 Rs.	Three Months ended 30.06.2019 Rs.	Nine Months ended 31.12.2018 Rs.	Year ended 31.03.2019 Rs.
Average rates:					
Malaysian Ringgit	42.88	42.60	42.42	40.52	41.37
US Dollar	178.29	176.97	175.83	164.85	168.52
Indonesian Rupiah (Rp)	0.0126	0.0125	0.0123	0.0114	0.0117
Indian Rupee	2.53	2.53	2.53	2.37	2.41
Period-end rates:					
Malaysian Ringgit	44.38	43.45	42.61	44.08	43.16
US Dollar	181.50	181.73	176.48	182.71	176.09
Indonesian Rupiah (Rp)	0.0131	0.0128	0.0125	0.0126	0.0124
Indian Rupee	2.55	2.58	2.56	2.61	2.55

5 DISCONTINUED OPERATION

Loss for the period from discontinued operation

	For the three months ended 31st December		For the nine months ended 31st December	
	2019 Rs '000	2018 Rs '000	2019 Rs '000	2018 Rs '000
Revenue	-	-	-	-
Direct operating expenses	-	-	-	-
	-	-	-	-
Other income	-	-	1,529	956
Administrative expenses	(22,302)	(17,188)	(40,507)	(42,766)
Loss from operations	(22,302)	(17,188)	(38,978)	(41,810)
Net finance cost	(22,510)	(29,077)	(84,190)	(82,675)
Loss before Income tax expenses	(44,812)	(46,265)	(123,168)	(124,485)
Income tax expenses				
Current taxation	-	-	-	-
Deferred taxation	-	-	-	-
	-	-	-	-
Loss from discontinued operation, net of tax	(44,812)	(46,265)	(123,168)	(124,485)

The major classes of assets of Oil and Fats segment (Indian operation) classified as held for sale as at 31st December 2019 are as follows:

	Group	
As at	31st December 2019 Rs '000	31st March 2019 Rs '000
Oils and fats		
Assets		
Property, plant & equipments	703,065	702,927
	703,065	702,927

Notes to the Condensed Interim Financial Statements

Condensed Interim Financial Statements

Unaudited financial statements for the nine months ended 31st December 2019

(Amounts expressed in Sri Lankan Rs. '000)

6 DIVIDEND

	Total Dividend		Dividend per share	
	2019	2018	2019	2018
On ordinary shares				
First Interim Dividend	51,000	-	0.50	-
	51,000	-	0.50	-
On preference shares				
Annual Dividend	108	108	0.08	0.08
Paid for 2020	7,266	-	3.95	-
	7,374	108	4.03	0.08

7 INTANGIBLE ASSETS

	Goodwill	Customer Relationship	Brand	Total as at 31st December 2019	Total as at 31st March 2019
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Cost					
Balance at beginning of period	1,583,053	390,551	2,326,935	4,300,539	4,320,574
Impact on dilution of equity holding	(156,603)	(4,164)	-	(160,767)	-
Impairment loss	-	-	(538,182)	(538,182)	-
	1,426,450	386,387	1,788,753	3,601,590	4,320,574
Accumulated Amortisation					
Balance at beginning of period	-	351,506	-	351,506	331,984
Amortization	-	14,640	-	14,640	19,522
Impact on dilution of equity holding	-	(1,041)	-	(1,041)	-
	-	365,105	-	365,105	351,506
Balance at end of period	1,426,450	21,282	1,788,753	3,236,485	3,969,068

8 RELATED PARTY TRANSACTIONS

For the nine months ended 31st December	Group		Company	
	2019 Rs '000	2018 Rs '000	2019 Rs '000	2018 Rs '000
Transactions with related parties				
Subsidiaries				
Dividend income received	-	-	-	-
Secretariat fees paid	-	-	9,000	9,000
Secretarial fees paid	-	-	333	333
Computer charges paid	-	-	180	180
Joint Ventures				
Secretarial fees received	178	178	-	-

9 STATED CAPITAL

As at 31st December	Group/Company	
	2019	2018
	Rs '000	Rs '000
Issued and Fully Paid		
102,000,000 Ordinary shares	371,880	371,880
1,839,568 8% Participating Cumulative Preference shares	40,755	40,755
	412,635	412,635

10 LOANS AND BORROWINGS

As at	Group 31st December 2019		Group 31st March 2019	
	Secured Rs '000	Unsecured Rs '000	Secured Rs '000	Unsecured Rs '000
(a) Long term bank borrowings	52,669,801	3,003,889	48,592,180	4,899,620
Short term bank borrowings	12,363,743	11,051,912	10,401,187	8,921,073
Finance lease payable	607,405	-	323,639	-
Debenture	-	-	-	2,078,285
	65,640,949	14,055,801	59,317,006	15,898,978
			-	-
(b) Amount repayable after one year	50,758,589	2,319,900	39,366,271	3,326,271
Amount repayable in one year or less, or on demand	14,882,360	11,735,901	19,950,735	12,572,707
	65,640,949	14,055,801	59,317,006	15,898,978

(c) Goodhope - Loan Refinancing

Goodhope Asia Holdings Limited ("GAHL") successfully completed raising of USD 295 mn of debt facilities ("Facilities") comprising (i) US\$ 170 mn 5-year senior, secured, amortizing term-loan from a club of six banks (ii) US\$ 125 mn term-loan facilities comprising \$105 mn 6-year senior secured non-amortizing term loan and US\$ 20 mn working capital facility from a Global Investment Manager. These facilities have been secured by assets of borrowers and guarantees.

Proceeds from the Facilities (A) were applied towards repayment of the existing term loan facilities including the USD 400 mn Syndicate Facility – Oil Palm Plantations, and (B) to be used for general corporate and working capital requirements of GAHL and its subsidiaries.

- (d) The bank term loans and short term working capital loans of the Oil Palm Plantation sector and Oil & Fats sector are secured by a pledge over property, plant and equipment, bearer plants, fixed deposits and other deposits with financial institutions, Inventories, trade receivables and by within the sector corporate guarantees.

Notes to the Condensed Interim Financial Statements

Condensed Interim Financial Statements

Unaudited financial statements for the nine months ended 31st December 2019

(Amounts expressed in Sri Lankan Rs. '000)

- 11** Premium Nutrients Private Limited (PNPL), a fully owned subsidiary of Goodhope Asia Holdings Ltd has concluded a business tie-up with J-Oil Mills INC, a listed entity on the Tokyo Stock Exchange, Japan on 2nd December 2019 for equity dilution in two subsidiary Companies of PNPL given below.

PNPL held 100% ownership in Premium Fats Sdn Bhd and Premium Vegetable Oils Sdn Bhd. J-Oil Mills INC acquired 51% stake in Premium Fats Sdn Bhd and a 20% stake in Premium Vegetable Oils Sdn Bhd at a total consideration of USD 12mn. [Equivalent to Rs. 2.17 Bn]

J-Oil Mills, INC engages in the production, processing, and sale of fats and oil products. It operates in three Segments. The oil and fats business segment offers fats and oil, soybean meals, and rapeseed meals. The oil and fats processing business segment offers margarine and powdered oil. The foodstuffs and fine material business includes the production, processing, and sale of starch, and chemical products.

PNPL continues to hold 49% stake in Premium Fats Sdn Bhd and 80% stake in Premium Vegetable Oils Sdn Bhd. Premium Fats Sdn Bhd will no longer be considered as a subsidiary Company within the Carson Cumberbatch Group.

12 IMPAIRMENT OF INTANGIBLE ASSETS

Lion Brewery Ceylon PLC (LBCPLC) acquired brands amounting to Rs. 4,000 mn during FY 2014/15 from Millers Brewery Limited. The said acquisition consisted of five brands namely, Sando Power, Sando Stout, Three Coins, Grand Blonde and Irish Dark. Brands are not amortised as the useful life is considered to be infinite given the nature of the assets. In March 2017 these brands were impaired by Rs. 1,673 mn and the carrying value as at 1 April 2019 was Rs. 2,326 mn.

Consequent to the evaluation of the short term down turn post April Easter Attacks and the inclement weather during the period under review an impairment test was carried out for the brands acquired from Millers Brewery Ltd as at 31st December 2019 as per the accounting standard LKAS 36. LBCPLC had computed its recoverable amount of the acquired brands by forecasting the annual sales values and discounting such estimated cash flows by its cost of equity. Accordingly, the carrying value of the said brands as at 31st December 2019 stands at Rs.1,788 mn resulting in an impairment of Rs. 538 mn which has been charged to the income statement.

- 13** There were no liabilities for management fees or any other similar expenditure not provided for in the interim financial statements.
- 14** The financial statements presented above have not been audited or reviewed by the Company auditors.
- 15** Net assets per share has been calculated for all periods, based on the number of Ordinary shares in issue as at 31st December 2019.

16 CONTINGENT LIABILITIES

There were no changes of material nature in the contingent liabilities since the last annual balance sheet date.

17 CAPITAL COMMITMENTS

There were no changes of material nature in the capital commitments since the last annual balance sheet date.

18 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

No material events took place since December 31st, 2019 that require disclosure in these Financial Statements.

19 DIRECTORS SHAREHOLDING AS AT 31ST DECEMBER 2019

Directors shareholding in the ordinary shares of the company are as follows:

	No of Shares
Mr. H. Selvanathan (Chairman)	153,112
Mr. M. Selvanathan	44,214
Mr. I. Paulraj	1,127
Mr. D. C.R. Gunawardena	-
Mr. L. R. de Lanerolle	3,074
Mr. S. K. Shah	-
Mr. M. Dayananda	-

Alternate Director

Mr. K. Selvanathan (for Mr. M. Selvanathan)	-
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8% Participating Cumulative Preference shares

Mr. H. Selvanathan	345,130
Mr. M. Selvanathan	824,231

20 TWENTY MAJOR SHAREHOLDERS - ORDINARY SHARES

Name of Shareholder	31.12.2019	
	No. of Shares	%
Rubber Investment Trust Limited A/C No.03	20,438,250	20.04
Portelet Limited	9,409,500	9.23
Skan Investments (Pvt) Limited.	8,357,904	8.19
Goodhope Holdings (Pvt) Limited.	8,149,039	7.99
Newgreens Limited	7,905,000	7.75
Interkrish Investment Company (Pvt) Limited.	7,314,903	7.17
Krish Investment Company (Pvt) Ltd.	7,304,150	7.16
Carson Cumberbatch PLC A/C No.2	6,270,781	6.15
Mrs. V. Nataraj	4,392,535	4.31
Mr. V. Nataraj	4,312,911	4.23
Gee Gees Properties (Pvt) Ltd	3,734,220	3.66
Employees Provident Fund	2,857,872	2.80
S. Kanapathy Chetty (Private) Limited.	2,139,922	2.10
Pershing LLC S/A Averbach Grauson & Co.	1,555,572	1.53
Ceylon Finance and Securities (Private) Ltd	1,006,085	0.99
Thurston Investments Limited	871,570	0.85
Mr. E.A. Samaraweera	612,000	0.60
Mrs. H. Pope (Decd)	612,000	0.60
Mr. W. Tippetts	520,200	0.51
Mr. K.C. Vignarajah	496,086	0.49

Notes to the Condensed Interim Financial Statements

Condensed Interim Financial Statements

Unaudited financial statements for the nine months ended 31st December 2019

(Amounts expressed in Sri Lankan Rs. '000)

21 PUBLIC HOLDING

The Company is in compliance with the Minimum Public Holding requirements for Companies listed on the Main Board as per Rule 7.13.1.a. of the Listing Rules of the Colombo Stock Exchange, under Option 5, i.e. Float-adjusted Market Capitalization of less than Rs.2.5 Billion with 500 Public Shareholders and a Public Holding percentage of 20%.

The Company's Public Holding as at 31st December 2019

Market Capitalization of the Public Holding - Rs. 5.41Bn

Percentage of ordinary shares held by the public - 23.04%

Number of Public Shareholders - 1,657

22 INVESTOR INFORMATION

As at	Nine Months ended 31.12.2019	Third quarter ended 31.12.2019	Second quarter ended 30.09.2019	First quarter ended 30.06.2019	Nine Months ended 31.12.2018	Year ended 31.03.2019
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Market Performance -Ordinary Shares

Market value per share (Rs.) - closing	230	230	239	200	205	200
Highest price per share (Rs.)	250	250	245	210	238	238
Lowest price per share (Rs.)	180	210	202	180	199	190

Share Trading

Value of shares traded (Rs. Mn)	40	7	24	9	19	33
Number of shares traded	184,885	31,985	110,177	42,723	86,958	156,843
Number of trades	428	190	158	80	378	486

Other Information

Market Capitalization (Rs. Mn)	23,470	23,470	24,347	20,410	20,920	20,400
Enterprise Value (Rs. Mn)	128,585	128,585	124,999	117,092	120,420	115,720

Corporate Information

NAME OF THE COMPANY

Bukit Darah PLC

COMPANY REGISTRATION NO.

PQ 56

LEGAL FORM

A Public Quoted Company with limited liability.
Incorporated in Sri Lanka in 1916.

BOARD OF DIRECTORS

Mr. H. Selvanathan (*Chairman*)
Mr. M. Selvanathan
Mr. I. Paulraj
Mr. D. C. R. Gunawardena
Mr. L. R. de Lanerolle
Mr. S.K. Shah
Mr. M. Dayananda

ALTERNATE DIRECTOR

Mr. K. Selvanathan (*for Mr. M. Selvanathan*)

AUDIT COMMITTEE

Mr. L. R. de Lanerolle (*Chairman*)
Non-Executive/Independent Director

Mr. M. Dayananda
Non-Executive/Independent Director

Mr. D. C.R. Gunawardena
Non-Executive Director

REMUNERATION COMMITTEE

Mr. M. Dayananda (*Chairman*)
Non-Executive/Independent Director

Mr. D. C.R. Gunawardena
Non-Executive Director

Mr. L. R. de Lanerolle
Non-Executive/Independent Director

NOMINATION COMMITTEE

Mr. I. Paulraj (*Chairman*)
Non-Executive Director

Mr.D.C.R. Gunawardena
Non-Executive Director

Mr. L.R. De Lanerolle
Non-Executive/Independent Director

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

Mr. L. R. de Lanerolle (*Chairman*)
Non-Executive/Independent Director

Mr. M. Dayananda
Non-Executive/Independent Director

Mr. D. C.R. Gunawardena
Non-Executive Director

Mr. H. Selvanathan
Executive Director

Mr. M. Selvanathan
Executive Director

BANKERS

Standard Chartered Bank
Commercial Bank of Ceylon PLC
Deutsche Bank

AUDITORS

Messrs KPMG
Chartered Accountants
No. 32A,
Sir Mohamed Macan Markar Mawatha,
Colombo 3
Sri Lanka
Tel: 94-11-5426426
Fax: 94-11-2445872

SECRETARIES

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No. 61, Janadhipathi Mawatha, Colombo 1
Sri Lanka
Tel: 94-11-2039200
Fax: 94-11-2039300

REGISTERED OFFICE

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