



Goodhope

A CARSON CUMBERBATCH COMPANY



Good Hope PLC

**Summarised Financial Report
for the year ended
31st March 2022**

GOOD HOPE PLC
Statement of Profit or Loss

(All figures in Sri Lankan Rupees '000)

| | Quarter ended | | | Year ended | | |
|---|---------------|--------------|-------------|---------------|--------------|-------------|
| | 31st March | | Change | 31st March | | Change |
| | 2022 | 2021 | | 2022 | 2021 | |
| | | | | | | |
| Dividend Income | - | - | - | 22,845 | - | 100% |
| Interest Income | 577 | 770 | -25% | 1,918 | 3,935 | -51% |
| Other Income | 259 | 1,444 | -82% | 259 | 1,444 | -82% |
| | 836 | 2,214 | -62% | 25,022 | 5,379 | 365% |
| Administrative expenses | (623) | 253 | -346% | (1,994) | (1,168) | 71% |
| Profit before tax for the period | 213 | 2,467 | -91% | 23,028 | 4,211 | 447% |
| Income tax expense | 49 | (159) | -131% | (117) | (664) | -82% |
| Profit for the period | 262 | 2,308 | -89% | 22,911 | 3,547 | 546% |
| Earnings Per Share (Rs.) | 0.07 | 0.59 | | 5.90 | 0.91 | |

Statement of Comprehensive Income

| | Quarter ended | | | Year ended | | |
|---|------------------|------------------|-------------|------------------|------------------|-------------|
| | 31st March | | Change | 31st March | | Change |
| | 2022 | 2021 | | 2022 | 2021 | |
| | | | | | | |
| Profit for the period | 262 | 2,308 | -89% | 22,911 | 3,547 | 546% |
| Other comprehensive income | | | | | | |
| Other Comprehensive Income/(Loss) not to be reclassified to profit or loss in subsequent periods | | | | | | |
| Gain on Change in Fair Value of Financial Assets classified under Fair Value through Other Comprehensive income (FVOCI) | 3,606,322 | 1,328,082 | 172% | 3,591,354 | 1,278,821 | 181% |
| Net Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods | 3,606,322 | 1,328,082 | 172% | 3,591,354 | 1,278,821 | 181% |
| Total Comprehensive Income for the period, net of tax | 3,606,584 | 1,330,390 | 171% | 3,614,265 | 1,282,368 | 182% |

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)

| | Note | As at 31.03.2022 | As at 31.03.2021 |
|-------------------------------------|----------|---------------------|---------------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, Plant and Equipment | | 311 | 113 |
| Non-current financial assets | (Note 3) | 10,688,818 | 7,097,464 |
| Total Non- Current Assets | | 10,689,129 | 7,097,577 |
| Current Assets | | | |
| Prepayments and other receivable | | 338 | 349 |
| Income tax receivable | | 631 | 582 |
| Short term investments | | 36,233 | 53,469 |
| Cash and cash equivalents | | 5,487 | 5,740 |
| Total Current Assets | | 42,689 | 60,140 |
| Total Assets | | 10,731,818 | 7,157,717 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Stated capital | (Note 6) | 68,713 | 68,713 |
| Retained earnings | | 92,971 | 111,888 |
| Other reserves | | 10,537,434 | 6,946,080 |
| Total Shareholders' Funds | | 10,699,118 | 7,126,681 |
| Current Liabilities | | | |
| Provisions and Accrued Expenses | | 343 | 257 |
| Unclaimed dividend | | 32,357 | 30,779 |
| Total Current Liabilities | | 32,700 | 31,036 |
| Total Liabilities | | 32,700 | 31,036 |
| Total Equity and Liabilities | | 10,731,818 | 7,157,717 |
| Net Asset per share (Rs.) | | 2,754.82 | 1,834.98 |

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.)

Rushdi Azeez
Director
Agro Harapan Lestari (Pvt) Ltd

23rd May 2022

The above figures are subject to audit.

(Sgd.)

H. Selvanathan
Chairman

(Sgd.)

M. Selvanathan
Director

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 01st April 2020 | 68,713 | 5,667,259 | 108,341 | 5,844,313 |
| Profit for the year | - | - | 3,547 | 3,547 |
| Other comprehensive income for the year | - | 1,278,821 | - | 1,278,821 |
| Total comprehensive income for the year | - | 1,278,821 | 3,547 | 1,282,368 |
| Balance as at 31st March 2021 | 68,713 | 6,946,080 | 111,888 | 7,126,681 |

| | Stated Capital | Fair Value Reserve | Retained Earnings | Total Shareholders' Funds |
|--|-----------------------|---------------------------|--------------------------|----------------------------------|
| Balance as at 01st April 2021 | 68,713 | 6,946,080 | 111,888 | 7,126,681 |
| Profit for the year | - | - | 22,911 | 22,911 |
| Other comprehensive income for the year | - | 3,591,354 | - | 3,591,354 |
| Total comprehensive income for the year | - | 3,591,354 | 22,911 | 3,614,265 |
| Interim Dividend - 2021/22 (Note 8) | - | - | (41,828) | (41,828) |
| Balance as at 31st March 2022 | 68,713 | 10,537,434 | 92,971 | 10,699,118 |

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

GOOD HOPE PLC
Cash Flow Statement

For the year ended 31st March
 (All figures in Sri Lankan Rupees '000)

| | 2022 | 2021 |
|---|--------------|--------------|
| Net cash (outflows) / inflows from operating activities | (1,892) | (827) |
| Net cash inflows / (outflows) from investing activities | 41,630 | (7,335) |
| Net cash outflows from financing activities | (39,991) | - |
| Increase / (Decrease) in cash and cash equivalents | (253) | (8,162) |
| Cash and cash equivalents at the beginning of the year | 5,740 | 13,902 |
| Cash and cash equivalents at the end of the year | 5,487 | 5,740 |
| Cash and cash equivalents: | | |
| Cash and bank balances | 1,402 | 412 |
| Short-term deposits | 4,085 | 5,328 |
| | 5,487 | 5,740 |

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 2021.

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 2021 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 31st March 2022 and 31st March 2021 are as follows :

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

| | | Fair value measurement using | | | |
|--|--------------------------|-------------------------------------|------------------|--------------------|---------------------|
| | | | Quoted | Significant | Significant |
| | | | prices in | observable | unobservable |
| | | | active | inputs | inputs |
| | | | markets | (Level 2) | (Level 3) |
| | | | (Level 1) | | |
| Non Current Financial Assets | Date of valuation | Total | | | |
| Measured at Fair Value: | | | | | |
| As at 31st March 2022 | | | | | |
| <u>Equity Investments at Fair Value through OCI (FVOCI)</u> | | | | | |
| <u>Quoted Equity Shares</u> | | | | | |
| Shalimar (Malay) PLC (Note 4(b)) | 31st March 2022 | 202,383 | 202,383 | - | - |
| <u>Unquoted Equity Shares</u> | | | | | |
| Shalimar Developments Sdn.Bhd. (Note 4(a)) | 31st December 2021 | 10,486,435 | - | - | 10,486,435 |
| FVOCI financial assets as at 31st March 2022 | | 10,688,818 | 202,383 | - | 10,486,435 |
| As at 31st March 2021 | | | | | |
| <u>Equity Investments at Fair Value through OCI (FVOCI)</u> | | | | | |
| <u>Quoted Equity Shares</u> | | | | | |
| Shalimar (Malay) PLC (Note 4(b)) | 31st March 2021 | 201,329 | 201,329 | - | - |
| <u>Unquoted Equity Shares</u> | | | | | |
| Shalimar Developments Sdn.Bhd.(Note 4(a)) | 31st December 2020 | 6,896,135 | - | - | 6,896,135 |
| FVOCI financial assets as at 31st March 2021 | | 7,097,464 | 201,329 | - | 6,896,135 |

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 2021: 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.

The Company obtained the services of PricewaterhouseCoopers (Private) Ltd (PwC Sri Lanka) to carry out an independent indicative fair market valuation of the equity interest in the unquoted investment in SDSB as at valuation date of 31 December 2021. 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:

- Estimated economic life of the oil palm plantations of PTAI is 26 years (including the immature period).
- Consider one planting cycle (i.e. no replantation at the end of the economic life).
- Yield per hectare based on year of planting, maturity profile and terrain.
- CPO ex-mill prices in FY 2022/23 is estimated to be USD 658/MT and this is assumed to change in line with the World Bank CPO Price forecast (Oct 2021) adjusted for the Indonesia Palm oil levy that prevailed, i.e until FY 2040/41. After FY 2030/31 prices are assumed to remain unchanged.
- Weighted average cost of capital (WACC) of 8.88%.
- Indonesian corporate taxation rate at 22% in FY 2021 and thereafter.
- Inflation assumed approximately 3% p.a.

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 8.88%.

| | 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 | (831) | 894 | 2,871 | (2,871) | 2,018 | (2,018) |

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

The Company holds a non-controlling interests of 3.10% (March 2021 : 3.10%) in Shalimar (Malay) PLC. The fair value of the said investment is determined by reference to published price quotations in the Colombo Stock Exchange.

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 other than mentioned in note 5.3.1.

5.3.1 Export of Crude Palm Oil (CPO) was banned by the Government of Indonesia on 28th April 2022. The ban was imposed with the objective of stabilizing the local market Cooking Oil/ Palm Oil Price and industry experts believe that the imposed ban is temporary. The law imposing the ban was enacted subsequent to the reporting period. On 23rd May 2022, an announcement has been made that the ban on export of CPO is being lifted. Therefore, no adjustments were deemed necessary for the financial statements of the current year. Further, Management is of the view that the impact of this action will not be material.

6. Stated Capital

Stated capital of the company consists of,

| As at 31.03.2022 | As at 31.03.2021 |
|---------------------|---------------------|
| 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. 0.22 Mn (31st March 2021 : Rs.0.22 Mn) has been charged in arriving at the profit before income tax for the year ended 31st March 2022.

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 year ended 31st March 2022.

8. Dividend

The Company received a dividend from its investment in SDSB in July 2021 and consequently declared an interim dividend of Rs 10.77 per share to the shareholders for the year ending 31st March 2022.

9. 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. The Company assesses the impact due to COVID-19 will not have a material impact on the Company's ability to continue as a going concern. 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 |
|-------------------------------|-----------------|------------|-----------------|
| | 31.03.2022 | 31.03.2021 | 31.03.2022 |
| Highest price per share (Rs.) | 1,750.25 | 1,139.75 | 1,750.25 |
| Lowest price per share (Rs.) | 1,100.00 | 861.25 | 901.00 |
| Last traded price (Rs.) | 1,560.00 | 1,121.90 | 1,560.00 |
| Volume traded (No. of shares) | 823 | 539 | 2,167 |

GOOD HOPE PLC**Additional Notes****I Names and the Number of Shares (voting) held by the top 20 shareholders as at 31st March 2022.**

| | Name of Shareholders | Number of Shares | % |
|----|---|-------------------------|--------------|
| 1 | Goodhope Asia Holdings Ltd | 3,530,821 | 90.91 |
| 2 | Mr. S.S.J.B. Rana | 146,966 | 3.78 |
| 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 | Miss. N.M. Jarvis | 10,497 | 0.27 |
| 8 | Mr. F.W. Obeyesekere (Decd) | 8,397 | 0.22 |
| 9 | Mr. C.C.S. Stephenson (Decd) | 8,397 | 0.22 |
| 10 | Mr. K.C. Vignarajah | 7,283 | 0.19 |
| 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. S. Vignarajah | 6,629 | 0.17 |
| 15 | Mrs. M.R. Layton (Decd) | 5,176 | 0.13 |
| 16 | Administratrix of the Estate of Ramiah (Decd) | 5,176 | 0.13 |
| 17 | Mr. N. Izat (Decd). | 4,197 | 0.11 |
| 18 | Mr. S.A. Obeyesekere | 2,098 | 0.05 |
| 19 | Mrs. G.S. Amerasinghe | 2,098 | 0.05 |
| 20 | Mrs E.W. Tomalin | 2,037 | 0.05 |
| | | 3,865,597 | 99.53 |

II Ordinary Shares of the Company held by the public as at 31st March 2022 are as follows;

| | |
|--|--------------------|
| Number of public shareholders | 388 |
| Percentage of public holding | 9.09% |
| Float adjusted market capitalization (Rs.) | 550,735,823 |

The Company is not in compliance with the minimum public holding requirements set out in Rule 7.14.1 (a) of the Listing Rules of the Colombo Stock Exchange.

III Directors shareholdings as at 31st March 2022.

| Name of Director | Number of Shares |
|-------------------------|-------------------------|
| Mr. H. Selvanathan | - |
| Mr. M. Selvanathan | 1 |
| 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 | 2022 | 2021 |
|---|----------------|---------|
| | March | March |
| Crop Production (MT) | 622,272 | 613,994 |
| CPO (MT) | 128,787 | 130,553 |
| PK (MT) | 30,317 | 30,602 |
| CPO Ex Mill Price (US\$) | 679 | 484 |
| FFB Yield (MT per Hectare) | 20.43 | 25.57 |
| CPO / Ha (MT) | 4.41 | 5.57 |
| 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
Fax; +94 11 2039300

Corporate Website

www.goodhopeholdings.com

Holding Company

Goodhope Asia Holdings Ltd

Ultimate Parent & Controlling Entity

Bukit Darah PLC