



Maskeliya Plantations PLC

Interim Financial Statements

**FOR THE NINE MONTHS ENDED
December 2017**

INTERIM FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL POSITION

	As at 31/12/17 Rs. ' 000	As at 31/12/16 Rs. ' 000	As at 31/03/17 Rs. ' 000
ASSETS			
NON CURRENT ASSETS			
Lease hold Property ,Plant and Equipment	240,727	257,713	252,373
Freehold Property, plant & equipment	558,180	524,827	514,955
Bearer Biological Assets	2,193,572	2,185,317	2,185,652
Consumable Biological Assets	633,224	615,953	633,224
Deferred Tax Assets	36,165	36,165	36,165
	<u>3,661,868</u>	<u>3,619,975</u>	<u>3,622,369</u>
CURRENT ASSETS			
Produce on Bearer Biological Assets	13,465	-	13,465
Inventories	543,037	537,975	485,317
ACT Recoverable	47,926	47,926	47,926
VAT Receivable	20,795	21,036	20,905
Trade and other Receivables	194,536	186,468	196,463
ESC Recoverable	53,579	44,784	43,157
Amount due from Related Parties	4,412	5,252	2,469
Cash and Bank balances	12,932	21,032	10,357
	<u>890,682</u>	<u>864,473</u>	<u>820,059</u>
TOTAL ASSETS	<u>4,552,550</u>	<u>4,484,448</u>	<u>4,442,428</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Stated Capital - Note 01	673,721	673,721	673,721
General Reserve	540,000	540,000	540,000
Timber Reserves	590,473	573,202	590,473
Retained Earnings	(681,917)	(1,042,846)	(921,484)
TOTAL EQUITY	<u>1,122,277</u>	<u>744,077</u>	<u>882,710</u>
NON CURRENT LIABILITIES & DEFERRED INCOME			
Interest Bearing Loans & Borrowings	493,196	423,510	402,502
Retiring Benefit Obligations	849,023	938,283	897,881
Deferred Tax Liability	-	-	-
Deferred Income	194,906	206,668	203,905
Liability to make Lease Payment after one year	108,962	111,174	110,632
	<u>1,646,087</u>	<u>1,679,635</u>	<u>1,614,920</u>
CURRENT LIABILITIES			
Trade & Other payables	501,334	550,206	544,199
Dividend payable	2,008	2,008	2,008
Amount due to Related parties	449,595	472,018	363,383
Interest Bearing Loans & Borrowings	829,019	1,034,274	1,032,978
Liability to make Lease Payment within one year	2,230	2,230	2,230
	<u>1,784,186</u>	<u>2,060,736</u>	<u>1,944,798</u>
TOTAL EQUITY AND LIABILITIES	<u>4,552,550</u>	<u>4,484,448</u>	<u>4,442,428</u>
	Rs.	Rs.	Rs.
Net Assets Per Share	20.80	13.79	16.36

The above figures are subject to audit

These Financial Statements are in Compliance with the requirements of the Companies Act No. 07 of 2007.



Sudheera Epitakumbura
Financial Controller

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Approved and signed for and on behalf of the Board of Directors of Maskeliya Plantations PLC.



S S Poholiyadde
Director



J L A Fernando
Director

08 February 2018

INTERIM FINANCIAL STATEMENTS
STATEMENT OF PROFIT OR LOSS

	Quarter Ended December			Nine Months Ended December			Year Ended
	2017 Rs. ' 000	2016 Rs. ' 000	Variance + / (-) %	2017 Rs. ' 000	2016 Rs. ' 000	Variance + / (-) %	31/03/2017 Rs. ' 000
Revenue	1,032,713	819,914	26	3,328,188	2,400,712	39	3,455,462
Cost of Sales	(894,688)	(750,068)	(19)	(2,855,402)	(2,372,567)	(20)	(3,272,774)
Gross Profit / (Loss)	138,025	69,846	98	472,786	28,145	1,580	182,688
Other Operating Income	7,664	5,834	31	18,118	19,388	(7)	22,700
Gain on Change in Fair Value of Biological Asset	-	-	-	-	-	-	30,223
Administration Expenses	(16,421)	(11,798)	(39)	(46,968)	(34,387)	(37)	(48,815)
Management Fee	(19,326)	(4,500)	(329)	(69,701)	(13,500)	(416)	(27,097)
Finance Cost	(44,222)	(58,028)	24	(128,179)	(175,607)	27	(243,279)
Profit /(Loss) before Taxation	65,720	1,354	4,754	246,056	(175,961)	240	(83,580)
Income Tax (Expense)/Income	(2,163)	-	-	(6,489)	-	-	(9,126)
Net Profit/(Loss) for the period	63,557	1,354	4,594	239,567	(175,961)	236	(92,706)
	Rs.	Rs.		Rs.	Rs.		Rs.
Basic Earnings Per Share	1.18	0.03		4.44	(3.26)		(1.72)

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS
STATEMENT OF COMPREHENSIVE INCOME

	Quarter Ended December			Nine Months Ended December			Year Ended
	2017 Rs.'000	2016 Rs.'000	Variance % +/-(-)	2017 Rs. ' 000	2016 Rs. ' 000	Variance % +/-(-)	31/03/2017 Rs. ' 000
Profit/ (Loss) for the year	63,557	1,354	4,594	239,567	(175,961)	236	(92,706)
Other Comprehensive Income							
Actuarial Gains/(Losses) on Defined benefit Plans	-	-	-	-	-	-	51,167
Income tax effect	-	-	-	-	-	-	-
Other Comprehensive Income for the period, net of tax	-	-	-	-	-	-	51,167
Total Comprehensive Income for the period, net of tax	<u>63,557</u>	<u>1,354</u>	4,594	<u>239,567</u>	<u>(175,961)</u>	236	<u>(41,539)</u>

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS

STATEMENT OF CASH FLOW

For the Nine Months Ended December 2017

	31/12/2017 Rs. ' 000	31/12/2016 Rs. ' 000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before Taxation	246,056	(175,961)
ADJUSTMENTS FOR		
Depreciation/Amortization	87,405	85,763
Provision for Defined Benefit Plan Cost	63,574	119,009
Amortisation of Grants	(9,000)	(9,000)
Gain/(Loss) on change in fair value Timber plantations Net of Harvesting Finance Costs	127,556	174,732
Operating Profit before Working Capital changes	515,591	194,543
(Increase)/Decrease in Trade and other receivables	2,658	(220,168)
(Increase)/Decrease in Inventories	(57,720)	(106,053)
Increase/(Decrease) in Trade and other payables	(41,746)	429,639
Increase/(Decrease) in amounts due to Related Parties	86,887	183,717
(Increase)/Decrease in amounts due from Related Parties	(3,675)	(2,522)
Cash Generated from Operations	501,995	479,156
Finance Costs Paid	(101,411)	(148,856)
Defined Benefit Plan Costs paid	(112,432)	(85,938)
Tax Paid	(16,911)	(9,926)
Net Cash from Operating Activities	271,241	234,436
CASH FLOWS FROM INVESTING ACTIVITIES		
Grants Received	-	468
Field Development Expenditure	(44,455)	(40,434)
Purchase of Property, Plant & Equipment	(82,448)	(14,745)
Net Cash used in Investing Activities	(126,903)	(54,711)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends Paid	-	-
Payment of Government lease rentals	(28,499)	(45,280)
Proceeds from loans	478,805	200,000
Payment of loans	(329,170)	(359,520)
Net Cash from Financing Activities	121,136	(204,800)
Net Increase/(Decrease) in Cash & Cash Equivalents	265,474	(25,075)
A. Cash & Cash Equivalents at the beginning of the period	(717,701)	(655,547)
B. Cash & Cash Equivalents at the end of the period	(452,227)	(680,622)
NOTE A		
Cash & Cash Equivalents at the beginning of the period		
Cash & Bank Balances	10,357	10,899
Bank Overdrafts	(728,058)	(666,446)
	(717,701)	(655,547)
NOTE B		
Cash & Cash Equivalents at the end of the period		
Cash & Bank Balances	12,932	21,032
Bank Overdrafts	(465,159)	(701,654)
	(452,227)	(680,622)

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INTERIM FINANCIAL STATEMENTS
STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs. ' 000	General Reserve Rs. ' 000	Retained Earnings Rs. ' 000	Timber Reserve Rs. ' 000	Total Equity Rs. ' 000
Balance as at 31 March 2016	673,721	540,000	(866,886)	573,202	920,037
Net profit/ (Loss) for the period	-	-	(175,961)	-	(175,961)
Other Comprehensive income	-	-	-	-	-
Balance as at 30 December 2016	673,721	540,000	(1,042,847)	573,202	744,076
Balance as at 31 March 2017	673,721	540,000	(921,484)	590,473	882,710
Net profit/(Loss) for the period	-	-	239,567	-	239,567
Other Comprehensive income	-	-	-	-	-
Balance as at 31 December 2017	673,721	540,000	(681,917)	590,473	1,122,277

The above figures are subject to audit

- 1 Stated Capital of Maskeliya Plantations PLC amounts to 673,720,950 represented by 53,953,490 shares.
- 2 The Interim Financial Statements of the Company are unaudited and have been prepared in accordance with Sri Lanka Financial Reporting Standards (SLFRS/LKAS) and are in compliance with Sri Lanka Accounting Standards 34-Interim Financial Reporting. Further, provisions of the Companies Act No 7 of 2007 have been considered in preparing the Interim Financial Statements of the Company.

The Interim Financial Statements of the Company have been prepared on the basis of the same accounting policies and methods applied for the year ended 31 March 2017.
- 3 The presentation and classification of figures for the corresponding period of the previous quarter have been amended, where relevant, for better presentation and to be comparable with those of the current period.
- 4 No circumstances have arisen since the Statement of Financial Position date, which would require adjustment or disclosure in the Interim Financial Statements.
- 5 There has been no significant change in the nature of contingent liabilities, which were disclosed in the Annual Report for the year ended 31 March 2017.
- 6 Financial statements does not include/classify actuarial gain/(loss) on defined benefit plans costs as the valuation is done at the year end.

INTERIM FINANCIAL STATEMENTS SEGMENT INFORMATION

Geographical Segment

For the Nine Months Ended December 2017

	Maskeliya		Upcot		Talawakelle		Bandarawela		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Revenue	925,510	661,482	1,256,889	841,452	629,844	491,667	515,945	406,111	3,328,188	2,400,712
Revenue Expenditure	(705,938)	(591,186)	(995,040)	(811,871)	(498,155)	(406,925)	(505,290)	(417,768)	(2,704,423)	(2,227,750)
Depreciation/ Amortization	(23,822)	(23,374)	(23,683)	(23,238)	(16,767)	(16,452)	(23,133)	(22,698)	(87,405)	(85,762)
Gratuity	(16,224)	(14,484)	(23,510)	(21,741)	(10,461)	(9,744)	(13,379)	(13,086)	(63,574)	(59,055)
Segment Results	179,526	32,438	214,656	(15,398)	104,461	58,546	(25,857)	(47,441)	472,786	28,145
Other Income									18,118	19,388
Gain on change in fair value of Biological Assets									-	-
Administration Expenses									(46,968)	(34,387)
Management Fees									(69,701)	(13,500)
Finance Cost									(128,179)	(175,607)
Income Tax (Expense)/Income									(6,489)	-
Profit /(Loss)for the period									239,567	(175,961)

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS

SHAREHOLDER AND INVESTOR INFORMATION

For the Nine Months Ended 31 December	Quarter Ended		Year Ended
	2017	2016	2017
	Rs.	Rs.	Rs.
Market Price per Share			
- Last Traded price (For the quarter)	22.60	7.90	7.70
- Highest (For the quarter)	27.50	8.90	9.80
- Lowest (For the quarter)	19.00	7.00	6.00

Twenty Largest Shareholders

	as at 31/12/2017		as at 31/03/2017	
	Number of Shares held	% of the Holding	Number of Shares held	% of the Holding
R.P.C Mangement Services (Pvt) Ltd	44,998,397	83.40	44,998,397	83.40
Seylan Bank PLC / Mohamed Mushtaq Fuad	395,212	0.73	-	-
Mr. Mohamed Zareen Rasheed	297,677	0.55	-	-
Dr. Dharshini Rajakanthan	264,538	0.49	-	-
Mr. Rizmy Ahamed Rishard	234,387	0.43	-	-
Mr. M. H. M. Fazal	222,529	0.41	208,529	0.39
Capital Trust Holdings LTD	196,162	0.36	-	-
Seylan Bank PLC / Rizmy Ahamed Rishard	171,461	0.32	-	-
Freudenberg Shipping Agencies Ltd	146,135	0.27	137,295	0.25
Mr. A. V. Emmanuel	128,000	0.24	-	-
ADL Equities Ltd / Mohamed Zareen Rasheed	124,200	0.23	-	-
Mr. K. Rajakanthan	116,500	0.22	-	-
Merchant Bank of Sri Lanka PLC / R. R. S. Ananda	104,098	0.19	104,098	0.19
DFCC Bank PLC / M. J. C. Amarasuriya	100,000	0.19	-	-
Peoples Leasing & Finance PLC / Hi Line Trading (Pvt) Ltd	96,599	0.18	-	-
Miss. N. U. Rajakanthan	91,338	0.17	-	-
Mr. R. E. Rambukwella	87,761	0.16	-	-
Mr. D. S. D. De Lanerolle	87,015	0.16	-	-
Mr. R. Maheswaran	86,867	0.16	86,867	0.16
Miss. A. Radhakrishnan	86,866	0.16	86,867	0.16
	48,035,742	89.03		
Balance held by 16,536 Shareholders (2017-16,492)	5,917,748	10.97	4,373,926	8.11
Total no. of Shares	53,953,490	100.00	53,953,490	100.00

The percentage of shares held as at

	31/12/2017			31/03/2017		
	Number of Shareholders	Number of Shares	% %	Number of Shareholders	Number of Shares	% %
Public Holding	16,554	8,954,993	16.60	16,510	8,954,793	16.60
Other Holding	2	44,998,497	83.40	2	44,998,697	83.40
Total	16,556	53,953,490	100.00	16,512	53,953,490	100.00

The number of shares held by the Board of Directors are as follows:

As at	31/12/2017	31/03/2017
Dr.S Yaddheige	-	-
S S Poholiyadde	-	-
Dr. L S Hettiarachchi	-	-
J L A Fernando	-	300
Shaminda Yaddheige	-	-
Dr.S A Samaraweera	100	100

INTERIM FINANCIAL STATEMENTS

CORPORATE INFORMATION

Name of Company	Maskeliya Plantations PLC
Legal Form	A Quoted Public Company with Limited Liability Incorporated in Sri Lanka.
Date of Incorporation	22nd June 1992
Company Registration No	PQ 134
Principal Business Activities	Cultivation, Manufacture and Sale of Tea, Planting and Cultivation of Timber.
Stock Exchange Listing	The Ordinary Shares are listed with the Colombo Stock Exchange of Sri Lanka.
Registered / Head Office	310, High Level Road, Nawinna, Maharagama Sri Lanka
Ultimate Parent Enterprise	Richard Pieris & Company PLC
Board of Directors	Dr. Sena Yaddehige - Chairman S S Poholiyadde Dr. L S Hettiarachchi J L A Fernando Shaminda Yaddehige Dr.S A Samaraweera
Secretaries	Richard Pieris Group Services (Private) Limited 310, High Level Road, Nawinna, Maharagama. Sri Lanka Telephone: +(94) 11-4310564
Auditors	Messrs Ernst & Young Chartered Accountants 201, De Saram Place, Colombo 10, Sri Lanka.
Bankers	Sampath Bank - Nawam Mawatha Branch Bank of Ceylon - Corporate Branch & Regional Branches Hatton National Bank - City Office Seylan Bank - Millennium Branch NDB Bank Nations Trust Bank Union Bank
Contact Details	Telephone : +(94) 11 4310888 Facsimile : +(94) 11 4310835 Internet : www.arpico.com E-mail : mpl.rpk@arpico.com