



**Maskeliya Plantations PLC**

**Interim Financial Statements**

**For the nine months ended  
31 December 2019**

**INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC**

**STATEMENT OF FINANCIAL POSITION**

	As at 31/12/19 Rs. ' 000	As at 31/12/18 Rs. ' 000	As at 31/03/19 Rs. ' 000
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Lease hold Property ,Plant and Equipment	207,228	224,033	217,552
Freehold Property, plant & equipment	513,803	565,196	554,749
Bearer Biological Assets	2,305,110	2,266,199	2,294,216
Consumable Biological Assets	723,616	676,568	723,616
	<u>3,749,757</u>	<u>3,731,996</u>	<u>3,790,133</u>
<b>CURRENT ASSETS</b>			
Produce on Bearer Biological Assets	9,088	13,685	9,088
Inventories	487,883	624,308	590,873
ACT Recoverable	47,926	47,926	47,926
VAT Receivable	21,010	20,992	21,017
Trade and other Receivables	322,047	335,949	208,863
ESC Recoverable	75,227	54,952	65,561
Amount due from Related Parties	17,608	17,142	22,089
Cash and Bank balances	13,209	14,773	9,297
	<u>993,998</u>	<u>1,129,727</u>	<u>974,714</u>
<b>TOTAL ASSETS</b>	<u><b>4,743,755</b></u>	<u><b>4,861,723</b></u>	<u><b>4,764,847</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>CAPITAL AND RESERVES</b>			
Stated Capital - Note 03	673,721.00	673,721	673,721
General Reserve	540,000.00	540,000	540,000
Timber Reserves	680,865.00	633,817	680,865
Retained Earnings	(1,316,345.00)	(766,811)	(868,661)
<b>TOTAL EQUITY</b>	<u>578,241</u>	<u>1,080,727</u>	<u>1,025,925</u>
<b>NON CURRENT LIABILITIES &amp; DEFERRED INCOME</b>			
Interest Bearing Loans & Borrowings	178,499	333,536	312,770
Retiring Benefit Obligations	1,103,300	972,868	1,110,362
Deferred Tax Liability	58,015	62,845	58,015
Deferred Income	171,872	183,144	180,381
Liability to make Lease Payment after one year	104,110	106,579	105,902
	<u>1,615,796</u>	<u>1,658,972</u>	<u>1,767,430</u>
<b>CURRENT LIABILITIES</b>			
Trade & Other payables	546,357	551,867	415,630
Dividend payable	2,008	2,008	2,008
Amount due to Related parties	695,464	521,653	520,914
Interest Bearing Loans & Borrowings	1,303,478	1,044,177	1,030,529
Liability to make Lease Payment within one year	2,411	2,319	2,411
	<u>2,549,718</u>	<u>2,122,024</u>	<u>1,971,492</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>4,743,755</b></u>	<u><b>4,861,723</b></u>	<u><b>4,764,847</b></u>
	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
Net Assets Per Share	11	20	19

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 G Liyanage**  
Director



**Dr. D S A Samaraweera**  
Director

11 February 2020

**INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC**

**STATEMENT OF PROFIT OR LOSS**

	Quarter Ended December			Nine Months Ended December			Year Ended
	2019 Rs. ' 000	2018 Rs. ' 000	Variance + / (-) %	2019 Rs. ' 000	2018 Rs. ' 000	Variance + / (-) %	31/03/2019 Rs. ' 000
Revenue	869,158	985,688	(12)	2,802,293	3,052,782	(8)	4,167,216
Cost of Sales	(881,019)	(842,695)	(5)	(3,021,046)	(2,789,400)	(8)	(3,906,282)
Gross Profit / (Loss)	(11,861)	142,993	(108)	(218,753)	263,382	(183)	260,934
Other Income	2,899	4,748	(39)	7,757	13,861	(44)	18,199
Change in Fair Value of Biological Assets	-	-	-	-	-	-	42,452
Administration Expenses	(16,033)	(16,497)	3	(50,279)	(51,672)	3	(61,860)
Management Fee	(5,141)	(20,772)	75	(15,702)	(31,702)	50	(21,122)
Finance Cost	(50,199)	(60,050)	16	(170,707)	(174,012)	2	(231,622)
Profit /(Loss) before Taxation	(80,335)	50,422	(259)	(447,684)	19,857	(2,355)	6,981
Income Tax Expense	-	-	-	-	-	-	(1,717)
<b>Net Profit/(Loss) for the period</b>	<b>(80,335)</b>	<b>50,422</b>	<b>(259)</b>	<b>(447,684)</b>	<b>19,857</b>	<b>(2,355)</b>	<b>5,264</b>
	Rs.	Rs.		Rs.	Rs.		Rs.
Basic Earnings Per Share	(1.49)	0.93		(8.30)	0.37		0.10

*The above figures are subject to audit*

# INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC

## STATEMENT OF COMPREHENSIVE INCOME

	Quarter Ended			Nine Months Ended			Year
	December			December			Ended
	2019	2018	Variance	2019	2018	Variance	31/03/2019
	Rs. ' 000	Rs. ' 000	+ / (-)	Rs. ' 000	Rs. ' 000	+ / (-)	Rs. ' 000
<b>Profit/ (Loss) for the period</b>	(80,335)	50,422	(259)	(447,684)	19,857	(2,355)	5,264
<b>Other Comprehensive Income</b>							
Remeasurement gains/ (Losses) on defined benefit plan	-	-					(46,755)
Income tax effect	-	-					6,546
<b>Other Comprehensive Income for the period, net of tax</b>	-	-					(40,209)
<b>Total Comprehensive Income for the period, net of tax</b>	<u>(80,335)</u>	<u>50,422</u>	(259)	<u>(447,684)</u>	<u>19,857</u>	(2,355)	<u>(34,945)</u>

*The above figures are subject to audit*

**STATEMENT OF CASH FLOW**

**For the Nine Months Ended December**

	31/12/2019 Rs. ' 000	31/12/2018 Rs. ' 000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Profit before Taxation	(447,684)	19,857
<b>ADJUSTMENTS FOR</b>		
Depreciation/Amortization	94,447	89,275
Provision for Defined Benefit Plan Cost	73,699	63,248
Amortisation of Grants	(9,000)	(9,000)
Gain/(Loss) on change in fair value Timber plantations Net of Harvesting	-	-
Finance Costs	170,707	174,012
<b>Operating Profit before Working Capital changes</b>	<b>(117,831)</b>	<b>337,392</b>
(Increase)/Decrease in Trade and other receivables	(107,503)	(132,218)
(Increase)/Decrease in Inventories	102,990	(22,662)
Increase/(Decrease) in Trade and other payables	98,234	47,705
Increase/(Decrease) in amounts due to Related Parties	174,550	61,807
(Increase)/Decrease in amounts due from Related Parties	4,481	(12,328)
<b>Cash Generated from Operations</b>	<b>154,921</b>	<b>279,696</b>
Finance Costs Paid	(139,997)	(145,150)
Defined Benefit Plan Costs paid	(80,761)	(96,121)
Tax Paid	(15,346)	(10,334)
<b>Net Cash from Operating Activities</b>	<b>(81,183)</b>	<b>28,091</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Grants Received	490	-
Field Development Expenditure	(51,467)	(76,388)
Purchase of Property, Plant & Equipment	(2,605)	(48,166)
<b>Net Cash used in Investing Activities</b>	<b>(53,582)</b>	<b>(124,554)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends Paid	-	-
Payment of Government lease rentals	-	(20,556)
Proceeds from loans	46,385	250,000
Payment of loans	(231,886)	(366,377)
<b>Net Cash from Financing Activities</b>	<b>(185,501)</b>	<b>(136,933)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(320,266)</b>	<b>(233,396)</b>
A. Cash & Cash Equivalents at the beginning of the period	(728,610)	(479,084)
<b>B. Cash &amp; Cash Equivalents at the end of the period</b>	<b>(1,048,876)</b>	<b>(712,480)</b>
<b>NOTE A</b>		
Cash & Cash Equivalents at the beginning of the period		
Cash & Bank Balances	9,297	16,505
Bank Overdrafts	(737,907)	(495,589)
	<b>(728,610)</b>	<b>(479,084)</b>
<b>NOTE B</b>		
Cash & Cash Equivalents at the end of the period		
Cash & Bank Balances	13,209	14,773
Bank Overdrafts	(1,062,085)	(727,253)
	<b>(1,048,876)</b>	<b>(712,480)</b>

*The above figures are subject to audit*

## INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC

### 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
<b>Balance as at 31 March 2018</b>	673,721.00	540,000	(786,668)	633,817	1,060,870
Net profit/ (Loss) for the period	-	-	19,857	-	19,857
Other Comprehensive income	-	-	-	-	-
<b>Balance as at 31 December 2018</b>	<b>673,721.00</b>	<b>540,000</b>	<b>(766,811)</b>	<b>633,817</b>	<b>1,080,727</b>
<b>Balance as at 31 March 2019</b>	673,721.00	540,000	(868,661)	680,865	1,025,925
Net profit/(Loss) for the period	-	-	(447,684)	-	(447,684)
Other Comprehensive income	-	-	-	-	-
<b>Balance as at 31 December 2019</b>	<b>673,721.00</b>	<b>540,000</b>	<b>(1,316,345)</b>	<b>680,865</b>	<b>578,241</b>

*The above figures are subject to audit*

## INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC

### NOTES TO THE FINANCIAL STATEMENTS

	Quarter Ended		Year
	2019	2018	2019
1 For the quarter Ended 31 December	Rs.	Rs.	Rs.
<b>Market Price per Share</b>			
- Last Traded price ( For the quarter )	10.00	10.20	10.80
- Highest ( For the quarter )	11.00	11.50	22.00
- Lowest ( For the quarter )	9.00	8.30	8.30

	As at	As at
	31/12/2019	31/03/2019
2 Market Capitalization & Ratios		
Market Capitalization (Rs. '000)	539,535	582,698
Float adjusted Market Capitalization (Rs. '000)	89,563	96,728
Price Earning Ratio (times)	-	108.00

The company complies with option 02 of the listing rules 7.13.1 (b) - Less than Rs. 1. Bn. float adjusted market capitalization.

3 Stated Capital of Maskeliya Plantations PLC amounts to 673,720,950 represented by 53,953,490 shares.

4 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.

5 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 2019, except for the Accounting Policies and methods of computation adopted to be in compliant with the requirement of Sri Lanka Accounting Standard SLFRS 16 - "Leases", which became effective from January 01, 2019. SLFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract (i.e. Lessee and Lessor). SLFRS 16 replaced LKAS 17 - "Leases" and related interpretations. Leasehold Land - The Statement of Recommended Practice (SoRP) for Right-to-use of Land on Lease was approved by the Council of the Institute of Chartered Accounts of Sri Lanka on 19th December 2012. Subsequently, the amendment to the SoRP along with the modification to the title as Statement of Alternative Treatment (SoAT) were approved by the Council on 21st August 2013. The Company is in the process of re-assessing the impact of the Right-to-use of Land and the impact to the Financial Statements yet to be quantified.

6 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.

7 Financial statements does not include/classify actuarial gain/(loss) on defined benefit plans costs as the valuation is done at the year end.

Further Management is assed that, the fair values of financial assets & financial liabilities are approximate to their carrying values of these instruments.

8 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 2019.

9 No circumstances have arisen since the Statement of Financial Position date, which would require adjustment or discloser in the Interim Financial Statements.

10 These Financial Statements for the quarter ended 31 December 2019, have been authorized for issue by the Board of Directors on 11 /02/2020.

## INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC

### SEGMENT INFORMATION

For the nine months ended 31 December

	Year Ended		
	2019	2018	31 March 2019
	Rs. '000	Rs. '000	Rs. '000
<b><u>Maskeliya</u></b>			
Revenue	753,215	852,640	1,153,619
Revenue expenditure	(726,596)	(691,108)	(947,629)
Depreciation / amortization	(26,195)	(24,523)	(33,832)
Other non cash expenses - gratuity	(19,137)	(16,699)	(42,533)
<b>Segment Result - Gross Profit/(Loss)</b>	<b>(18,713)</b>	<b>120,310</b>	<b>129,625</b>
<b><u>Upcot</u></b>			
Revenue	1,051,685	1,149,178	1,576,188
Revenue expenditure	(1,026,314)	(951,562)	(1,295,815)
Depreciation / amortization	(25,648)	(23,970)	(33,213)
Other non cash expenses - gratuity	(27,805)	(23,078)	(64,757)
<b>Segment Result - Gross Profit/(Loss)</b>	<b>(28,082)</b>	<b>150,568</b>	<b>182,403</b>
<b><u>Talawakelle</u></b>			
Revenue	604,920	611,563	837,601
Revenue expenditure	(584,683)	(516,639)	(699,912)
Depreciation / amortization	(18,299)	(17,510)	(23,730)
Other non cash expenses - gratuity	(11,535)	(10,515)	(31,090)
<b>Segment Result - Gross Profit/(Loss)</b>	<b>(9,596)</b>	<b>66,899</b>	<b>82,869</b>
<b><u>Bandarawela</u></b>			
Revenue	392,472	439,401	599,808
Revenue expenditure	(515,308)	(477,569)	(660,446)
Depreciation / amortization	(24,304)	(23,271)	(34,127)
Other non cash expenses - gratuity	(15,222)	(12,956)	(39,198)
<b>Segment Result - Gross Profit/(Loss)</b>	<b>(162,362)</b>	<b>(74,395)</b>	<b>(133,963)</b>
<b><u>Total Segments</u></b>			
Revenue	2,802,293	3,052,782	4,167,216
Revenue expenditure	(2,852,901)	(2,636,878)	(3,603,802)
Depreciation / amortization	(94,447)	(89,274)	(124,902)
Other non cash expenses - gratuity	(73,699)	(63,248)	(177,578)
<b>Total Segment Result - Gross Profit/(Loss)</b>	<b>(218,753)</b>	<b>263,382</b>	<b>260,934</b>
Gain/(Loss) on fair value of biological assets	-	-	42,452
Other income	7,757	13,861	18,199
Administrative expenses	(50,279)	(51,672)	(61,860)
Management fee	(15,702)	(31,702)	(21,122)
Finance cost	(170,707)	(174,012)	(231,622)
<b>Profit/(Loss) Before Tax</b>	<b>(447,684)</b>	<b>19,857</b>	<b>6,981</b>

*The above figures are subject to audit*



## INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC

### SHAREHOLDER AND INVESTOR INFORMATION

#### Twenty Largest Shareholders

	as at 31/12/2019		as at 31/03/2019	
	Number of Shares held	% of the Holding	Number of Shares held	% of the Holding
1 R.P.C Mangement Services (Pvt) Ltd	44,998,397	83.40	44,998,397	83.40
2 Mr.D.G. Wijemanna	345,000	0.64	-	-
3 Mr. D. S. D. De Lanerolle	315,611	0.58	285,010	0.53
4 Capital Trust holdings Ltd.	259,209	0.48	251,544	0.47
5 Mr. R. E. Rambukwella	230,098	0.43	197,462	0.37
6 Mr. M. H. M. Fazal	222,529	0.41	222,529	0.41
7 Mr. Selan Bank PLC /Rizmy Ahamed Rishard	199,292	0.37	205,378	0.38
8 Mrs. H. P. N. Fonseka	153,193	0.28	134,748	0.25
9 Dr.M.A.M.A. Akram	149,839	0.28	117,139	0.22
10 Mr. F. A. Azhar	147,400	0.27	172,900	0.32
11 Freudenberg Shipping Agencies Ltd	146,135	0.27	146,135	0.27
12 Marchant Bank of Sri Lanka and Finance / R.R.S. Ananda	139,674	0.26	153,025	0.28
13 Mr. A.V. Emmanuel	119,494	0.22	128,000	0.24
14 Seylan Bank PLC / Mohamed Mushtaq Fuad	101,038	0.19	215,219	0.40
15 Mr.D.S.R Darankumbura	100,000	0.19	-	-
16 Mr.P.K.C.P Samarasinghe	95,837	0.18	95,837	0.18
17 Peoples Leasing & Finance PLC / Hi line Trading (Pvt) Ltd	94,099	0.17	94,099	0.17
18 Mr.W.L Subasinghe	93,622	0.17	-	-
19 Mr.R. Maheswaran	86,867	0.16	-	-
20 Miss. A. Radhakrishnan	86,867	0.16	-	-
	<b>48,084,201</b>	<b>89.12</b>		
Balance held by 16,575 Shareholders (2018/19 - 16,552)	5,869,289	10.88	5,903,068	10.94
Total no. of Shares	<b>53,953,490</b>	<b>100.00</b>	<b>53,953,490</b>	<b>100.00</b>

The percentage of shares held as at	31/12/2019			31/03/2019		
	Number of Shareholders	Number of Shares	%	Number of Shareholders	Number of Shares	%
Public Holding	16,592	8,954,493	16.60	16,569	8,954,493	16.60
Other Holding	3	44,998,997	83.40	3	44,998,997	83.40
<b>Total</b>	<b>16,595</b>	<b>53,953,490</b>	<b>100.00</b>	<b>16,572</b>	<b>53,953,490</b>	<b>100.00</b>

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

As at	31/12/2019	31/03/2019
Dr.Sena Yaddehige	-	-
Dr. L S Hettiarachchi	-	-
J L A Fernando	-	-
Shaminda Yaddehige	-	-
Dr.D S A Samaraweera	100	100
S S G Liyanage	500	500

**INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC****CORPORATE INFORMATION**

<b>Name of Company</b>	Maskeliya Plantations PLC
<b>Legal Form</b>	A Quoted Public Company with Limited Liability Incorporated in Sri Lanka.
<b>Date of Incorporation</b>	22nd June 1992
<b>Company Registration No</b>	PQ 134
<b>Principal Business Activities</b>	Cultivation, Manufacture and Sale of Tea, Planting and Cultivation of Timber.
<b>Stock Exchange Listing</b>	The Ordinary Shares are listed with the Colombo Stock Exchange of Sri Lanka.
<b>Registered / Head Office</b>	310, High Level Road, Nawinna, Maharagama Sri Lanka
<b>Ultimate Parent Enterprise</b>	Richard Pieris & Company PLC
<b>Board of Directors</b>	Dr. Sena Yaddehige - Chairman Dr. L S K Hettiarachchi J L A Fernando Shaminda Yaddehige Dr.D S A Samaraweera S S G Liyanage
<b>Secretaries</b>	Richard Pieris Group Services (Private) Limited 310, High Level Road, Nawinna, Maharagama. Sri Lanka  Telephone: +(94) 11-4310564
<b>Auditors</b>	Messrs Ernst & Young Chartered Accountants 201, De Saram Place, Colombo 10, Sri Lanka.
<b>Bankers</b>	Sampath Bank - Nawam Mawatha Branch Bank of Ceylon - Corporate Branch & Regional Branches Hatton National Bank - City Office NDB Bank Nations Trust Bank Union Bank
<b>Contact Details</b>	Telephone : +(94) 11 4310500 Facsimile : +(94) 11 4310835 Internet : www.arpico.com E-mail : mpl.rpk@arpico.com