



NAMUNUKULA PLANTATIONS PLC

Interim
Financial
Statements

For the nine months ended
31st December 2019




STATEMENT OF FINANCIAL POSITION


As at,	31.12.2019	31.12.2018	Audited 31.03.2019
	Rs. '000	Rs. '000	Rs. '000
ASSETS			
Non Current Assets			
Leasehold Property, Plant & Equipment	148,611	163,280	159,597
Freehold Property, Plant & Equipment	359,398	399,788	388,341
Bearer Biological Assets	2,795,493	2,626,753	2,670,638
Consumable Biological Assets	173,518	149,876	167,391
Long Term Investments - (Unquoted)	178,985	120,867	134,101
Financial Assets	-	250,000	-
Intangible Assets	316,415	324,515	316,415
Total Non Current Assets	<u>3,972,420</u>	<u>4,035,079</u>	<u>3,836,484</u>
Current Assets			
Produce on bearer Biological asset	14,006	13,187	14,006
Inventories	195,799	316,152	251,792
Trade and Other Receivables	133,048	92,130	116,629
Amounts Due from Related Companies	164,250	48,820	51,409
Financial Assets	-	-	250,000
ESC Recoverable	18,564	26,967	9,617
Income Tax Receivable	8,854	5,943	8,854
Cash and Cash Equivalents	25,858	35,465	22,316
Total Current Assets	<u>560,380</u>	<u>538,664</u>	<u>724,623</u>
TOTAL ASSETS	<u>4,532,800</u>	<u>4,573,743</u>	<u>4,561,107</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	350,000	350,000	350,000
Retained Earnings	2,545,324	2,455,130	2,313,924
Total Equity	<u>2,895,324</u>	<u>2,805,130</u>	<u>2,663,924</u>
Non Current Liabilities			
Interest Bearing Loans & Borrowings	1,641	17,811	6,939
Retirement Benefit Obligations	497,768	557,063	550,482
Deferred Tax Liability	254,944	206,413	254,944
Deferred Income	131,763	132,422	132,079
Liability to make Lease payment after one year	201,644	206,687	205,498
Total Non Current Liabilities	<u>1,087,760</u>	<u>1,120,396</u>	<u>1,149,942</u>
Current Liabilities			
Trade and Other Payables	426,353	401,833	404,771
Dividend Payable	-	-	201,875
Liability to make Lease payment within one year	4,851	4,665	4,710
Interest Bearing Loans & Borrowings	62,079	118,579	85,882
Amounts Due to Related Companies	22,004	85,438	50,003
Income Tax Liabilities	34,428	37,701	-
Total Current Liabilities	<u>549,715</u>	<u>648,216</u>	<u>747,241</u>
TOTAL LIABILITIES	<u>1,637,476</u>	<u>1,768,613</u>	<u>1,897,183</u>
TOTAL EQUITY AND LIABILITIES	<u>4,532,800</u>	<u>4,573,743</u>	<u>4,561,107</u>
NET ASSETS PER SHARE (RS.)	<u>121.91</u>	<u>118.11</u>	<u>112.17</u>

* 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 Eritakumbura
Financial Controller

The board of directors are responsible for the preparation and presentation of these Financial Statements. Approved & Signed for and on behalf of the board of Directors of Namunukula Plantations PLC by,


N C Peiris
Director


S S G Liyanage
Director

Colombo,
11 February 2020

STATEMENT OF COMPREHENSIVE INCOME

	Quarter Ended 31.12.2019 Rs. '000	Quarter Ended 31.12.2018 Rs. '000	Increase / (Decrease) %	Period Ended 31.12.2019 Rs. '000	Period Ended 31.12.2018 Rs. '000	Increase / (Decrease) %	Audited Year Ended 31.03.2019 Rs. '000
Revenue	513,041	556,157	-8%	1,672,896	1,829,622	-9%	2,414,326
Cost of Sales	(418,620)	(421,805)	-1%	(1,352,485)	(1,560,729)	-13%	(2,077,972)
Gross Profit	94,422	134,353	-30%	320,411	268,893	19%	336,354
Other Income	20,017	37,839	-47%	58,664	119,433	-51%	141,113
Change in fair value of Biological Assets	-	-	--	-	-	--	11,932
Administrative Expenses	(17,852)	(14,312)	25%	(45,675)	(41,973)	9%	(61,778)
Management Fee	(21,354)	(28,502)	-25%	(72,607)	(67,467)	8%	(77,811)
Finance Cost	(12,639)	(15,539)	-19%	(39,849)	(51,869)	-23%	(65,129)
Impairment of Goodwill	-	-	--	-	-	--	(8,100)
Share of Profit from the Joint Venture	15,671	7,775	102%	44,884	10,288	336%	23,527
Profit Before Taxation	78,264	121,613	-36%	265,828	237,305	12%	300,109
Tax (Expense) / Reversal	(11,476)	(8,305)	38%	(34,428)	(19,261)	79%	(43,816)
Net Profit for the Year	66,788	113,308	-41%	231,400	218,044	6%	256,293
Other comprehensive income							
Actuarial gain/(loss) on defined benefit plans	-	-	--	-	-	--	26,070
Tax effect	-	-	--	-	-	--	(3,650)
Other comprehensive income for the period	-	-	--	-	-	--	22,420
Total comprehensive income for the period	66,788	113,308	-41%	231,400	218,044	6%	278,713
Basic Earnings per Share (Rs.)	2.81	4.77		9.74	9.18		10.79

* The above figures are subject to audit.

STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs. '000	Retained Earnings Rs. '000	Total Rs. '000
Balance as at 1 April 2018	350,000	2,237,086	2,587,086
Net Profit for the period	-	218,044	218,044
Other Comprehensive Income/(Loss)	-	-	-
Balance as at 31 December 2018	<u>350,000</u>	<u>2,455,130</u>	<u>2,805,130</u>
Balance as at 1 April 2019	350,000	2,313,924	2,663,924
Net Profit for the period	-	231,400	231,400
Other Comprehensive Income/(Loss)	-	-	-
Balance as at 31 December 2019	<u><u>350,000</u></u>	<u><u>2,545,324</u></u>	<u><u>2,895,324</u></u>

* The above figures are subject to audit.

STATEMENT OF CASH FLOWS

Period ended,	31.12.2019	31.12.2018
	Rs. '000	Rs. '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before Taxation	265,828	237,305
ADJUSTMENTS FOR		
Depreciation	134,612	127,597
Finance Cost	39,849	51,869
Provision for Defined Benefit Plan Cost	36,962	32,063
Profit on Disposal of Property, Plant & Equipment	-	(589)
Amortization of Grants	(3,093)	(2,833)
Share of Profit of Joint Venture	(44,884)	(10,288)
Operating profit before working capital changes	<u>429,273</u>	<u>435,123</u>
(Increase)/Decrease in Inventories	55,992	(24,464)
(Increase)/Decrease in Trade and other Receivables	(16,419)	24,148
(Increase)/Decrease in Amounts due from Related Companies	(112,841)	(38,373)
Increase/(Decrease) in Trade and Other Payables	21,582	4,180
Increase/(Decrease) in Amounts due to Related Companies	(27,999)	70,679
Cash Generated from Operating Activities	<u>349,588</u>	<u>471,294</u>
Finance Cost Paid	(1,743)	(14,343)
Defined Benefit Plan Cost Paid	(89,676)	(39,766)
Tax (Paid) / Refund	(8,947)	(13,435)
Net Cash Flow From Operating Activities	<u>249,222</u>	<u>403,750</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Property, Plant & Equipment	(1,497)	(24,180)
Cash received from Matured Debentures	250,000	-
Investments in Immature plantation	(218,040)	(167,244)
Expenditure on Timber Cultivation	(6,127)	(1,010)
Proceeds from Disposal of Property, Plant & Equipment	-	11,800
Grants Received	2,777	2,396
Net Cash Flow From Investing Activities	<u>27,114</u>	<u>(178,238)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of Government Lease rentals	(41,819)	(40,095)
Proceeds from borrowings	8,514	-
Repayment of loans	(47,599)	(60,206)
Settlement of finance lease	(3,157)	-
Dividend Paid	(201,875)	-
Net Cash Flow From Financing Activities	<u>(285,936)</u>	<u>(100,301)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(9,600)	125,211
A. Cash & Cash Equivalents at the Beginning of the Year	<u>(3,406)</u>	<u>(141,462)</u>
B. Cash & Cash Equivalents at the End of the Year	<u>(13,006)</u>	<u>(16,251)</u>
NOTE A : Cash & Cash Equivalents at the Beginning of the Period		
Cash & Bank Balances	22,316	36,929
Bank Overdrafts	(25,722)	(178,391)
	<u>(3,406)</u>	<u>(141,462)</u>
NOTE B : Cash & Cash Equivalents at the End of the Period		
Cash & Bank Balances	25,858	35,465
Bank Overdrafts	(38,864)	(51,715)
	<u>(13,006)</u>	<u>(16,251)</u>

* The above figures are subject to audit.

NOTES TO THE FINANCIAL STATEMENTS

1. Market Price per Share

	Quarter Ended 31.12.2019	Quarter Ended 31.12.2018	Period Ended 31.12.2019	Period Ended 31.12.2018	Year Ended 31.03.2019
	Rs.	Rs.	Rs.	Rs.	Rs.
Last traded price	82.00	63.80	82.00	63.80	64.00
Highest	88.00	69.50	88.00	95.00	95.00
Lowest	75.00	55.50	58.00	55.50	55.50

2. Market Capitalization & Ratios

	As at 31.12.2019	As at 31.03.2019
Market Capitalization (Rs. '000)	1,947,500	1,520,000
Float adjusted Market Capitalization (Rs. '000)	633,322	494,300
Price Earning Ratio (times)	6.31	5.93

The company complies with option 05 of the listing rules 7.13.1 (a) - Less than Rs. 2.5 Bn. float adjusted market capitalization.

3. Stated Capital of Namunukula Plantations PLC amounts to Rs. 350,000,010 represented by 23,750,000 ordinary shares and a Golden Share which has special rights held by the Secretary to the Treasury.
4. The Interim Financial Statements of the Company are unaudited and have been prepared in accordance with Sri Lanka Accounting Standards (SLFRS/LKAS) and are in compliance with Sri Lanka Accounting Standard 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 year ended 31 March 2019, except for the Accounting Policies and methods of computation adopted to be in compliant with the requirement of the 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 year have been re-arranged, where relevant, for better presentation and to be comparable with those of the current period.
7. These interim financial statements does not include the Gain/(Loss) arising from the valuation of biological assets and Actuarial Gain/(Loss) on defined benefit plan costs arising since the valuation is done at the year end.

Further management is assessed that, the fair values of financial assets & financial liabilities are approximate to their carrying values of these instruments.
8. In May 2014, the Company invested in 2.5 Mn, Rs.100 each Five year Fixed Rated Listed Debenture (11.25% p.a.) payable semi annually issued by the ultimate parent company (Richard Pieris & Company PLC) amounting to Rs. 250 Mn. This 2.5 Mn Fixed Rated Listed debenture investment at Richard Pieris & Company PLC was Matured on 15th May 2019.
9. There has been no any other significant change in the nature of contingent liabilities, which were disclosed in the Annual Report for the year ended 31 March 2019.
10. Except discloser under note no: 8, there have been no any other material events occurring after the reporting date that require adjustments or disclosure in the financial statements.

11. The Interim Financial Statements of the company for the period ended 30th June 2019 were authorized for issue by the Board of Directors on 11 February 2020.

NOTES TO THE FINANCIAL STATEMENTS

12. Twenty largest shareholders of the company (Voting shares),

	As at 31.12.2019		As at 31.03.2019	
	No. of shares held	% of Holding	No. of shares held	% of Holding
1 RPC Plantation Management Services (Pvt) Ltd	16,026,561	67.48%	16,026,561	67.48%
2 The Secretary to the Treasury	3,763,300	15.85%	3,763,300	15.85%
3 Mr. T.T.T Al Nakib	400,300	1.69%	350,000	1.47%
4 National Development Bank PLC/Sakuvi Investment Trust (Pvt) Ltd	368,000	1.55%	368,000	1.55%
5 Mr.D.F.G.Dalpethado	182,707	0.77%	184,202	0.78%
6 Bank of Ceylon No .1 Account	80,000	0.34%	80,000	0.34%
7 Pershing LLC S/A Averbach Grauson & Co.	80,000	0.34%	100,000	0.42%
8 Mr.H.A.A.H.Algharabally	77,000	0.32%	77,000	0.32%
9 Mr.K.C.Vignarajah	71,864	0.30%	71,852	0.30%
10 Cocoshell Activated Carbon Co. Ltd	57,387	0.24%	57,387	0.24%
11 Mrs. J.K.P Singh	48,938	0.21%	48,938	0.21%
12 Mr.Z.G.Carimjee	43,200	0.18%	43,200	0.18%
13 Hatton National Bank PLC/Thilak Dias Gunasekera	42,768	0.18%	30,000	0.13%
14 T.S.T.T.T. Sathe Secretary to the Treasury-Sundry	38,298	0.16%	38,298	0.16%
15 Mr.N.A. Withana	35,419	0.15%	34,351	0.14%
16 J.B. Cocoshell (Pvt) Ltd	32,522	0.14%	32,522	0.14%
17 Northstar Holdings (Pvt) Ltd	29,900	0.13%	29,900	0.13%
18 Mr.U.P.Jayasinghe	29,500	0.12%	34,704	0.15%
19 Mrs.S.Vignarajah	28,104	0.12%	28,104	0.12%
20 Mrs.K.Fernando	25,000	0.11%	25,000	0.11%
Sub Total	21,460,768	90.36%		
Balance held by 11,615 (2018/19 - 11,634) shareholders	2,289,233	9.64%	2,326,682	9.80%
Total No. of Shares	23,750,001	100.00%	23,750,001	100.00%

* There were no non voting shares as at 31 December 2019.

The Percentage of shares held as at ,

	As at 31.12.2019			As at 31.03.2019		
	No. of Shareholders	No. of shares held	%	No. of Shareholders	No. of shares held	%
Public Holding	11,634	7,723,440	32.52%	11,653	7,723,440	32.52%
Other Holding	1	16,026,561	67.48%	1	16,026,561	67.48%
Total No. of Shares	11,635	23,750,001	100.00%	11,654	23,750,001	100.00%

13. Directors' & CEO's Shareholding

The Directors and CEO of the Company hold shares in the Company as follows.

	As at 31.12.2019 No. of Shares	As at 31.03.2019 No. of Shares
Dr. S Yaddhegige - Chairman	Nil	Nil
Mr. N C Peiris	Nil	Nil
Mr. B A T Rodrigo	Nil	Nil
Mr. Shaminda Yaddhegige	Nil	Nil
Mr. Shirley Gerard Devinda Amerasinghe	Nil	Nil
Mr. S S G Liyanage	Nil	Nil
Mr. Sriyan Eriyagama - CEO	Nil	Nil

SEGMENT INFORMATIONS

REVENUE Summary	2019	2018
	Rs. '000	Rs. '000
Sale of Goods		
Tea	644,604	896,447
Rubber	119,092	164,116
Oil Palm	881,956	724,483
Coconut	18,307	25,831
Cinnamon	8,937	18,746
	<u>1,672,896</u>	<u>1,829,622</u>

For the period ended 31 December,	Tea		Rubber		Oil Palm		Coconut		Cinnamon		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Revenue	644,604	896,447	119,092	164,116	881,956	724,483	18,307	25,831	8,937	18,746	1,672,896	1,829,622
Revenue Expenditure	(790,829)	(991,306)	(115,973)	(154,840)	(258,394)	(230,903)	(11,932)	(13,055)	(6,970)	(14,129)	(1,184,098)	(1,404,233)
Depreciation / Amortization	(26,286)	(26,846)	(35,841)	(32,127)	(60,864)	(56,580)	(5,520)	(5,495)	(4,714)	(4,735)	(133,225)	(125,783)
Gratuity	(19,794)	(17,605)	(6,812)	(6,125)	(8,072)	(6,490)	(317)	(294)	(166)	(198)	(35,162)	(30,713)
Gross Profit/(Loss)	<u>(192,305)</u>	<u>(139,311)</u>	<u>(39,534)</u>	<u>(28,976)</u>	<u>554,626</u>	<u>430,510</u>	<u>537</u>	<u>6,987</u>	<u>(2,913)</u>	<u>(317)</u>	<u>320,411</u>	<u>268,893</u>
Other Income											58,664	119,433
Gain on change in fair value of biological assets											-	-
Administrative Expenses											(45,675)	(41,973)
Management Fees											(72,607)	(67,467)
Finance Cost											(39,849)	(51,869)
Impairment Loss on goodwill											-	-
Share of Profit from the Joint Venture											44,884	10,288
Profit before Taxation											<u>265,828</u>	<u>237,305</u>
Income Tax (Expense)/Reversal											(34,428)	(19,261)
Net Profit for the period											<u>231,400</u>	<u>218,044</u>

* The above figures are subject to audit.

CORPORATE INFORMATIONS**Name of Company**

Namunukula Plantations PLC.

Legal Form

A Quoted Public Limited Liability Company Incorporated in Sri Lanka.

Date of Incorporation

22 June 1992

Company Registration No.

P Q 136

Tax Identification No.

294001395

Principal Business Activities

Cultivation, Manufacture & Sale of Tea, Rubber, Oil palm, Coconut & Cinnamon Plantations.

Ultimate Parent Enterprise

Richard Pieris & Company PLC.

Board of Directors

Dr. S Yaddhegige - Chairman

Mr. N C Peiris

Mr. B A T Rodrigo

Mr. Shaminda Yaddhegige

Mr. Gerard Amerasinghe

Mr. S S G Liyanage

Stock Exchange Listings

The Ordinary shares of the Company are listed with the Colombo Stock Exchange of Sri Lanka.

Registered / Head Office

No: 310, High Level Road, Nawinna, Maharagama, Sri Lanka.

Auditors

Messrs. Ernst & Young, Chartered Accountants,

No: 201, De Saram Place, P.O. Box 101, Colombo 10, Sri Lanka.

Company Secretaries

Richard Pieris Group Services (Pvt) Ltd,

Secretaries,

No: 310, High Level Road, Nawinna, Maharagama, Sri Lanka.

Telephone: + (94) 11 4310564

Bankers

Bank of Ceylon - Corporate Branch & Regional Branches

People's Bank - Pelawatta Branch

Hatton National Bank PLC - City Branch

Sampath Bank PLC - Head Office Branch

National Development Bank PLC

Indian Overseas Bank / Indian Bank

Nations Trust Bank PLC

Contact Details

Telephone : + (94) 11 4310500

Fax : + (94) 11 2801400

Website : www.arpico.com

Email : npl.rpk@arpico.com