



Maskeliya Plantations PLC

Interim Financial Statements

**For the nine months ended
31 December 2020**

INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC

STATEMENT OF FINANCIAL POSITION

	As at 31/12/20 Rs. ' 000	As at 31/12/19 Rs. ' 000	As at 31/03/20 Rs. ' 000
ASSETS			
NON CURRENT ASSETS			
Lease hold Property ,Plant and Equipment	332,921	207,228	348,770
Freehold Property, plant & equipment	485,381	513,803	507,622
Bearer Biological Assets	2,279,126	2,305,110	2,298,074
Consumable Biological Assets	798,389	723,616	798,389
ACT Recoverable	47,926	47,926	47,926
	<u>3,943,743</u>	<u>3,797,683</u>	<u>4,000,781</u>
CURRENT ASSETS			
Produce on Bearer Biological Assets	10,292	9,088	10,292
Inventories	472,206	487,883	398,244
Trade and other Receivables	350,118	322,047	216,731
Tax Recoverable	79,573	96,237	81,779
Amount due from Related Parties	16,548	17,608	16,854
Cash and Bank balances	37,406	13,209	12,998
	<u>966,143</u>	<u>946,072</u>	<u>736,898</u>
TOTAL ASSETS	<u>4,909,886</u>	<u>4,743,755</u>	<u>4,737,679</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Stated Capital - Note 03	673,721	673,721	673,721
General Reserve	540,000	540,000	540,000
Timber Reserves	755,637	680,865	755,637
Retained Earnings	(1,560,818)	(1,316,345)	(1,596,113)
TOTAL EQUITY	<u>408,540</u>	<u>578,241</u>	<u>373,245</u>
NON CURRENT LIABILITIES & DEFERRED INCOME			
Interest Bearing Loans & Borrowings	753,601	178,499	126,223
Retiring Benefit Obligations	1,221,536	1,103,300	1,208,307
Deferred Tax Liability	52,229	58,015	52,228
Deferred Income	161,935	171,872	169,135
Liability to make Lease Payment after one year	311,791	104,110	312,296
	<u>2,501,092</u>	<u>1,615,796</u>	<u>1,868,189</u>
CURRENT LIABILITIES			
Trade & Other payables	581,387	546,357	428,615
Dividend payable	2,008	2,008	2,008
Amount due to Related parties	666,805	695,464	724,543
Interest Bearing Loans & Borrowings	746,336	1,303,478	1,337,361
Liability to make Lease Payment within one year	3,718	2,411	3,718
	<u>2,000,254</u>	<u>2,549,718</u>	<u>2,496,245</u>
TOTAL EQUITY AND LIABILITIES	<u>4,909,886</u>	<u>4,743,755</u>	<u>4,737,679</u>

Rs. 8 Rs. 11 Rs. 7
 Net Assets Per Share
 The above figures are subject to audit

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


Kamal Punchihewa
 Chief Financial Officer/Acting Chief Executive Officer

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


J L A Fernando
 Director

10 February 2021

INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC

STATEMENT OF PROFIT OR LOSS

	Quarter Ended			Nine Months Ended			Year
	December		Variance + / (-) %	December		Variance + / (-) %	Ended
	2020 Rs. ' 000	2019 Rs. ' 000		2020 Rs. ' 000	2019 Rs. ' 000		31/03/2020 Rs. ' 000
Revenue	839,137	869,158	(3)	2,836,609	2,802,293	1	3,716,295
Cost of Sales	(792,074)	(881,019)	10	(2,620,358)	(3,021,046)	13	(4,076,283)
Gross Profit / (Loss)	47,063	(11,861)	(497)	216,251	(218,753)	199	(359,988)
Other Income	13,671	2,899	372	20,291	7,757	162	14,873
Change in Fair Value of Biological Assets	-	-	-	-	-	-	75,976
Administration Expenses	(15,781)	(16,033)	2	(48,901)	(50,279)	3	(67,280)
Management Fee	(3,534)	(5,141)	31	(21,105)	(15,702)	(34)	(20,202)
Finance Cost	(36,873)	(50,199)	27	(131,241)	(170,707)	23	(222,099)
Profit /(Loss) before Taxation	4,546	(80,335)	(106)	35,295	(447,684)	108	(578,720)
Income Tax Expense	-	-	-	-	-	-	2,609
Net Profit/(Loss) for the period	4,546	(80,335)	(106)	35,295	(447,684)	108	(576,111)
	Rs.	Rs.		Rs.	Rs.		Rs.
Basic Earnings Per Share	0.08	(1.49)		0.65	(8.30)		(10.68)

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC

STATEMENT OF COMPREHENSIVE INCOME

	Quarter Ended			Nine Months Ended			Year
	December		Variance + / (-)	December		Variance + / (-)	Ended
	2020 Rs. ' 000	2019 Rs. ' 000		2020 Rs. ' 000	2019 Rs. ' 000		31/03/2020 Rs. ' 000
Profit/ (Loss) for the period	4,546	(80,335)	(106)	35,295	(447,684)	(108)	(576,111)
Other Comprehensive Income							
Remeasurement gains/ (Losses) on defined benefit plan	-	-					(22,707)
Income tax effect	-	-					3,179
Other Comprehensive Income for the period, net of tax	-	-					(19,528)
Total Comprehensive Income for the period, net of tax	<u>4,546</u>	<u>(80,335)</u>	(106)	<u>35,295</u>	<u>(447,684)</u>	(108)	<u>(595,639)</u>

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC

STATEMENT OF CASH FLOW

For the nine Months Ended December	31/12/2020 Rs. ' 000	31/12/2019 Rs. ' 000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before Taxation	35,295	(447,684)
ADJUSTMENTS FOR		
Depreciation/Amortization	92,816	94,447
Provision for Defined Benefit Plan Cost	81,211	73,699
Amortisation of Grants	(7,200)	(9,000)
Gain/(Loss) on change in fair value Timber plantations Net of Harvesting	-	-
Finance Costs	131,241	170,707
Operating Profit before Working Capital changes	333,363	(117,831)
(Increase)/Decrease in Trade and other receivables	(131,170)	(107,503)
(Increase)/Decrease in Inventories	(73,962)	102,990
Increase/(Decrease) in Trade and other payables	131,462	98,234
Increase/(Decrease) in amounts due to Related Parties	(57,738)	174,550
(Increase)/Decrease in amounts due from Related Parties	306	4,481
Cash Generated from Operations	202,261	154,921
Finance Costs Paid	(99,886)	(139,997)
Defined Benefit Plan Costs paid	(67,983)	(80,761)
Tax Paid	-	(15,346)
Net Cash from Operating Activities	34,392	(81,183)
CASH FLOWS FROM INVESTING ACTIVITIES		
Grants Received	-	490
Field Development Expenditure	(27,520)	(51,467)
Purchase of Property, Plant & Equipment	(8,097)	(2,605)
Net Cash used in Investing Activities	(35,616)	(53,582)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends Paid	-	-
Payment of Government lease rentals	(10,720)	-
Proceeds from loans	725,000	46,385
Payment of loans	(111,086)	(231,886)
Net Cash from Financing Activities	603,194	(185,501)
Net Increase/(Decrease) in Cash & Cash Equivalents	601,970	(320,266)
A. Cash & Cash Equivalents at the beginning of the period	(1,095,846)	(728,610)
B. Cash & Cash Equivalents at the end of the period	(493,877)	(1,048,876)
NOTE A		
Cash & Cash Equivalents at the beginning of the period		
Cash & Bank Balances	12,998	9,297
Bank Overdrafts	(1,108,844)	(737,907)
	(1,095,846)	(728,610)
NOTE B		
Cash & Cash Equivalents at the end of the period		
Cash & Bank Balances	37,406	13,209
Bank Overdrafts	(531,283)	(1,062,085)
	(493,877)	(1,048,876)

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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
Balance as at 31 March 2019	673,721	540,000	(868,661)	680,865	1,025,925
Net profit/ (Loss) for the period	-	-	(447,684)	-	(447,684)
Other Comprehensive income	-	-	-	-	-
Balance as at 31 December 2019	673,721	540,000	(1,316,345)	680,865	578,241
Balance as at 31 March 2020	673,721	540,000	(1,596,113)	755,637	373,245
Net profit/(Loss) for the period	-	-	35,295	-	35,295
Other Comprehensive income	-	-	-	-	-
Balance as at 31 December 2020	673,721	540,000	(1,560,818)	755,637	408,540

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC

NOTES TO THE FINANCIAL STATEMENTS

	Quarter Ended		Year
	2020	2019	Ended
1 For the quarter Ended 31 December	Rs.	Rs.	2020 Rs.
Market Price per Share			
- Last Traded price (For the quarter)	15.00	10.00	6.20
- Highest (For the quarter)	18.00	11.00	11.40
- Lowest (For the quarter)	11.90	9.00	6.20
			As at
			31/12/2020
			As at
			31/03/2020
2 Market Capitalization & Ratios			
Market Capitalization (Rs. '000)			809,302
Float adjusted Market Capitalization (Rs. '000)			134,344
Price Earning Ratio (times)			23

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 method applied for the previous year.

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 2020.

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

10 In March 2020, the World Health Organization declared the Coronavirus COVID-19 outbreak as a pandemic in recognition of its rapid spread across the globe with over 200 countries now affected. In light of the COVID-19 outbreak being declared a pandemic by the World Health Organization, the Company has been taking various precautionary measures to protect employees and workmen, their families, and the eco system in which they interact, while at the same time try to ensuring business continuity. As a step in this direction and taking into account the directives issued by the Government of Sri Lanka, the Company carried out operations in limited manner in mid of March 2020, however since GOSL has announced Plantation industry as essential service the company has resumed its normal operations.

11 Mr. Manoj Pathiraja has resigned from the post of Chief Executive Officer of the Company with effect from 19th October 2020.

12 Mr. Kamal Punchihewa has been appointed as Acting Chief Executive Officer of the Company with effect from 02nd February 2021.

13 These Financial Statements for the quarter ended 31 December 2020, have been authorized for issue by the Board of Directors on 10/02/2021.

INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC

SEGMENT INFORMATION

For the nine months ended 31 December

	Year Ended		
	2020	2019	31 March 2020
	Rs. '000	Rs. '000	Rs. '000
<u>Maskeliya</u>			
Revenue	718,254	753,215	977,658
Revenue expenditure	(622,466)	(726,596)	(951,944)
Depreciation / amortization	(23,535)	(26,195)	(36,304)
Other non cash expenses - gratuity	(17,682)	(19,137)	(51,088)
Segment Result - Gross Profit/(Loss)	54,570	(18,713)	(61,677)
<u>Upcot</u>			
Revenue	960,505	1,051,685	1,380,290
Revenue expenditure	(844,171)	(1,026,314)	(1,343,848)
Depreciation / amortization	(25,966)	(25,648)	(35,582)
Other non cash expenses - gratuity	(29,022)	(27,805)	(76,943)
Segment Result - Gross Profit/(Loss)	61,346	(28,082)	(76,083)
<u>Talawakelle</u>			
Revenue	625,778	604,920	786,172
Revenue expenditure	(474,938)	(584,683)	(745,891)
Depreciation / amortization	(16,801)	(18,299)	(23,907)
Other non cash expenses - gratuity	(12,325)	(11,535)	(28,121)
Segment Result - Gross Profit/(Loss)	121,715	(9,596)	(11,748)
<u>Bandarawela</u>			
Revenue	532,072	392,472	572,175
Revenue expenditure	(511,754)	(515,308)	(706,013)
Depreciation / amortization	(26,515)	(24,304)	(33,584)
Other non cash expenses - gratuity	(15,183)	(15,222)	(43,058)
Segment Result - Gross Profit/(Loss)	(21,380)	(162,362)	(210,480)
<u>Total Segments</u>			
Revenue	2,836,609	2,802,293	3,716,295
Revenue expenditure	(2,453,329)	(2,852,901)	(3,747,696)
Depreciation / amortization	(92,816)	(94,447)	(129,377)
Other non cash expenses - gratuity	(74,212)	(73,699)	(199,209)
Total Segment Result - Gross Profit/(Loss)	216,251	(218,753)	(359,988)
Gain/(Loss) on fair value of biological assets	-	-	75,976
Other income	20,291	7,757	14,873
Administrative expenses	(48,901)	(50,279)	(67,280)
Management fee	(21,105)	(15,702)	(20,202)
Finance cost	(131,241)	(170,707)	(222,099)
Profit/(Loss) Before Tax	35,295	(447,684)	(578,720)

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC

SHAREHOLDER AND INVESTOR INFORMATION

Twenty Largest Shareholders

	as at 31/12/2020		as at 31/03/2020	
	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. M. H. M. Fazal	400,009	0.74	400,009	0.74
3 Hatton National Bank PLC- Ravindra Erle	334,000	0.62	-	-
4 Sandwave Limited	212,643	0.39	-	-
5 Seylan Bank PLC /Senthilveri Holdings (Pvt) Ltd	204,919	0.38	-	-
6 Mr.K.V Hewavitarne	182,312	0.34	-	-
7 Bansei Securities Capital (Pvt) Ltd - D.M.A.D.C De	161,261	0.30	50,600	0.09
8 Hatton National Bank PLC- Korlagodage Don	153,498	0.28	-	-
9 Seylan Bank PLC /Mohamed Mushtaq Fuad	151,847	0.28	-	-
10 Mr. R. E. Rambukwella	137,261	0.25	235,098	0.44
11 Dialog Finance PLC/F.F. Hamiffa	134,203	0.25	-	-
12 Hatton National Bank PLC- Hi Line Trading (Pvt) Ltd	125,000	0.23	-	-
13 Mr. A.V. Emmanuel	119,494	0.22	119,494	0.22
14 Marchant Bank of Sri Lanka and Finance / R.R.S. Ananda	110,674	0.21	139,674	0.26
15 Mr.N.S Niles	110,000	0.20	-	-
16 Mr. D. S. D. De Lanerolle	99,000	0.18	293,611	0.54
17 Seylan Bank PLC /Mohamed Subair Fouzal Haqqe	91,583	0.17	81,583	0.15
18 Mr.R. Maheswaran	86,867	0.16	86,867	0.16
19 Miss. A. Radhakrishnan	86,867	0.16	86,867	0.16
20 Miss. M.P. Radhakrishnan	86,866	0.16	86,866	0.16
	47,986,701	88.94		
Balance held by 16,563 Shareholders (2019/20 - 16,536)	5,966,789	11.06	5,723,221	10.62
Total no. of Shares	53,953,490	100.00	53,953,490	100.00

The percentage of shares held as at	31/12/2020			31/03/2020		
	Number of Shareholders	Number of Shares	%	Number of Shareholders	Number of Shares	%
Public Holding	16,580	8,954,493	16.60	16,573	8,954,493	16.60
Other Holding	3	44,998,997	83.40	3	44,998,997	83.40
Total	16,583	53,953,490	100.00	16,576	53,953,490	100.00

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

As at	31/12/2020	31/03/2020
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**

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 Dr. L S K Hettiarachchi J L A Fernando Shaminda Yaddehige Dr.D S A Samaraweera S S G Liyanage
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 NDB Bank Nations Trust Bank Union Bank
Contact Details	Telephone : +(94) 11 4310500 Facsimile : +(94) 11 4310835 Internet : www.arpico.com E-mail : mpl.rpk@arpico.com