

NAMUNUKULA PLANTATIONS PLC



Interim Financial
Statements

2022/23

FOR THE THREE MONTHS ENDED 30th JUNE 2022



STATEMENT OF FINANCIAL POSITION

As at,	30.06.2022	30.06.2021	31.03.2022
ASSETS	Rs. '000	Rs. '000	Rs. '000
Non Current Assets			
Right of Use Assets	409,528	428,380	416,338
Freehold Property, Plant & Equipment	272,010	309,035	278,469
Bearer Biological Assets	3,103,787	2,983,521	3,077,094
Consumable Biological Assets	251,368	218,668	251,179
Investment in Joint Venture	334,386	268,911	336,484
Financial Assets	200,000	200,000	200,000
Intangible Assets	305,915	305,915	305,915
Total Non Current Assets	<u>4,876,993</u>	<u>4,714,429</u>	<u>4,865,479</u>
Current Assets			
Produce on Bearer Biological Assets	38,499	21,558	38,499
Inventories	434,962	226,914	217,518
Trade and Other Receivables	229,983	180,946	151,959
Amounts Due from Related Companies	292,997	226,606	247,695
ESC Recoverable	5,114	16,319	5,114
Income Tax Receivable	13,361	11,028	11,028
Cash and Cash Equivalents	2,368,168	645,651	2,032,016
Total Current Assets	<u>3,383,083</u>	<u>1,329,020</u>	<u>2,703,828</u>
TOTAL ASSETS	<u>8,260,076</u>	<u>6,043,450</u>	<u>7,569,307</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	350,000	350,000	350,000
Timber Reserve	131,192	106,712	131,192
Retained Earnings	5,577,793	3,654,821	4,956,274
Total Equity	<u>6,058,985</u>	<u>4,111,533</u>	<u>5,437,466</u>
Non Current Liabilities			
Interest Bearing Loans & Borrowings	-	-	-
Retirement Benefit Obligations	461,955	512,809	474,022
Deferred Tax Liability	318,681	274,871	318,681
Deferred Income	125,446	128,818	127,404
Lease liability	419,950	413,584	422,444
Total Non Current Liabilities	<u>1,326,032</u>	<u>1,330,083</u>	<u>1,342,551</u>
Current Liabilities			
Dividend Payable	-	-	237,500
Trade and Other Payables	611,108	441,996	461,783
Lease liability	5,309	2,968	5,309
Interest Bearing Loans & Borrowings	172,501	36,395	25,137
Amounts Due to Related Companies	35,146	83,499	24,894
Income Tax Liabilities	50,995	36,976	34,667
Total Current Liabilities	<u>875,060</u>	<u>601,834</u>	<u>789,290</u>
TOTAL LIABILITIES	<u>2,201,091</u>	<u>1,931,917</u>	<u>2,131,842</u>
TOTAL EQUITY AND LIABILITIES	<u>8,260,076</u>	<u>6,043,450</u>	<u>7,569,307</u>
NET ASSETS PER SHARE (RS.)	<u>255.12</u>	<u>173.12</u>	<u>228.95</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.



Ajith Ranasinghe
Acting 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



J L A Fernando
Director

Colombo,
12 August 2022

STATEMENT OF COMPREHENSIVE INCOME

	Quarter Ended 30.06.2022 Rs. '000	Quarter Ended 30.06.2021 Rs. '000	Increase / (Decrease) %	Year Ended 31.03.2022 Rs. '000
Revenue	1,197,793	893,397	34%	3,888,486
Cost of Sales	(620,316)	(528,535)	17%	(1,990,412)
Gross Profit	577,477	364,862	58%	1,898,074
Other Income	140,784	65,121	116%	284,899
Change in fair value of Biological Assets	-	-	--	41,421
Administrative Expenses	(18,274)	(12,113)	51%	(63,346)
Management Fee	(95,738)	(65,778)	46%	(322,517)
Finance Cost	(14,633)	(13,542)	8%	(57,776)
Share of Profit from the Joint Venture	48,232	56,357	-14%	224,590
Profit Before Taxation	637,848	394,907	62%	2,005,345
Tax (Expense) / Reversal	(16,329)	(14,100)	16%	(68,013)
Net Profit for the Year	621,519	380,807	63%	1,937,332
Other comprehensive income				
Actuarial gain/(loss) on defined benefit plans	-	-	--	8,033
Tax effect	-	-	--	(1,125)
Other comprehensive income for the period	-	-	--	6,908
Total comprehensive income for the period	621,519	380,807	63%	1,944,240
Basic Earnings per Share (Rs.)	26.17	16.03		81.57

* The above figures are subject to audit.

STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs. '000	Retained Earnings Rs. '000	Timber Reserves Rs. '000	Total Rs. '000
Balance as at 1 April 2021	350,000	3,285,685	106,712	3,742,397
Prior year adjustment for surcharge tax	-	(11,671)	-	(11,671)
Adjusted balance as at 1 April 2021	<u>350,000</u>	<u>3,274,014</u>	<u>106,712</u>	<u>3,730,726</u>
Net Profit for the period	-	380,807	-	380,807
Other Comprehensive Income/(Loss)	-	-	-	-
Balance as at 30 June 2021	<u>350,000</u>	<u>3,654,821</u>	<u>106,712</u>	<u>4,111,533</u>
Balance as at 1 April 2022	350,000	4,956,274	131,192	5,437,466
Net Profit for the period	-	621,519	-	621,519
Other Comprehensive Income/(Loss)	-	-	-	-
Balance as at 30 June 2022	<u><u>350,000</u></u>	<u><u>5,577,793</u></u>	<u><u>131,192</u></u>	<u><u>6,058,985</u></u>

The Timber Reserve relates to change in fair value of managed trees which includes commercial timber plantations cultivated on estates.

* The above figures are subject to audit.

STATEMENT OF CASH FLOWS

Period ended,	30.06.2022	30.06.2021
	Rs. '000	Rs. '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before Taxation	637,848	394,907
ADJUSTMENTS FOR		
Depreciation	57,838	49,280
Finance Cost	13,787	13,542
Provision for Defined Benefit Plan Cost	10,098	11,709
Profit on Disposal of Property, Plant & Equipment	-	-
Amortization of Grants	(1,545)	(2,160)
Gain on change in fair value of biological assets	-	-
Share of Profit of Joint Venture	(48,232)	(56,357)
Provision for Bad & Doubtful Debts	-	-
Operating profit before working capital changes	<u>669,795</u>	<u>410,921</u>
(Increase)/Decrease in Inventories	(217,444)	(50,471)
(Increase)/Decrease in Trade and other Receivables	(78,024)	(91,493)
(Increase)/Decrease in Amounts due from Related Companies	(45,302)	(71,826)
Increase/(Decrease) in Trade and Other Payables	386,825	(1,574)
Increase/(Decrease) in Amounts due to Related Companies	<u>10,252</u>	<u>73,397</u>
Cash Generated from Operating Activities	726,101	268,954
Finance Cost Paid	(387)	(600)
Defined Benefit Plan Cost Paid	(22,166)	(11,642)
Tax (Paid) / Refund	<u>(2,333)</u>	<u>-</u>
Net Cash Flow From Operating Activities	<u>701,216</u>	<u>256,711</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Property, Plant & Equipment	(1,425)	(53)
Term Loan given to RPC Finance Ltd	-	-
Dividend Received	50,330	-
Investments in Immature plantation	(69,836)	(54,357)
Expenditure on Timber Cultivation	(189)	(128)
Proceeds from Disposal of Property, Plant & Equipment	-	-
Grants Received	<u>(414)</u>	<u>1,850</u>
Net Cash Flow From Investing Activities	<u>(21,534)</u>	<u>(52,688)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of Government Lease rentals	(15,894)	(14,731)
Payment of other lease rentals	-	-
Proceeds from loans & borrowings	100,000	-
Repayment of loans & borrowings	(5,000)	(3,333)
Dividend Paid	<u>(237,500)</u>	<u>(201,875)</u>
Net Cash Flow From Financing Activities	<u>(158,394)</u>	<u>(219,939)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	521,287	(15,915)
A. Cash & Cash Equivalents at the Beginning of the Year	<u>2,013,546</u>	<u>646,838</u>
B. Cash & Cash Equivalents at the End of the Year	<u><u>2,534,833</u></u>	<u><u>630,922</u></u>
NOTE A : Cash & Cash Equivalents at the Beginning of the Period		
Cash & Bank Balances	2,032,016	661,744
Bank Overdrafts	<u>(18,471)</u>	<u>(14,906)</u>
	<u><u>2,013,546</u></u>	<u><u>646,838</u></u>
NOTE B : Cash & Cash Equivalents at the End of the Period		
Cash & Bank Balances	2,368,168	645,651
Bank Overdrafts	<u>(70,835)</u>	<u>(14,728)</u>
	<u><u>2,297,333</u></u>	<u><u>630,922</u></u>

* The above figures are subject to audit.

NOTES TO THE FINANCIAL STATEMENTS

1. Market Price per Share

	Period Ended 30.06.2022 Rs.	Period Ended 30.06.2021 Rs.	Year Ended 31.03.2022 Rs.
Last traded price	306.75	160.00	184.50
Highest	450.00	188.00	202.00
Lowest	195.00	151.50	69.20

2. Market Capitalization & Ratios

	As at 31.03.2022	As at 31.03.2021
Market Capitalization (Rs. '000)	7,285,313	4,381,875
Float adjusted Market Capitalization (Rs. '000)	2,364,423	1,424,975
Price Earning Ratio (times)	2.93	2.26

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 the previous year.
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. There has been no any other significant change in the nature of contingent liabilities, which were disclosed in the latest Annual Report of the company.
9. There have been no material events occurring after the reporting date that require adjustments or disclosure in the financial statements.

10. Surcharge Tax

The Surcharge Tax Act No 14 of 2022 (Act) was certified by the Speaker and published as a Supplement to Part II of the Gazette of the Democratic Socialist Republic of Sri Lanka on 8th April 2022. As per the said Act, Surcharge Tax is payable by a company or each company of a group of companies (holding and subsidiaries) subject to the taxable income threshold specified in the Act. The Group of companies will meet the chargeability threshold when the aggregate taxable income of all subsidiaries and holding company (excluding the companies with nil taxable income due to losses or unrelieved losses) exceed Rs.2 Bn for Y/A commencing from 1st April 2020. Such Group of companies will be liable for Surcharge tax at a rate of 25% on the taxable income of each subsidiary and holding company excluding gains and profits from dividends received from a subsidiary which is part of such taxable income for Y/A commencing from 1st April 2020.

As the law imposing the surcharge tax was enacted after the end of the reporting period, the Financial Statements for the period ended March 31, 2022 do not reflect the tax liability that would arise in consequence. The Company paid the two installment by equal installments of amounting to Rs. 5.835 Mn. on April 20, 2022 and July 20, 2022.

As per the Statement of Alternative Treatment (SoAT) issued by CA Sri Lanka on 22nd April 2022, Surcharge Tax expense which is deemed to be an expenditure for the year of assessment which commenced on 1st April 2020, shall be recorded as an adjustment to the opening retained earnings reported in the Statement of Changes in Equity on 1st April 2021. Such adjustment is incorporated in this interim financial statements.

11. Impact of COVID – 19

The outbreak of COVID-19 has caused disruption to business and economic activities, and uncertainty in the global and local economy. Subsequent to the outbreak of COVID-19 in Sri Lanka, the company has strictly adhered to the guidelines and directions issued by the government & health authorities of Sri Lanka when conducting its business operations, also 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.

The Company continuously monitors the impact of the pandemic and takes necessary action to manage its impact on the operations and performance of the Company.

12. Mr. S S G Liyanage has vacated the office of the Director of Company with effect from 30th April 2022 due to his demise.
13. Mr. Prins Gunasekara has been appointed as chief executive officer of Company with effect from 1st August 2022.
14. The Interim Financial Statements of the company for the period ended 30 June 2022 were authorized for issue by the Board of Directors on 12th August 2022.

NOTES TO THE FINANCIAL STATEMENTS

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

	As at 30.06.2022		As at 31.03.2022	
	No. of shares held	% of Holding	No. of shares held	% of Holding
1 RPC Plantation Management Services (Pvt) Ltd	16,042,020	67.55%	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 (Deceased)	667,100	2.81%	667,100	2.81%
4 National Development Bank PLC/Sakuvi Investment Trust (Pvt) Ltd	328,148	1.38%	328,148	1.38%
5 Mr.K.C.Vignarajah	72,849	0.31%	72,849	0.31%
6 Mr.H.A.A.H.ALGHARABALLY	71,573	0.30%	71,573	0.30%
7 Mr.Z.G.Carimjee	43,200	0.18%	43,200	0.18%
8 Hatton National Bank PLC/Thilak Dias Gunasekera	42,500	0.18%	42,500	0.18%
9 T.S.T.T.T. Sath Secretary to the Treasury-Sundry	38,298	0.16%	38,298	0.16%
10 Mr.W.D.N.H Perera	36,331	0.15%	36,331	0.15%
11 Mr.A.H Musthakeem	30,000	0.13%	30,000	0.13%
12 Mrs.Z.M Adamally	21,600	0.09%	21,600	0.09%
13 Mr.N.A. Withana	21,111	0.09%	21,111	0.09%
14 Mr.R.V.D.Piyathilake	21,054	0.09%	40,012	0.17%
15 Cocoshell Activated Carbon Co. Ltd	20,800	0.09%	20,800	0.09%
16 Mr.M.F.A Deen	17,750	0.07%	16,725	0.07%
17 Mrs.S.Vignarajah	15,014	0.06%	15,014	0.06%
18 Mr.R.C Wijesena	13,000	0.05%	15,000	0.06%
19 Bansei Securities Capital (Pvt) Ltd/M.M.A.B Gunara	11,782	0.05%	11,782	0.05%
20 Mr.S Gowrisangar	10,500	0.04%	10,500	0.04%
Sub Total	21,287,930	89.63%		
Balance held by 12,391 (2021/22 - 12,331) shareholders	2,443,423	10.29%	2,096,243	8.83%
Total No. of Shares	23,750,001	99.92%	23,750,001	100.00%

* There were no non voting shares as at 30 June 2022.

The Percentage of shares held as at ,

	As at 30.06.2022			As at 31.03.2022		
	No. of Shareholders	No. of shares held	%	No. of Shareholders	No. of shares held	%
Public Holding	12,410	7,707,981	32.45%	12,350	7,723,440	32.52%
Other Holding	1	16,042,020	67.55%	1	16,026,561	67.48%
Total No. of Shares	12,411	23,750,001	100.00%	12,351	23,750,001	100.00%

15. Directors' & CEO's Shareholding

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

	As at 30.06.2022 No. of Shares	As at 31.03.2022 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 (Demised on 30th April 2022)	Nil	Nil
Mr. J L A Fernando	Nil	Nil
Mr. P De S A Gunasekara - CEO	74	74

SEGMENT INFORMATIONS

REVENUE	2022	2021
Summary	Rs. '000	Rs. '000
Sale of Goods		
Tea	392,419	321,716
Rubber	37,141	50,220
Oil Palm	753,818	503,080
Coconut	10,134	13,479
Cinnamon	4,281	4,901
	<u>1,197,793</u>	<u>893,397</u>

For the period ended 30 June	Tea		Rubber		Oil Palm		Coconut		Cinnamon		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	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	392,419	321,716	37,141	50,220	753,818	503,080	10,134	13,479	4,281	4,901	1,197,793	893,397
Revenue Expenditure	(311,811)	(313,634)	(24,740)	(42,683)	(207,669)	(102,224)	(5,758)	(6,098)	(3,461)	(3,964)	(553,438)	(468,604)
Depreciation / Amortization	(6,957)	(7,673)	(16,771)	(13,089)	(28,099)	(24,740)	(2,652)	(1,816)	(2,902)	(1,504)	(57,380)	(48,823)
Gratuity	(5,163)	(5,408)	(1,159)	(1,787)	(3,042)	(3,727)	(117)	(159)	(17)	(27)	(9,498)	(11,109)
Gross Profit/(Loss)	<u>68,488</u>	<u>(4,999)</u>	<u>(5,529)</u>	<u>(7,339)</u>	<u>515,008</u>	<u>372,388</u>	<u>1,608</u>	<u>5,406</u>	<u>(2,099)</u>	<u>(595)</u>	<u>577,477</u>	<u>364,862</u>
Other Income											140,784	65,121
Gain on change in fair value of biological assets											-	-
Administrative Expenses											(18,274)	(12,113)
Management Fees											(95,738)	(65,778)
Finance Cost											(14,633)	(13,542)
Share of Profit from the Joint Venture											<u>48,232</u>	<u>56,357</u>
Profit before Taxation											<u>637,848</u>	<u>394,907</u>
Income Tax (Expense)/Reversal											<u>(16,329)</u>	<u>(14,100)</u>
Net Profit for the period											<u>621,519</u>	<u>380,807</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 (Demised on 30th April 2022)

Mr. J L A Fernando

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

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