



Maskeliya Plantations PLC

Interim Financial Statements

**For the twelve months ended
31 March 2021**


INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC

STATEMENT OF FINANCIAL POSITION

| | Unaudited As at 31/03/2021 Rs. ' 000 | Audited As at 31/03/2020 Rs. ' 000 |
|--|---|---|
| ASSETS | | |
| NON CURRENT ASSETS | | |
| Lease hold Property ,Plant and Equipment | 337,144 | 348,770 |
| Freehold Property, plant & equipment | 481,965 | 507,622 |
| Bearer Biological Assets | 2,262,482 | 2,298,074 |
| Consumable Biological Assets | 922,609 | 798,389 |
| ACT Recoverable | 47,926 | 47,926 |
| | 4,052,126 | 4,000,781 |
| CURRENT ASSETS | | |
| Produce on Bearer Biological Assets | 11,435 | 10,292 |
| Inventories | 459,391 | 398,244 |
| Trade and other Receivables | 283,001 | 216,731 |
| Tax Recoverable | 37,163 | 81,779 |
| Amount due from Related Parties | 20,346 | 16,854 |
| Cash and Bank balances | 43,285 | 12,998 |
| | 854,621 | 736,898 |
| TOTAL ASSETS | 4,906,747 | 4,737,679 |
| EQUITY AND LIABILITIES | | |
| CAPITAL AND RESERVES | | |
| Stated Capital - Note 03 | 673,721 | 673,721 |
| General Reserve | 540,000 | 540,000 |
| Timber Reserves | 879,857 | 755,637 |
| Retained Earnings | (1,380,021) | (1,596,113) |
| TOTAL EQUITY | 713,557 | 373,245 |
| NON CURRENT LIABILITIES & DEFERRED INCOME | | |
| Interest Bearing Loans & Borrowings | 677,370 | 126,223 |
| Retiring Benefit Obligations | 1,003,932 | 1,208,307 |
| Deferred Tax Liability | 35,180 | 52,228 |
| Deferred Income | 167,833 | 169,135 |
| Liability to make Lease Payment after one year | 316,834 | 312,296 |
| | 2,201,149 | 1,868,189 |
| CURRENT LIABILITIES | | |
| Trade & Other payables | 500,308 | 428,615 |
| Dividend payable | 2,008 | 2,008 |
| Amount due to Related parties | 682,197 | 724,543 |
| Interest Bearing Loans & Borrowings | 801,675 | 1,337,361 |
| Liability to make Lease Payment within one year | 5,853 | 3,718 |
| | 1,992,041 | 2,496,245 |
| TOTAL EQUITY AND LIABILITIES | 4,906,747 | 4,737,679 |
| | Rs. | Rs. |
| Net Assets Per Share | 13 | 7 |

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

31 May 2021

INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC

STATEMENT OF PROFIT OR LOSS

| | Quarter Ended | | | Twelve Months Ended | | |
|---|--------------------------------|------------------------------|------------|--------------------------------|------------------------------|------------|
| | March | | Variance | March | | Variance |
| | 2021 Unaudited Rs. ' 000 | 2020 Audited Rs. ' 000 | | 2021 Unaudited Rs. ' 000 | 2020 Audited Rs. ' 000 | |
| | | | | | | |
| Revenue | 1,138,286 | 914,002 | 25 | 3,974,895 | 3,716,295 | 7 |
| Cost of Sales | (1,128,917) | (1,055,237) | (7) | (3,749,275) | (4,076,283) | 8 |
| Gross Profit / (Loss) | 9,369 | (141,235) | 107 | 225,620 | (359,988) | 163 |
| Other Income | 308 | 7,116 | (96) | 20,599 | 14,873 | 38 |
| Change in Fair Value of Biological Assets | 125,363 | 75,976 | 65 | 125,363 | 75,976 | 65 |
| Administration Expenses | (12,043) | (17,001) | 29 | (60,944) | (67,280) | 9 |
| Management Fee | (13,633) | (4,500) | (203) | (34,738) | (20,202) | (72) |
| Finance Cost | (41,359) | (51,392) | 20 | (172,600) | (222,099) | 22 |
| Profit /(Loss) before Taxation | 68,005 | (131,036) | 152 | 103,300 | (578,720) | 118 |
| Income Tax Expense | 213 | 2,609 | 92 | 213 | 2,609 | 92 |
| Net Profit/(Loss) for the period | 68,218 | (128,427) | 153 | 103,513 | (576,111) | 118 |
| | Rs. | Rs. | | Rs. | Rs. | |
| Basic Earnings Per Share | 1.26 | (2.38) | | 1.92 | (10.68) | |

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC

STATEMENT OF COMPREHENSIVE INCOME

| | Quarter Ended | | | Twelve Months Ended | | |
|--|--------------------------------|------------------------------|----------|--------------------------------|------------------------------|----------|
| | March | | Variance | March | | Variance |
| | 2021 Unaudited Rs. ' 000 | 2020 Audited Rs. ' 000 | | 2021 Unaudited Rs. ' 000 | 2020 Audited Rs. ' 000 | |
| Profit/ (Loss) for the period | 68,218 | (128,427) | 153 | 103,513 | (576,111) | 118 |
| Other Comprehensive Income | | | | | | |
| Remeasurement gains/ (Losses) on defined benefit plan | 264,580 | (22,707) | 1,265 | 264,580 | (22,707) | 1,265 |
| Income tax effect | (27,781) | 3,179 | (974) | (27,781) | 3,179 | (974) |
| Other Comprehensive Income for the period, net of tax | 236,799 | (19,528) | 1,313 | 236,799 | (19,528) | 1,313 |
| Total Comprehensive Income for the period, net of tax | 305,017 | (147,955) | 306 | 340,312 | (595,639) | 157 |

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC
STATEMENT OF CASH FLOW

| | Unaudited 31/03/2021 Rs. ' 000 | Audited 31/03/2020 Rs. ' 000 |
|--|--------------------------------------|------------------------------------|
| For the Twelve Months Ended March | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net Profit before Taxation | 103,300 | (578,720) |
| ADJUSTMENTS FOR | | |
| Depreciation/Amortization | 130,572 | 130,978 |
| Provision for Defined Benefit Plan Cost | 191,250 | 199,209 |
| Amortisation of Grants | (11,737) | (11,737) |
| Gain/(Loss) on change in fair value Timber plantations Net of Harvesting | (124,220) | (74,773) |
| Gain/(Loss) on change in fair value Green Leaf | (1,143) | (1,203) |
| Finance Costs | 172,600 | 222,099 |
| Operating Profit before Working Capital changes | 460,622 | (114,147) |
| (Increase)/Decrease in Trade and other receivables | (66,270) | 10,943 |
| (Increase)/Decrease in Inventories | (61,147) | 192,629 |
| Increase/(Decrease) in Trade and other payables | 70,307 | (29,895) |
| Increase/(Decrease) in amounts due to Related Parties | (42,346) | 203,629 |
| (Increase)/Decrease in amounts due from Related Parties | (3,492) | 5,234 |
| Cash Generated from Operations | 357,674 | 268,393 |
| Finance Costs Paid | (130,725) | (180,695) |
| Defined Benefit Plan Costs paid | (131,045) | (123,972) |
| Tax Paid | - | (14,011) |
| Net Cash from Operating Activities | 95,904 | (50,285) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Grants Received | 10,436 | 490 |
| Proceed from Sale of Property, Plant & Equipment | - | - |
| Field Development Expenditure | (31,858) | (63,759) |
| Purchase of Property, Plant & Equipment | (15,405) | (1,216) |
| Net Cash used in Investing Activities | (36,827) | (64,485) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Dividends Paid | - | - |
| Payment of Government lease rentals | (42,439) | - |
| Payment of Other Finance lease rental | (1,813) | (1,813) |
| Proceeds from loans | 725,000 | 46,385 |
| Payment of loans | (148,556) | (297,038) |
| Net Cash from Financing Activities | 532,192 | (252,466) |
| Net Increase/(Decrease) in Cash & Cash Equivalents | 591,269 | (367,236) |
| 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 | (504,577) | (1,095,846) |
| Cash & Cash Equivalents at the beginning of the period | | |
| Short Term Deposit | - | - |
| Cash & Bank Balances | 12,998 | 9,297 |
| Bank Overdrafts | (1,108,844) | (737,907) |
| | (1,095,846) | (728,610) |
| Cash & Cash Equivalents at the end of the period | | |
| Short Term Deposit | - | - |
| Cash & Bank Balances | 43,285 | 12,998 |
| Bank Overdrafts | (547,862) | (1,108,844) |
| | (504,577) | (1,095,846) |

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 |
|------------------------------------|--------------------------------|---------------------------------|-----------------------------------|--------------------------------|------------------------------|
| Balance as at 31 March 2019 | 673,721 | 540,000 | (925,702) | 680,865 | 968,884 |
| Net profit/ (Loss) for the period | - | - | (576,111) | - | (576,111) |
| Other Comprehensive income | - | - | (19,528) | - | (19,528) |
| Timber Reserve | | | (74,772) | 74,772 | - |
| Balance as at 31 March 2020 | 673,721 | 540,000 | (1,596,113) | 755,637 | 373,245 |
| Balance as at 31 March 2020 | 673,721 | 540,000 | (1,596,113) | 755,637 | 373,245 |
| Net profit/(Loss) for the period | - | - | 103,513 | - | 103,513 |
| Other Comprehensive income | - | - | 236,799 | - | 236,799 |
| Timber Reserve | | | (124,220) | 124,220 | - |
| Balance as at 31 March 2021 | 673,721 | 540,000 | (1,380,021) | 879,857 | 713,557 |

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC

NOTES TO THE FINANCIAL STATEMENTS

| | Quarter Ended | | Year Ended | |
|---|---------------|-------|------------|-------|
| | 2021 | 2020 | 2021 | 2020 |
| | Rs. | Rs. | Rs. | Rs. |
| For the quarter Ended 31 March. | | | | |
| Market Price per Share | | | | |
| - Last Traded price (For the quarter) | 11.00 | 6.20 | 11.00 | 6.20 |
| - Highest (For the quarter) | 15.20 | 10.00 | 18.00 | 11.40 |
| - Lowest (For the quarter) | 10.00 | 6.20 | 5.50 | 6.20 |

| | As at 31/03/2021 | As at 31/03/2020 |
|---|---------------------|---------------------|
| 2 Market Capitalization & Ratios | | |
| Market Capitalization (Rs. '000) | 593,488 | 334,512 |
| Float adjusted Market Capitalization (Rs. '000) | 98,519 | 55,529 |
| Price Earning Ratio (times) | 6 | - |

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 These Interim Financial statements include the Gain arising from the valuation of Biological Assets and Actuarial Gain \ (Loss) on Defined Benefit Plans arising from the year end valuation.

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 **Impact of COVID – 19**

The outbreak of COVID-19 has continues to pose challenges to businesses and industries both locally and globally due to uncertainties, restrictions and limitations associated with the pandemic.

The Company strictly following the guidelines and directions issued by the government health authorities 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.

Further management of the company is closely monitoring and engaged in developing mitigating factors for potential risks to the business operation due to COVID pandemic.

11 The Income tax & Differed tax calculations were done based on the 'Guideline on Application of Tax Rates in Measurement of Current tax and Deferred tax in LKAS 12' issued by CA Sri Lanka on 23rd April 2021.

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

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

14 These Financial Statements for the quarter ended 31 March 2021, have been authorized for issue by the Board of Directors on 31/05/2021.

INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC

SEGMENT INFORMATION

For the twelve months ended 31 March

| | Unaudited 2021 Rs. '000 | Audited 2020 Rs. '000 |
|---|-------------------------------|-----------------------------|
| <u>Maskeliya</u> | | |
| Revenue | 1,032,080 | 977,658 |
| Revenue expenditure | (878,916) | (951,944) |
| Depreciation / amortization | (36,287) | (36,304) |
| Other non cash expenses - gratuity | (46,985) | (51,088) |
| Segment Result - Gross Profit/(Loss) | 69,892 | (61,677) |
| <u>Upcot</u> | | |
| Revenue | 1,329,280 | 1,380,290 |
| Revenue expenditure | (1,165,383) | (1,343,848) |
| Depreciation / amortization | (35,256) | (35,582) |
| Other non cash expenses - gratuity | (67,277) | (76,943) |
| Segment Result - Gross Profit/(Loss) | 61,364 | (76,083) |
| <u>Talawakelle</u> | | |
| Revenue | 867,270 | 786,172 |
| Revenue expenditure | (660,193) | (745,891) |
| Depreciation / amortization | (23,695) | (23,907) |
| Other non cash expenses - gratuity | (33,577) | (28,121) |
| Segment Result - Gross Profit/(Loss) | 149,805 | (11,748) |
| <u>Bandarawela</u> | | |
| Revenue | 746,265 | 572,175 |
| Revenue expenditure | (725,481) | (706,013) |
| Depreciation / amortization | (35,334) | (33,584) |
| Other non cash expenses - gratuity | (40,891) | (43,058) |
| Segment Result - Gross Profit/(Loss) | (55,441) | (210,480) |
| <u>Total Segments</u> | | |
| Revenue | 3,974,895 | 3,716,295 |
| Revenue expenditure | (3,429,973) | (3,747,696) |
| Depreciation / amortization | (130,572) | (129,377) |
| Other non cash expenses - gratuity | (188,730) | (199,209) |
| Total Segment Result - Gross Profit/(Loss) | 225,620 | (359,988) |
| Gain/(Loss) on fair value of biological assets | 125,363 | 75,976 |
| Other income | 20,599 | 14,873 |
| Administrative expenses | (60,944) | (67,280) |
| Management fee | (34,738) | (20,202) |
| Finance cost | (172,600) | (222,099) |
| Profit/(Loss) Before Tax | 103,300 | (578,720) |

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS - MASKELIYA PLANTATIONS PLC

SHAREHOLDER AND INVESTOR INFORMATION

Twenty Largest Shareholders

| | as at 31/03/2021 | | 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 Sandwave Limited | 347,533 | 0.64 | - | - |
| 4 Hatton National Bank PLC- Ravindra Erle | 338,000 | 0.63 | - | - |
| 5 Seylan Bank PLC /Senthilveri Holdings (Pvt) Ltd | 204,919 | 0.38 | - | - |
| 6 Seylan Bank PLC /Mohamed Mushtaq Fuad | 184,947 | 0.34 | - | - |
| 7 Mr.K.V Hewavitarne | 182,312 | 0.34 | - | - |
| 8 Bansei Securities Capital (PvT) Ltd - D.M.A.D.C De | 167,901 | 0.31 | 50,600 | 0.09 |
| 9 Hatton National Bank PLC- Korlagodage Don | 153,498 | 0.28 | - | - |
| 10 Dialog Finance PLC/F.F. Hamiffa | 137,303 | 0.25 | - | - |
| 11 Mr. R. E. Rambukwella | 137,261 | 0.25 | 235,098 | 0.44 |
| 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 Seylan Bank PLC /Mohamed Subair Fouzal Haqqe | 91,583 | 0.17 | 81,583 | 0.15 |
| 17 Mr.R. Maheswaran | 86,867 | 0.16 | 86,867 | 0.16 |
| 18 Miss. A. Radhakrishnan | 86,867 | 0.16 | 86,867 | 0.16 |
| 19 Miss. M.P. Radhakrishnan | 86,866 | 0.16 | 86,866 | 0.16 |
| 20 Dialog Finance PLC/M.M Fuad | 78,093 | 0.14 | - | - |
| | 48,147,524 | 89.24 | | |
| Balance held by 16,517 Shareholders (2019/20 - 16,556) | 5,805,966 | 10.76 | 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

| | 31/03/2021 | | | 31/03/2020 | | |
|----------------|------------------------|-------------------|---------------|------------------------|-------------------|---------------|
| | Number of Shareholders | Number of Shares | % | Number of Shareholders | Number of Shares | % |
| Public Holding | 16,534 | 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 | 16,537 | 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 | 31/03/2021 | 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 |