

Richard Pieris and Company PLC

Interim Financial Statements

Six months ended 30th September 2020

Corporate Information

Legal Form

A quoted public Company with limited liability, incorporated in Sri Lanka under the Companies Ordinance No. 51 of 1938 on 11th May 1940. The Company registration number is PQ 138.

Stock Exchange Listing

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

Board of Directors

Dr. Sena Yaddhige - *Chairman/ Managing Director/ CEO*

Mr. W. J. Viville P. Perera - *Director*

Mr. S.S.G. Liyanage – *Director*

Mr. Shaminda Yaddhige – *Director/COO*

Dr. Jayatissa De Costa P.C. - *Director*

Mr. Prasanna Fernando – *Director*

Mr. Joseph Felix Fernandopulle - *Director*

Mr. Shiron Gooneratne – *Director*

Registered Office

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

Telephone : + (94) 114310500

Fax : + (94) 114310777

Website : www.arpico.com

E-mail : cpu@arpico.com

Secretaries

Richard Pieris Group Services (Private) Limited

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

Auditors

Ernst & Young


Chartered Accountants

No. 201, De Saram Place,
Colombo 10,
Sri Lanka.

| Consolidated Statement of Financial Position | Unaudited As at 30th September 2020 Rs. '000 | Unaudited As at 31st March 2020 Rs. '000 |
|---|---|---|
| Assets | | |
| Non-current assets | | |
| Property, plant and equipment | 20,335,268 | 20,353,151 |
| Leasehold properties | 1,176,348 | 1,193,180 |
| Investment properties | 295,987 | 295,246 |
| Right-of-use Assets | 3,903,613 | 4,220,383 |
| Intangible assets | 1,142,269 | 1,142,432 |
| Biological assets | 1,140,724 | 1,138,269 |
| Investment in associates | 223,958 | 189,407 |
| Other non-current financial assets | 2,544,986 | 1,983,494 |
| Deferred tax assets | 498,928 | 500,010 |
| | <u>31,262,081</u> | <u>31,015,572</u> |
| Current assets | | |
| Inventories | 7,642,965 | 8,081,471 |
| Trade and other receivables | 8,107,082 | 8,249,393 |
| Bearer biological assets | 32,239 | 32,239 |
| Loans and advances | 13,384,971 | 13,530,073 |
| Tax receivables | 287,095 | 316,914 |
| Other current financial assets | 1,570,401 | 1,230,619 |
| Cash and short-term deposits | 6,664,476 | 4,961,963 |
| | <u>37,689,229</u> | <u>36,402,672</u> |
| Total assets | <u><u>68,951,310</u></u> | <u><u>67,418,244</u></u> |
| Equity and liabilities | | |
| Equity | | |
| Stated capital | 1,972,829 | 1,972,829 |
| Revenue reserves | 13,347,371 | 12,642,966 |
| Statutory reserve fund | 76,761 | 76,761 |
| Other components of equity | (27,520) | (213,243) |
| Equity attributable to equity holders of the parent | <u>15,369,441</u> | <u>14,479,313</u> |
| Non-controlling interests | 3,095,355 | 2,878,055 |
| Total equity | <u>18,464,796</u> | <u>17,357,368</u> |
| Non-current liabilities | | |
| Interest - bearing loans and borrowings | 3,470,679 | 4,244,760 |
| Lease liabilities on Right-of-use Assets | 4,064,338 | 4,335,774 |
| Insurance provision | 1,970,254 | 1,622,089 |
| Provisions | 145,205 | 137,283 |
| Government grants | 510,858 | 508,573 |
| Deferred tax liabilities | 842,209 | 949,281 |
| Employee benefit liabilities | 2,922,205 | 2,911,082 |
| | <u>13,925,748</u> | <u>14,708,842</u> |
| Current liabilities | | |
| Trade and other payables | 9,874,427 | 7,853,742 |
| Public Deposits | 8,933,668 | 8,710,786 |
| Current portion of Interest - bearing loans and borrowings | 5,173,862 | 3,843,419 |
| Current portion of lease liabilities on Right of use assets | 638,193 | 600,431 |
| Income tax payable | 197,044 | 423,447 |
| Short term borrowings | 11,743,572 | 13,920,209 |
| | <u>36,560,766</u> | <u>35,352,034</u> |
| Total liabilities | <u>50,486,514</u> | <u>50,060,876</u> |
| Total equity and liabilities | <u><u>68,951,310</u></u> | <u><u>67,418,244</u></u> |

The above figures are subject to audit.

I certify that the financial statements comply with the requirements of the Companies Act No. 7 of 2007



Sudheera Epitakumbura
Group Financial Controller

The Board of Directors is responsible for the preparation and presentation of these financial statements.



Shiron Gooneratne
Director



W J V P Perera
Director

12th November 2020

Statement of Financial Position

| | Unaudited As at 30th September 2020 Rs. '000 | Unaudited As at 31st March 2020 Rs. '000 |
|---|--|--|
| Assets | | |
| Non-current assets | | |
| Property, plant and equipment | 200,144 | 205,936 |
| Investment properties | 1,209,907 | 1,213,756 |
| Right-of-use Assets | 339,389 | 365,634 |
| Investment in subsidiaries | 3,895,672 | 3,810,673 |
| Other non-current financial assets | 785,564 | 554,405 |
| | <u>6,430,676</u> | <u>6,150,404</u> |
| Current assets | | |
| Trade and other receivables | 337,797 | 425,807 |
| Amounts due from subsidiaries | 3,810,711 | 2,872,277 |
| Cash and short-term deposits | 1,230,812 | 3,669,704 |
| | <u>5,379,320</u> | <u>6,967,788</u> |
| Total assets | <u>11,809,996</u> | <u>13,118,192</u> |
| Equity and liabilities | | |
| Equity | | |
| Stated capital | 1,972,829 | 1,972,829 |
| Revenue reserves | 1,018,171 | 1,329,484 |
| Other components of equity | (138,793) | (334,560) |
| Total equity | <u>2,852,207</u> | <u>2,967,753</u> |
| Non-current liabilities | | |
| Lease liabilities on Right-of-use Assets | 432,500 | 449,434 |
| Deferred tax liability | 3,759 | 3,759 |
| Employee benefit liabilities | 56,997 | 64,293 |
| | <u>493,256</u> | <u>517,486</u> |
| Current liabilities | | |
| Trade and other payables | 1,289,447 | 276,627 |
| Current portion of Lease liabilities on Right-of-use Assets | 29,700 | 24,410 |
| Amounts due to subsidiaries | 4,278 | 5,940 |
| Income tax payable | 25,621 | 77,232 |
| Short term borrowings | 7,115,487 | 9,248,744 |
| | <u>8,464,533</u> | <u>9,632,953</u> |
| Total liabilities | <u>8,957,789</u> | <u>10,150,439</u> |
| Total equity and liabilities | <u>11,809,996</u> | <u>13,118,192</u> |

The above figures are subject to audit.

I certify that the financial statements comply with the requirements of the Companies Act No. 7 of 2007



Sudheera Epitakumbura
Group Financial Controller

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Shiron Gooneratne
Director



W J V P Perera
Director

12th November 2020

Consolidated Statement of Profit or Loss

| | Unaudited | | | Unaudited | | |
|--|-------------------|-------------------|-------------|-------------------|-------------------|-------------|
| | 3 months ended | 3 months ended | % | 6 months ended | 6 months ended | % |
| | 30th September | 30th September | | 30th September | 30th September | |
| | 2020 | 2019 | | 2020 | 2019 | |
| | Rs. '000 | Rs. '000 | Variance | Rs. '000 | Rs. '000 | Variance |
| Continuing operations | | | | | | |
| Revenue from contracts with customers | 13,625,163 | 12,764,047 | 7% | 23,621,702 | 25,228,984 | -6% |
| Revenue from insurance contracts | 546,216 | 424,478 | 29% | 913,299 | 772,963 | 18% |
| Interest Revenue | 287,217 | 725,770 | -60% | 895,749 | 1,480,630 | -40% |
| Total Revenue | 14,458,596 | 13,914,295 | | 25,430,750 | 27,482,577 | |
| Cost of sales | (10,851,000) | (10,669,459) | 2% | (19,265,725) | (21,222,869) | -9% |
| Gross profit | 3,607,596 | 3,244,836 | 11% | 6,165,025 | 6,259,708 | -2% |
| Other operating income | 238,006 | 332,089 | -28% | 435,027 | 647,599 | -33% |
| Selling and distribution expenses | (639,956) | (727,616) | -12% | (1,003,442) | (1,440,735) | -30% |
| Administrative expenses | (1,597,053) | (1,687,702) | -5% | (2,712,251) | (3,369,138) | -19% |
| Other operating expenses | (38,971) | (15,120) | 158% | (47,512) | (19,344) | 146% |
| Operating profit | 1,569,622 | 1,146,487 | 37% | 2,836,847 | 2,078,090 | 37% |
| Finance costs | (366,114) | (485,783) | -25% | (844,458) | (1,009,340) | -16% |
| Finance Income | 133,163 | 118,143 | 13% | 278,430 | 234,892 | 19% |
| Share of profit of an associate | 44,749 | 18,822 | 138% | 81,200 | 34,294 | 137% |
| Profit before tax from continuing operations | 1,381,420 | 797,669 | 73% | 2,352,019 | 1,337,936 | 76% |
| Income tax expense | (238,510) | (240,289) | -1% | (399,930) | (383,069) | 4% |
| Profit for the period from continuing operations | 1,142,910 | 557,380 | 105% | 1,952,089 | 954,867 | 104% |
| Discontinued operations | | | | | | |
| Loss after tax for the period from discontinued operations | (373) | (381) | -2% | (2,092) | (2,112) | -1% |
| Profit for the period | 1,142,537 | 556,999 | 105% | 1,949,997 | 952,755 | 105% |
| Attributable to: | | | | | | |
| Equity holders of the parent | 1,004,224 | 520,950 | 93% | 1,721,593 | 905,265 | 90% |
| Non-controlling interests | 138,313 | 36,049 | 284% | 228,404 | 47,490 | 381% |
| | 1,142,537 | 556,999 | | 1,949,997 | 952,755 | |
| Earnings per share | | | | | | |
| Basic (Rs.) | 0.49 | 0.26 | | 0.85 | 0.44 | |
| Dividend per share | 0.50 | - | | 0.50 | - | |

Figures in brackets indicate deductions.

The above figures are subject to audit.

Consolidated Statement of Comprehensive Income

| | Unaudited | | % | Unaudited | | % |
|---|---|---|--------|--|--|---------|
| | 3 months ended 30th June 2020 Rs. '000 | 3 months ended 30th June 2019 Rs. '000 | | 6 months ended 30th September 2020 Rs. '000 | 6 months ended 30th September 2019 Rs. '000 | |
| Profit for the period | <u>1,142,537</u> | <u>556,999</u> | 105% | <u>1,949,997</u> | <u>952,755</u> | 105% |
| Other comprehensive income/ (loss) | | | | | | |
| Other comprehensive income/(loss) to be reclassified to profit or loss; | | | | | | |
| Net loss on financial assets at FVOCI | (103,351) | (2,622) | -3842% | (58,252) | (411) | -14073% |
| Fair value movement of Fair value reserve of financial assets at FVOCI transferred to life fund | 103,351 | 2,622 | -3842% | 58,252 | 411 | -14073% |
| Exchange differences on translation of foreign operations | (2,904) | 18,294 | -116% | (2,071) | 22,028 | -109% |
| Net other comprehensive income/(loss) to be reclassified to profit or loss | <u>(2,904)</u> | <u>18,294</u> | | <u>(2,071)</u> | <u>22,028</u> | |
| Other comprehensive loss not to be reclassified to profit or loss; | | | | | | |
| Net gain / (loss) on Financial Assets at FVOCI | 106,575 | (32,157) | -431% | 195,767 | 26,960 | 626% |
| Net other comprehensive loss not to be reclassified to profit or loss | <u>106,575</u> | <u>(32,157)</u> | | <u>195,767</u> | <u>26,960</u> | |
| Other comprehensive loss for the period, net of tax | <u>103,671</u> | <u>(13,863)</u> | -848% | <u>193,696</u> | <u>48,988</u> | 295% |
| Total comprehensive income for the period, net of tax | <u>1,246,208</u> | <u>543,136</u> | 129% | <u>2,143,693</u> | <u>1,001,743</u> | 114% |
| Attributable to: | | | | | | |
| Equity holders of the parent | 1,099,037 | 499,843 | 120% | 1,906,431 | 945,684 | |
| Non-controlling interests | 147,171 | 43,293 | 240% | 237,262 | 56,059 | |
| | <u>1,246,208</u> | <u>543,136</u> | | <u>2,143,693</u> | <u>1,001,743</u> | |

Figures in brackets indicate deductions.
The above figures are subject to audit.

Company Statement of Profit or Loss

| | Unaudited | | | Unaudited | | |
|---------------------------------------|-----------------|-----------------|-------------|------------------|------------------|------------|
| | 03 months ended | 03 months ended | % | 06 months ended | 06 months ended | % |
| | 30th September | 30th September | | 30th September | 30th September | |
| | 2020 | 2019 | | 2020 | 2019 | |
| | Rs. '000 | Rs. '000 | Variance | Rs. '000 | Rs. '000 | Variance |
| Revenue from contracts with customers | 682,950 | 450,177 | 52% | 1,051,506 | 1,043,785 | 1% |
| Other revenue | 55,278 | 57,431 | -4% | 110,884 | 115,857 | -4% |
| Cost of sales | - | - | | - | - | |
| Gross profit | 738,228 | 507,608 | 45% | 1,162,390 | 1,159,642 | 0% |
| Administrative expenses | (97,913) | (103,911) | 6% | (178,355) | (212,594) | 16% |
| Operating profit | 640,315 | 403,697 | 59% | 984,035 | 947,048 | 4% |
| Finance costs | (108,848) | (147,324) | 26% | (257,252) | (345,605) | 26% |
| Finance Income | 19,664 | 10,650 | 85% | 34,842 | 22,113 | 58% |
| Profit before tax | 551,131 | 267,023 | 106% | 761,625 | 623,556 | 22% |
| Income tax expense | (16,154) | (11,289) | -100% | (55,419) | (11,289) | -100% |
| Profit for the period | 534,977 | 255,734 | 109% | 706,206 | 612,267 | 15% |
| Earnings per share | | | | | | |
| Basic (Rs.) | 0.26 | 0.13 | | 0.35 | 0.30 | |

Figures in brackets indicate deductions.
The above figures are subject to audit.

Company Statement of Comprehensive Income

| | Unaudited | | % | Unaudited | | % |
|---|---|---|------|---|---|--------|
| | 03 months ended 30th September 2020 Rs. '000 | 03 months ended 30th September 2019 Rs. '000 | | 06 months ended 30th September 2020 Rs. '000 | 06 months ended 30th September 2019 Rs. '000 | |
| Profit for the period | <u>534,977</u> | <u>255,734</u> | 109% | <u>706,206</u> | <u>612,267</u> | 0.1534 |
| Other comprehensive loss | | | | | | |
| Other comprehensive loss to be reclassified to profit or loss; | | | | | | |
| Net gain/(loss) on financial assets at FVOCI | 106,575 | (32,157) | 431% | 195,767 | 26,960 | -626% |
| Net other comprehensive gain/(loss) to be reclassified to profit or loss | <u>106,575</u> | <u>(32,157)</u> | | <u>195,767</u> | <u>26,960</u> | |
| Other comprehensive gain/(loss) for the period, net of tax | <u>106,575</u> | <u>(32,157)</u> | 431% | <u>195,767</u> | <u>26,960</u> | -626% |
| Total comprehensive income for the period, net of tax | <u>641,552</u> | <u>223,577</u> | 187% | <u>901,973</u> | <u>639,227</u> | 41% |

Figures in brackets indicate deductions.
The above figures are subject to audit.

Cash Flow Statements

| For the Six months ended 30th September | Group | | Company | |
|--|-------------------------------|--------------------|-------------------------------|--------------------|
| | Unaudited 2020 Rs. '000 | 2019 Rs. '000 | Unaudited 2020 Rs. '000 | 2019 Rs. '000 |
| Cash flows from/(used in) operating activities | | | | |
| Profit before tax and non controlling interests from continuing operations | 2,352,019 | 1,337,936 | 761,625 | 623,556 |
| Loss after tax from discontinued operation | (2,092) | (2,112) | - | |
| Adjustments to reconcile profit before tax to net cash flows | 1,899,139 | 1,866,628 | 259,510 | 354,268 |
| Operating profit before working capital changes | 4,249,066 | 3,202,452 | 1,021,135 | 977,824 |
| Working capital adjustments | 3,345,937 | 405,066 | (880,748) | (809,935) |
| Cash generated/(used in) from operations | 7,595,003 | 3,607,518 | 140,387 | 167,889 |
| Interest paid | (861,003) | (1,113,926) | (150,398) | (240,873) |
| Gratuity paid | (143,852) | (193,570) | (7,297) | (1,265) |
| Interest received | 278,430 | 234,892 | 34,842 | 22,113 |
| Income tax paid | (691,171) | (515,677) | (162,729) | (2,210) |
| Net cash from/(used in) operating activities | 6,177,407 | 2,019,237 | (145,195) | (54,346) |
| Net cash flows used in investing activities | (1,330,901) | (470,494) | (121,606) | (1,134) |
| Net cash flows/(used in) before financing activities | 4,846,506 | 1,548,743 | (266,801) | (55,480) |
| Net cash flows used in financing activities | (967,356) | (2,467,830) | (38,835) | (2,091,953) |
| Net increase/(decrease) in cash and cash equivalents | 3,879,150 | (919,087) | (305,636) | (2,147,433) |
| Cash and cash equivalents at the beginning of the period | (8,958,246) | (8,763,928) | (5,579,039) | (3,306,580) |
| Cash and cash equivalents at the end of the period | (5,079,096) | (9,683,015) | (5,884,675) | (5,454,013) |
| Analysis of cash and cash equivalents at the end of the period | | | | |
| Bank and cash balances | 6,664,476 | 4,699,602 | 1,230,812 | 6,200,802 |
| Short term borrowings | (11,743,572) | (14,382,617) | (7,115,487) | (11,654,815) |
| | (5,079,096) | (9,683,015) | (5,884,675) | (5,454,013) |

Figures in brackets indicate deductions.

The above figures are subject to audit.

Statement of Changes in Equity

| Group | Attributable to equity holders of the parent | | | | | | | |
|---|--|-------------------|-----------------------------|--------------------------------------|------------------------|-------------------|--------------------------|-------------------|
| | Stated capital | Revenue reserves | Available -for-sale reserve | Foreign currency translation reserve | Statutory reserve fund | Total | Non controlling interest | Total equity |
| | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 |
| As at 1st April 2019 | 1,972,829 | 11,245,315 | (150,755) | 140,611 | 76,606 | 13,284,606 | 2,837,869 | 16,122,475 |
| Profit for the period | - | 905,265 | - | - | - | 905,265 | 47,490 | 952,755 |
| Other comprehensive income | - | - | 26,960 | 13,459 | - | 40,419 | 8,569 | 48,988 |
| Total comprehensive income | - | 905,265 | 26,960 | 13,459 | - | 945,684 | 56,059 | 1,001,743 |
| Equity adjustments | - | 19,753 | - | - | - | 19,753 | (19,753) | - |
| Transfers during the period | - | (155) | - | - | 155 | - | - | - |
| Subsidiary dividend paid to minority shareholders | - | 9,191 | - | - | - | 9,191 | (65,650) | (56,459) |
| As at 30th September 2019 | 1,972,829 | 12,179,369 | (123,795) | 154,070 | 76,761 | 14,259,234 | 2,808,525 | 17,067,759 |
| As at 1st April 2020 | 1,972,829 | 12,642,966 | (380,871) | 167,628 | 76,761 | 14,479,313 | 2,878,055 | 17,357,368 |
| Profit for the period | - | 1,721,593 | - | - | - | 1,721,593 | 228,404 | 1,949,997 |
| Other comprehensive income/ (loss) | - | - | 195,767 | (10,044) | - | 185,723 | (8,527) | 177,196 |
| Total comprehensive income/ (loss) | - | 1,721,593 | 195,767 | (10,044) | - | 1,907,316 | 219,877 | 2,127,193 |
| Equity adjustments | - | 331 | - | - | - | 331 | (331) | - |
| Dividends | - | (1,017,519) | - | - | - | (1,017,519) | - | (1,017,519) |
| Subsidiary dividend paid to minority shareholders | - | - | - | - | - | - | (2,246) | (2,246) |
| As at 30th September 2020 | 1,972,829 | 13,347,371 | (185,104) | 157,584 | 76,761 | 15,369,441 | 3,095,355 | 18,464,796 |
| Company | | | | | | | | |
| As at 1st April 2019 | 1,972,829 | 840,371 | (136,805) | - | - | 2,676,395 | - | 2,676,395 |
| Profit for the period | - | 612,267 | - | - | - | 612,267 | - | 612,267 |
| Other comprehensive income | - | - | 26,960 | - | - | 26,960 | - | 26,960 |
| Total comprehensive income | - | 612,267 | 26,960 | - | - | 639,227 | - | 639,227 |
| As at 30th September 2019 | 1,972,829 | 1,452,638 | (109,845) | - | - | 3,315,622 | - | 3,315,622 |
| As at 1st April 2020 | 1,972,829 | 1,329,484 | (334,560) | - | - | 2,967,753 | - | 2,967,753 |
| Profit for the period | - | 706,206 | - | - | - | 706,206 | - | 706,206 |
| Other comprehensive income | - | - | 195,767 | - | - | 195,767 | - | 195,767 |
| Total comprehensive income | - | 706,206 | 195,767 | - | - | 901,973 | - | 901,973 |
| Dividends | - | (1,017,519) | - | - | - | (1,017,519) | - | (1,017,519) |
| As at 30th September 2020 | 1,972,829 | 1,018,171 | (138,793) | - | - | 2,852,207 | - | 2,852,207 |

Figures in brackets indicate deductions.
The above figures are subject to audit.

Segmental Results

| | For the six months ended 30th september | | | | | | | | | | As at 30th September | As at 31st March |
|------------------------------------|---|-------------------|--------------------|--------------------|--------------------|--------------------|---------------------------------|-------------------|-------------------------|------------------|----------------------|-------------------|
| | Gross Revenue | | Inter segmental | | Intra segmental | | Revenue from external customers | | Operating profit/(Loss) | | Assets | |
| | Unaudited 2020 | 2019 | Unaudited 2020 | 2019 | Unaudited 2020 | 2019 | Unaudited 2020 | 2019 | Unaudited 2020 | 2019 | Unaudited 2020 | Unaudited 2020 |
| | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 |
| Rubber | 2,583,053 | 2,961,078 | (69,739) | (69,962) | (3,052) | (18,061) | 2,510,262 | 2,873,055 | 517,544 | 671,790 | 5,361,842 | 5,057,669 |
| Tyre | 2,477,500 | 2,558,374 | (9,759) | (13,632) | (756,998) | (966,864) | 1,710,742 | 1,577,878 | 292,000 | 214,201 | 2,785,434 | 2,384,371 |
| Plastic, Furniture and Electronics | 4,160,035 | 3,673,484 | (386,706) | (388,332) | (276,814) | (133,797) | 3,496,515 | 3,151,355 | 547,534 | 354,384 | 11,561,557 | 10,975,704 |
| Retail | 11,654,711 | 13,701,558 | (5,846) | (5,498) | (123,258) | (125,773) | 11,525,606 | 13,570,286 | 989,898 | 892,074 | 16,309,968 | 12,701,619 |
| Financial services | 1,823,745 | 2,263,509 | - | - | - | - | 1,823,745 | 2,263,509 | (274,828) | 22,002 | 21,986,728 | 22,778,945 |
| Other services | 1,273,565 | 1,268,473 | (1,267,695) | (1,267,186) | - | - | 5,870 | 1,287 | 773,579 | 729,218 | 11,808,228 | 10,552,400 |
| Plantations | 5,006,819 | 4,513,925 | (486,376) | (390,433) | (162,432) | (78,285) | 4,358,010 | 4,045,207 | 754,487 | (55,579) | 19,256,794 | 17,818,003 |
| Inter segment eliminations | - | - | - | - | - | - | - | - | (763,367) | (750,000) | (20,343,199) | (17,502,606) |
| Group | <u>28,979,428</u> | <u>30,940,401</u> | <u>(2,226,121)</u> | <u>(2,135,043)</u> | <u>(1,322,554)</u> | <u>(1,322,780)</u> | <u>25,430,750</u> | <u>27,482,577</u> | <u>(1,836,847)</u> | <u>2,078,090</u> | <u>68,727,352</u> | <u>64,766,105</u> |

Figures in brackets indicate deductions.
The above figures are subject to audit.

Notes to the Financial Statements

| For the six months ended 30th September | 2020 Rs. | Year ended 31st March 2020 Rs |
|--|-------------------|-------------------------------------|
| 1. Net asset value per share - Group | 7.55 | 7.12 |
| Net asset value per share - Company | 1.40 | 1.46 |
| Market price per share | | |
| Highest | 15.70 | 11.90 |
| Lowest | 9.50 | 7.60 |
| Last traded | 15.20 | 7.80 |
| Market Capitalization & ratios | | |
| Market Capitalization (Rs. '000) | 30,932,582 | 15,873,299 |
| Price Earning Ratio (times) | 15.46 | 13.42 |
| 2. Stated capital of Richard Pieris and Company PLC amounts to Rs.1,972,829,182 represented by 2,035,038,275 ordinary shares. | | |
| 3. The Interim consolidated Financial Statements for the six months ended 30th September 2020 have been prepared in accordance with LKAS 34, Interim Financial Reporting. The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the previous year, except for the adoption of new standards effective as of 1 April 2019. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. The Group has adopted SLFRS 16 from 1 April 2019. | | |
| 4. An interim dividend of Rs 0.50 per share for the financial year ended 30th September 2020 was declared on 25th September 2020 and paid on 23rd October 2020. | | |
| 5. The presentation and classification of the Financial Statements of the previous period have been amended, where relevant, for better presentation and to be comparable with those of the current period. | | |
| 6. The Group has adopted SLFRS 16 using modified retrospective method from 1 April 2019, without restating comparatives, as permitted under the specific transitional provisions in the standard. | | |
| 7. On 11 March 2020, the World Health Organization declared the Coronavirus COVID-19 outbreak to be a pandemic in recognition of its rapid spread across the globe with over 150 countries now affected. The Businesses may be negatively impacted due to the overall negative economic conditions caused by the pandemic. The financial reporting effects of the COVID-19 outbreak have been considered as adjusting events, however, no adjustments have been made in these financial statements due to no material impact on the business operations of the Group and Company. The containing measures taken by Sri Lankan Government pertaining to COVID – 19 followed by lockdown and curfew caused temporary impact on business operations and economic activities of the Group . | | |
| 8. Discontinued operations comprise the results of subsidiaries of the Group whose commercial operations have been discontinued. | | |
| 9. There have been no material events occurring after the reporting date that require adjustments or disclosure in the Financial Statements. | | |
| 10. The percentage of shares held by the public as at 30th September 2020 was 42.14% represented by 8,590 public shareholders. (Public shareholding as at 31st March 2020 was 42.15% represented by 8,368 public shareholders) Float-adjusted market capitalization (Rs) 13,036,438 as of 30th September 2020. The Company complies with option 1 of the Listing rules 7.13.1 (a) - Rs 10Bn - Float Adjusted Market capitalization which requires 500 minimum public shareholders. | | |
| 11. Ratios - Company | 30-09-2020 | 31-03-2020 |
| Debt/Equity Ratio | 2.51 | 3.12 |
| Quick Asset Ratio | 0.64 | 0.72 |
| Interest Cover | 7.18 | 2.95 |

Notes to the Financial Statements (Contd.)

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

| As at | 30-09-2020 | 31-03-2020 |
|--|-------------|-------------|
| 1 Dr. Sena Yaddehige - Chairman/Managing Director/CEO | 104,375,732 | 104,375,732 |
| 2 Mr. W J V P Perera | 4,500 | 4,500 |
| 3 Mr. S S G Liyanage | 3,942,825 | 3,942,825 |
| 4 Mr. Shaminda Yaddehige | - | - |
| 5 Dr. Jayatissa De Costa P.C. | - | - |
| 6 Mr. Prasanna Fernando | - | - |
| 7 Mr. Joseph Felix Fernandopulle | 107,623 | 107,623 |
| Mr. Shiron Gooneratne | - | - |

13. Twenty largest shareholders of the Company are as follows:

| As at | 30-09-2020 | % | 31-03-2020 | % |
|--|----------------------|---------------|----------------------|---------------|
| | Number of shares | | Number of shares | |
| 1 Skyworld Overseas Holdings Limited | 516,388,590 | 25.37% | 516,388,590 | 25.37% |
| 2 Camille Consulting Corp. | 327,704,846 | 16.10% | 327,704,846 | 16.10% |
| 3 Deutsche Bank AG Singapore A/C 2 (DCS CLT ACC) | 224,853,787 | 11.05% | 224,853,787 | 11.05% |
| 4 Sezeka Limited | 200,005,061 | 9.83% | 199,678,548 | 9.81% |
| 5 Employees Provident Fund | 169,899,520 | 8.35% | 169,899,520 | 8.35% |
| 6 Rockport Limited | 111,469,744 | 5.48% | 111,372,919 | 5.47% |
| 7 Dr. Sena Yaddehige | 104,375,732 | 5.13% | 104,375,732 | 5.13% |
| 8 Dhanasiri Recreation Pvt Ltd | 34,009,920 | 1.67% | 33,655,437 | 1.65% |
| 9 J.B. Cocoshell (Pvt) Ltd | 33,672,514 | 1.65% | 33,602,514 | 1.65% |
| 10 Mr. D.W.R. Rutnam | 25,759,500 | 1.27% | 25,759,500 | 1.27% |
| 11 The Executor of the Estate of Late Mrs L.B. S. Pieris | 22,782,045 | 1.12% | 22,782,045 | 1.12% |
| 12 Investment Resource Company (Private) Limited | 20,000,000 | 0.98% | 20,000,000 | 0.98% |
| 13 Kalday (Pvt) Ltd. | 12,126,030 | 0.60% | 12,126,030 | 0.60% |
| 14 Seylan Bank PLC/Channa Nalin Rajahmoney | 12,010,214 | 0.59% | 12,009,874 | 0.59% |
| 15 Dr C.M. Fernando | 6,660,570 | 0.33% | 6,660,570 | 0.33% |
| 16 Northern Trust Company S/A Hosking Global Fund | 6,393,318 | 0.31% | 8,768,703 | 0.43% |
| 17 SSBT-Retail Employees Superannuation Trust | 5,682,268 | 0.28% | 5,682,268 | 0.28% |
| 18 Bank of Ceylon No. 1 Account | 4,939,225 | 0.24% | 6,889,225 | 0.34% |
| 19 The Incorporated Trustees of the Church of Ceylon | 4,868,795 | 0.24% | 4,868,795 | 0.24% |
| 20 Mrs. S. Wambeck | 3,950,000 | 0.19% | 3,950,000 | 0.19% |
| | 1,847,551,679 | 90.79% | 1,851,028,903 | 90.96% |

14. All values included in these Financial Statements are in Rs. '000s unless otherwise stated.

