



Maskeliya Plantations PLC

Interim Financial Statements

**FOR THE SIX MONTHS ENDED
September 2017**

INTERIM FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL POSITION

	As at 30/09/17 Rs. ' 000	As at 30/09/16 Rs. ' 000	As at 31/03/17 Rs. ' 000
ASSETS			
NON CURRENT ASSETS			
Lease hold Property ,Plant and Equipment	244,564	261,692	252,373
Freehold Property, plant & equipment	502,324	537,948	514,955
Bearer Biological Assets	2,191,067	2,185,458	2,185,652
Consumable Biological Assets	633,224	615,954	633,224
Defferd Tax Assets	36,164	36,164	36,165
	<u>3,607,343</u>	<u>3,637,216</u>	<u>3,622,369</u>
CURRENT ASSETS			
Produce on Bearer Biological Assets	13,465	-	13,465
Inventories	495,948	381,669	485,317
ACT Recoverable	47,926	47,926	47,926
VAT Receivable	20,974	20,110	20,905
Trade and other Receivables	192,852	194,528	196,463
ESC Recoverable	50,644	40,878	43,157
Amount due from Related Parties	5,293	4,043	2,469
Cash and Bank balances	11,925	7,658	10,357
	<u>839,027</u>	<u>696,812</u>	<u>820,059</u>
TOTAL ASSETS	<u>4,446,370</u>	<u>4,334,028</u>	<u>4,442,428</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Stated Capital - Note 01	673,721	673,721	673,721
General Reserve	540,000	540,000	540,000
Timber Reserves	590,473	573,202	590,473
Retained Earnings	(745,474)	(1,044,201)	(921,484)
TOTAL EQUITY	<u>1,058,720</u>	<u>742,722</u>	<u>882,710</u>
NON CURRENT LIABILITIES & DEFERRED INCOME			
Interest Bearing Loans & Borrowings	584,658	477,240	402,502
Retiring Benefit Obligations	864,827	883,825	897,881
Deferred Income	197,905	209,668	203,905
Liability to make Lease Payment after one year	109,523	111,801	110,632
	<u>1,756,913</u>	<u>1,682,534</u>	<u>1,614,920</u>
CURRENT LIABILITIES			
Trade & Other payables	488,451	485,429	544,199
Dividend payable	2,008	2,008	2,008
Amount due to Related parties	428,889	429,948	363,383
Interest Bearing Loans & Borrowings	709,159	989,243	1,032,978
Liability to make Lease Payment within one year	2,230	2,144	2,230
	<u>1,630,737</u>	<u>1,908,772</u>	<u>1,944,798</u>
TOTAL EQUITY AND LIABILITIES	<u>4,446,370</u>	<u>4,334,028</u>	<u>4,442,428</u>
	Rs.	Rs.	Rs.
Net Assets Per Share	19.62	13.77	16.36

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 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 Poholiyadde
Director



J L A Fernando
Director

10 November 2017

INTERIM FINANCIAL STATEMENTS
STATEMENT OF PROFIT OR LOSS

	Quarter Ended September			Six Months Ended September			Year Ended
	2017 Rs. ' 000	2016 Rs. ' 000	Variance + /(-) %	2017 Rs. ' 000	2016 Rs. ' 000	Variance + /(-) %	31/03/2017 Rs. ' 000
Revenue	1,015,477	776,777	31	2,295,475	1,580,798	45	3,455,462
Cost of Sales	(927,748)	(834,451)	(11)	(1,960,714)	(1,622,499)	(21)	(3,272,774)
Gross Profit / (Loss)	87,729	(57,674)	252	334,761	(41,701)	903	182,688
Other Operating Income	7,595	9,263	(18)	10,454	13,554	(23)	22,700
Gain on Change in Fair Value of Biological Assets	-	-	-	-	-	-	30,223
Administration Expenses	(16,140)	(11,317)	(43)	(30,548)	(22,589)	(35)	(48,815)
Management Fee	(11,197)	(4,082)	(174)	(50,375)	(9,000)	(460)	(27,097)
Finance Cost	(42,378)	(53,863)	21	(83,956)	(117,579)	29	(243,279)
Profit /(Loss) before Taxation	25,609	(117,673)	122	180,336	(177,315)	202	(83,580)
Income Tax (Expense)/Income	(2,163)	-	-	(4,326)	-	-	(9,126)
Net Profit/(Loss) for the period	23,446	(117,673)	120	176,010	(177,315)	199	(92,706)
	Rs.	Rs.		Rs.	Rs.		Rs.
Basic Earnings Per Share	0.43	(2.18)		3.26	(3.29)		(1.72)

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INTERIM FINANCIAL STATEMENTS
STATEMENT OF COMPREHENSIVE INCOME

	Quarter Ended September			Six Months Ended September			Year Ended
	2017 Rs.'000	2016 Rs.'000	Variance % '+/(-)	2017 Rs. ' 000	2016 Rs. ' 000	Variance % '+/(-)	31/03/2017 Rs. ' 000
Profit/ (Loss) for the period	23,446	(117,673)	120	176,010	(177,315)	199	(92,706)
Other Comprehensive Income							
Actuarial Gains/(Losses) on Defined benefit Plans	-	-	-	-	-	-	51,167
Income tax effect	-	-	-	-	-	-	-
Other Comprehensive Income for the period, net of tax	-	-	-	-	-	-	51,167
Total Comprehensive Income for the period, net of tax	23,446	(117,673)	120	176,010	(177,315)	199	(41,539)

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INTERIM FINANCIAL STATEMENTS

STATEMENT OF CASH FLOW

For the Six Months Ended September 2017

	30/09/2017	30/09/2016
	Rs. ' 000	Rs. ' 000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before Taxation	180,336	(177,315)
ADJUSTMENTS FOR		
Depreciation/Amortization	58,180	56,995
Provision for Defined Benefit Plan Cost	42,553	38,882
Amortisation of Grants	(6,000)	(6,000)
Gain/(Loss) on change in fair value Timber plantations Net of Harvesting Finance Costs	83,958	117,580
Operating Profit before Working Capital changes	359,027	30,142
(Increase)/Decrease in Trade and other receivables	3,542	20,445
(Increase)/Decrease in Inventories	(10,631)	50,253
Increase/(Decrease) in Trade and other payables	(55,627)	117,145
Increase/(Decrease) in amounts due to Related Parties	65,507	141,648
(Increase)/Decrease in amounts due from Related Parties	(2,824)	(1,313)
Cash Generated from Operations	358,994	358,320
Finance Costs Paid	(66,188)	(100,361)
Defined Benefit Plan Costs paid	(75,607)	(60,268)
Tax Paid	(11,814)	(6,019)
Net Cash from Operating Activities	205,385	191,672
CASH FLOWS FROM INVESTING ACTIVITIES		
Grants Received	-	468
Field Development Expenditure	(30,173)	(29,278)
Purchase of Property, Plant & Equipment	(12,981)	(14,381)
Net Cash used in Investing Activities	(43,154)	(43,191)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends Paid	-	-
Payment of Government lease rentals	(19,000)	(36,109)
Proceeds from loans	478,805	200,000
Payment of loans	(217,957)	(247,400)
Net Cash from Financing Activities	241,848	(83,509)
Net Increase/(Decrease) in Cash & Cash Equivalents	404,079	64,972
A. Cash & Cash Equivalents at the beginning of the period	(717,702)	(655,548)
B. Cash & Cash Equivalents at the end of the period	(313,623)	(590,576)
NOTE A		
Cash & Cash Equivalents at the beginning of the period		
Cash & Bank Balances	10,357	10,899
Bank Overdrafts	(728,059)	(666,447)
	(717,702)	(655,548)
NOTE B		
Cash & Cash Equivalents at the end of the period		
Cash & Bank Balances	11,925	7,658
Bank Overdrafts	(325,548)	(598,234)
	(313,623)	(590,576)

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INTERIM FINANCIAL STATEMENTS

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 2016	673,721	540,000	(866,886)	573,202	920,037
Net profit/ (Loss) for the period	-	-	(177,315)	-	(177,315)
Other Comprehensive income	-	-	-	-	-
Balance as at 30 September 2016	673,721	540,000	(1,044,201)	573,202	742,722
Balance as at 31 March 2017	673,721	540,000	(921,484)	590,473	882,710
Net profit/(Loss) for the period	-	-	176,010	-	176,010
Other Comprehensive income	-	-	-	-	-
Balance as at 30 September 2017	673,721	540,000	(745,474)	590,473	1,058,720

The above figures are subject to audit

- 1 Stated Capital of Maskeliya Plantations PLC amounts to 673,720,950 represented by 53,953,490 shares.
 - 2 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.
- The Interim Financial Statements of the Company have been prepared on the basis of the same accounting policies and methods applied for the year ended 31 March 2017.
- 3 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.
 - 4 No circumstances have arisen since the Statement of Financial Position date, which would require adjustment or disclosure in the Interim Financial Statements.
 - 5 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 2017.
 - 6 Financial statements does not include/classify actuarial gain/(loss) on defined benefit plans costs as the valuation is done at the year end.

INTERIM FINANCIAL STATEMENTS SEGMENT INFORMATION

Geographical Segment

For the Six Months Ended September 2017

	Maskeliya		Upcot		Talawakelle		Bandarawela		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Revenue	625,531	416,397	844,331	559,349	431,301	314,725	394,312	290,324	2,295,475	1,580,795
Revenue Expenditure	(484,487)	(386,680)	(676,620)	(570,590)	(344,901)	(280,504)	(353,973)	(288,842)	(1,859,981)	(1,526,616)
Depreciation/ Amortization	(15,917)	(15,793)	(15,860)	(16,134)	(11,047)	(10,658)	(15,356)	(14,410)	(58,180)	(56,995)
Gratuity	(10,681)	(9,453)	(16,098)	(14,013)	(6,920)	(6,434)	(8,854)	(8,985)	(42,553)	(38,885)
Segment Results	114,446	4,471	135,753	(41,388)	68,433	17,129	16,129	(21,913)	334,761	(41,701)
Other Income									10,454	13,554
Gain on change in fair value of Biological Assets									-	-
Administration Expenses									(30,548)	(22,589)
Management Fees									(50,375)	(9,000)
Finance Cost									(83,956)	(117,579)
Income Tax (Expense)/Income									(4,326)	-
Profit /(Loss)for the period									176,010	(177,315)

The above figures are subject to audit

INTERIM FINANCIAL STATEMENTS

SHAREHOLDER AND INVESTOR INFORMATION

For the Six Months Ended 30 September	Quarter Ended		Year Ended
	2017	2016	2017
	Rs.	Rs.	Rs.
Market Price per Share			
- Last Traded price (For the quarter)	22.00	8.60	7.70
- Highest (For the quarter)	22.40	9.50	9.80
- Lowest (For the quarter)	12.70	7.50	6.00

Twenty Largest Shareholders

	as at 30/09/2017		as at 31/03/2017	
	Number of Shares held	% of the Holding	Number of Shares held	% of the Holding
R.P.C Mangement Services (Pvt) Ltd	44,998,397	83.40	44,998,397	83.40
Bansei Securities Capital (Pvt) Ltd/Dawi Investment	500,000	0.93	957,504	1.77
Seylan Bank Ltd/Govindasamy Ramanan	420,712	0.78	319,331	0.59
Mr. R. A. Rishard	388,770	0.72	-	-
Seylan Bank PLC/Mohamed Mushtaq Fuad	257,801	0.48	-	-
Mr. M. H. M. Fazal	222,529	0.41	208,529	0.39
ADL Equities Ltd/Mohamed Zareen Rasheed	201,648	0.37	-	-
Mr. J. A. Sahir Hussain	200,000	0.37	-	-
Mr. E. J. B. U. Fernando	150,000	0.28	-	-
Freudenberg Shipping Agencies Ltd	142,218	0.26	137,295	0.25
Merchant Bank of Sri Lanka PLC/ R R S Ananda	104,098	0.19	104,098	0.19
Dr. D. Rajakanthan	100,000	0.19	-	-
Mr. R. C. Wijesena	100,000	0.19	-	-
Mr. M. R. Rasheed	98,800	0.18	-	-
Mr. M. Z. Rasheed	98,000	0.18	-	-
HSBC International Nominees Ltd-SSBT-Deustche	91,600	0.17	141,600	0.26
Mr. R. Maheswaran	86,867	0.16	86,867	0.16
Miss.A.Radhakrishnan	86,867	0.16	86,867	0.16
Miss. M. P. Radhakrishnan	86,866	0.16	86,866	0.16
Mr. K. Rajakanthan	76,403	0.14	-	-
	48,411,576	89.73		
Balance held by 16,486 Shareholders (2016/17 - 16,492)	5,541,914	10.27	4,373,926	8.12
Total no. of Shares	53,953,490	100.00	53,953,490	100.00

The percentage of shares held as at	30/09/2017			3/31/2017		
	Number of Shareholders	Number of Shares	%	Number of Shareholders	Number of Shares	%
Public Holding	16,503	8,954,693	16.60	16,510	8,954,793	16.60
Other Holding	3	44,998,797	83.40	2	44,998,697	83.40
Total	16,506	53,953,490	100.00	16,512	53,953,490	100.00

The Ordinary Voting Shares of Maskeliya Plantations PLC have been transferred from Main Board to the Diri Savi Board of the CSE, with effect from 07th July 2017.

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

As at	30/09/2017	31/03/2017
Dr.Sena Yaddehige	-	-
S S Poholiyadde	-	-
Dr. L S Hettiarachchi	-	-
J L A Fernando	300	300
Shaminda Yaddehige	-	-
Dr.S A Samaraweera	100	100

INTERIM FINANCIAL STATEMENTS

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 S S Poholiyadde Dr. L S Hettiarachchi J L A Fernando Shaminda Yaddehige Dr.S A Samaraweera
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 Seylan Bank - Millennium Branch 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