



**Maskeliya Plantations PLC**

**Interim Financial Statements**

**FOR THE TWELVE MONTHS ENDED  
MARCH 2019**

**INTERIM FINANCIAL STATEMENTS**  
**STATEMENT OF FINANCIAL POSITION**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As at</b>	<b>As at</b>
	<b>31/03/19</b>	<b>31/03/18</b>
	<b>Rs. ' 000</b>	<b>Rs. ' 000</b>
<b>ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
Lease hold Property ,Plant and Equipment	217,551	234,963
Freehold Property, plant & equipment	554,750	555,663
Bearer Biological Assets	2,294,216	2,229,520
Consumable Biological Assets	723,616	676,568
	<u>3,790,133</u>	<u>3,696,714</u>
<b>CURRENT ASSETS</b>		
Produce on Bearer Biological Assets	9,089	13,685
Inventories	590,873	601,647
ACT Recoverable	47,926	47,926
VAT Receivable	21,017	20,758
Trade and other Receivables	208,864	203,659
ESC Recoverable	65,560	44,617
Amount due from Related Parties	22,089	7,224
Cash and Bank balances	9,297	16,505
	<u>974,715</u>	<u>956,021</u>
<b>TOTAL ASSETS</b>	<b><u>4,764,848</u></b>	<b><u>4,652,735</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>CAPITAL AND RESERVES</b>		
Stated Capital - Note 03	673,721	673,721
General Reserve	540,000	540,000
Timber Reserves	680,865	633,817
Retained Earnings	(868,662)	(786,668)
<b>TOTAL EQUITY</b>	<u>1,025,924</u>	<u>1,060,870</u>
<b>NON CURRENT LIABILITIES &amp; DEFERRED INCOME</b>		
Interest Bearing Loans & Borrowings	312,770	401,153
Retiring Benefit Obligations	1,110,362	1,005,741
Deferred Tax Liability	58,016	62,845
Deferred Income	180,381	192,143
Liability to make Lease Payment after one year	105,902	108,313
	<u>1,767,431</u>	<u>1,770,195</u>
<b>CURRENT LIABILITIES</b>		
Trade & Other payables	415,630	494,121
Dividend payable	2,008	2,008
Amount due to Related parties	520,914	461,949
Interest Bearing Loans & Borrowings	1,030,530	861,273
Liability to make Lease Payment within one year	2,411	2,319
	<u>1,971,493</u>	<u>1,821,670</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>4,764,848</u></b>	<b><u>4,652,735</u></b>
	<b>Rs.</b>	<b>Rs.</b>
Net Assets Per Share	19.01	19.66

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



**Sudheera Epatakumbura**  
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.



**J L A Fernando**  
Director



**S S G Liyanage**  
Director

30 May 2019

# INTERIM FINANCIAL STATEMENTS

## STATEMENT OF PROFIT OR LOSS

	Quarter Ended			Year Ended		
	March			March		
	2019 Unaudited Rs. ' 000	2018 Audited Rs. ' 000	Variance + / (-) %	2019 Unaudited Rs. ' 000	2018 Audited Rs. ' 000	Variance + / (-) %
Revenue	1,114,434	1,189,177	(6)	4,167,216	4,517,365	(8)
Cost of Sales	(1,116,882)	(1,016,857)	(10)	(3,906,282)	(3,872,259)	(1)
Gross Profit / (Loss)	(2,448)	172,320	(101)	260,934	645,106	(60)
Other Operating Income	4,338	(4,153)	204	18,199	13,965	30
Gain on Change in Fair Value of Biological Assets	42,452	43,565	(3)	42,452	43,565	(3)
Administration Expenses	(10,188)	(20,052)	49	(61,860)	(67,020)	8
Management Fee	10,580	(8,978)	218	(21,122)	(78,679)	73
Finance Cost	(57,610)	(45,346)	(27)	(231,622)	(173,525)	(33)
Profit / (Loss) before Taxation	(12,876)	137,356	(109)	6,981	383,412	(98)
Income Tax (Expense)/Income	(1,717)	(125,525)	99	(1,717)	(132,014)	99
<b>Net Profit/(Loss) for the period</b>	<b>(14,593)</b>	<b>11,831</b>	<b>(223)</b>	<b>5,264</b>	<b>251,398</b>	<b>(98)</b>
	Rs.	Rs.		Rs.	Rs.	
Basic Earnings Per Share	(0.27)	0.22		0.10	4.66	

**INTERIM FINANCIAL STATEMENTS**  
**STATEMENT OF COMPREHENSIVE INCOME**

	Quarter Ended			Year Ended		
	2019	2018	Variance	2019	2018	Variance
	Unaudited	Audited	% '+/(-)	Unaudited	Audited	% '+/(-)
	Rs.'000	Rs.'000		Rs. ' 000	Rs. ' 000	
<b>Profit/ (Loss) for the period</b>	<b>(14,593)</b>	<b>11,831</b>	<b>(223)</b>	<b>5,264</b>	<b>251,398</b>	<b>(98)</b>
<b>Other Comprehensive Income</b>						
Actuarial Gains/(Losses) on Defined benefit Plans	(46,755)	(85,160)	45	(46,755)	(85,160)	45
Income tax effect	6,545	11,922	(45)	6,545	11,922	(45)
<b>Other Comprehensive Income for the period, net of tax</b>	<b>(40,210)</b>	<b>(73,238)</b>	<b>45</b>	<b>(40,210)</b>	<b>(73,238)</b>	<b>45</b>
<b>Total Comprehensive Income for the period, net of tax</b>	<b>(54,803)</b>	<b>(61,407)</b>	<b>11</b>	<b>(34,946)</b>	<b>178,160</b>	<b>(120)</b>

# INTERIM FINANCIAL STATEMENTS

## STATEMENT OF CASH FLOW

<b>For the year Ended</b>	<b>Unaudited</b>	<b>Audited</b>
	<b>31/03/2019</b>	<b>31/03/2018</b>
	<b>Rs. ' 000</b>	<b>Rs. ' 000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Profit before Taxation	6,981	383,412
<b>ADJUSTMENTS FOR</b>		
Depreciation/Amortization	124,903	118,855
Provision for Defined Benefit Plan Cost	177,578	168,972
Amortisation of Grants	(11,762)	(11,762)
Gain/(Loss) on change in fair value Timber plantations Net of Harvesting	(47,048)	(43,344)
Gain/(Loss) on change in fair value Green Leaf	4,595	(221)
Finance Costs	231,622	173,525
<b>Operating Profit before Working Capital changes</b>	<b>486,869</b>	<b>789,437</b>
(Increase)/Decrease in Trade and other receivables	(5,285)	(7,048)
(Increase)/Decrease in Inventories	10,774	(116,330)
Increase/(Decrease) in Trade and other payables	(78,492)	(50,077)
Increase/(Decrease) in amounts due to Related Parties	58,965	98,566
(Increase)/Decrease in amounts due from Related Parties	(14,864)	(4,756)
<b>Cash Generated from Operations</b>	<b>457,967</b>	<b>709,792</b>
Finance Costs Paid	(192,828)	(138,202)
Defined Benefit Plan Costs paid	(119,712)	(146,272)
ESC Paid	(21,122)	(22,099)
<b>Net Cash from Operating Activities</b>	<b>124,305</b>	<b>403,219</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Grants Received	-	-
Field Development Expenditure	(113,270)	(90,297)
Purchase of Property, Plant & Equipment	(58,004)	(95,723)
<b>Net Cash used in Investing Activities</b>	<b>(171,274)</b>	<b>(186,020)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends Paid	-	-
Payment of Government lease rentals	(41,113)	(37,997)
Proceeds from loans	250,000	478,805
Payment of loans	(411,444)	(419,389)
<b>Net Cash from Financing Activities</b>	<b>(202,557)</b>	<b>21,419</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(249,526)</b>	<b>238,618</b>
<b>A. Cash &amp; Cash Equivalents at the beginning of the period</b>	<b>(479,084)</b>	<b>(717,702)</b>
<b>B. Cash &amp; Cash Equivalents at the end of the period</b>	<b>(728,610)</b>	<b>(479,084)</b>
<b>NOTE A</b>		
Cash & Cash Equivalents at the beginning of the period		
Cash & Bank Balances	16,505	10,357
Bank Overdrafts	(495,589)	(728,059)
	<b>(479,084)</b>	<b>(717,702)</b>
<b>NOTE B</b>		
Cash & Cash Equivalents at the end of the period		
Cash & Bank Balances	9,297	16,505
Bank Overdrafts	(737,907)	(495,589)
	<b>(728,610)</b>	<b>(479,084)</b>

**INTERIM FINANCIAL STATEMENTS**  
**STATEMENT OF CHANGES IN EQUITY**

	<b>Stated Capital Rs. ' 000</b>	<b>General Reserve Rs. ' 000</b>	<b>Retained Earnings Rs. ' 000</b>	<b>Timber Reserve Rs. ' 000</b>	<b>Total Equity Rs. ' 000</b>
<b>Balance as at 31 March 2018</b>	673,721	540,000	(921,484)	590,473	882,710
Net profit/ (Loss) for the period	-	-	251,398	-	251,398
Other Comprehensive income	-	-	(73,238)	-	(73,238)
Timber Reserve			(43,344)	43,344	-
<b>Balance as at 31 March 2018</b>	<b>673,721</b>	<b>540,000</b>	<b>(786,668)</b>	<b>633,817</b>	<b>1,060,870</b>
<b>Balance as at 31 March 2018</b>	673,721	540,000	(786,668)	633,817	1,060,870
Net profit/(Loss) for the period	-	-	5,264	-	5,264
Other Comprehensive income	-	-	(40,210)	-	(40,210)
Timber Reserve			(47,048)	47,048	
<b>Balance as at 31 March 2019</b>	<b>673,721</b>	<b>540,000</b>	<b>(868,662)</b>	<b>680,865</b>	<b>1,025,924</b>

The above figures are subject to audit

**NOTES TO THE FINANCIAL STATEMENTS**

1 For the quarter Ended 31 March	Quarter Ended		Year Ended	
	2019	2018	2019	2018
	Rs.	Rs.	Rs.	Rs.
<b>Market Price per Share</b>				
- Last Traded price ( For the quarter )	10.80	19.20	10.80	19.20
- Highest ( For the quarter )	13.70	24.00	22.00	27.50
- Lowest ( For the quarter )	9.00	19.00	8.30	7.30

2 Market Capitalization & Ratios	As at	As at
	31/03/2019	31/03/2018
Market Capitalization (Rs. '000)	582,698	1,035,907
Float adjusted Market Capitalization (Rs. '000)	96,728	171,961
Price Earning Ratio (times)	110.69	4.12

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 methods applied for the year ended 31 March 2018.

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 Contingent liabilities that may result, depending on the timing of the taxability of certain fair value adjustments is amounts to approximately 5,943,303/- (2017/18 - Rs. 6,098,957/-). There has been no any significant change in the nature of contingent liabilities, which were disclosed Annual Report for the year ended 31 March 2018.

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

9 The interim Financial Statements of the Company have been prepared on the basis of the same accounting policies and methods applied for year ended 31 March 2018, except for the adoption of following new standard effective as from 01 April 2018.

The new standard SLFRS 15 "Revenue from Contracts with Customers" establishes five step model to account for revenue arising from contracts with customers. Based on the assessment performed, the Company concluded that SLFRS 15 does not have a material impact on the Company's Interim Financial Statements.

10 These Interim Financial Statements include/classify the actuarial gain/(loss) on defined benefit plans arising from the year end valuation and the gain/(loss) arising from the valuation of biological assets.

11 These Financial Statements for the year ended 31 March 2019, have been authorized for issue by the Board of Directors on 30 May 2019.

## INTERIM FINANCIAL STATEMENTS SEGMENT INFORMATION

Geographical Segment  
For the Year Ended March 2019

	Maskeliya		Upcot		Talawakelle		Bandarawela		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Revenue	1,153,619	1,254,358	1,576,188	1,708,920	837,602	865,615	599,808	688,471	4,167,217	4,517,364
Revenue Expenditure	(948,629)	(922,451)	(1,296,815)	(1,308,172)	(700,912)	(680,871)	(660,811)	(673,303)	(3,607,167)	(3,584,797)
Depreciation/ Amortization	(33,832)	(31,874)	(33,213)	(31,674)	(23,730)	(21,527)	(34,127)	(33,414)	(124,902)	(118,489)
Gratuity	(41,533)	(45,120)	(63,757)	(64,167)	(30,090)	(25,712)	(38,834)	(33,973)	(174,214)	(168,972)
<b>Segment Results</b>	<b>129,625</b>	<b>254,913</b>	<b>182,403</b>	<b>304,907</b>	<b>82,870</b>	<b>137,505</b>	<b>(133,964)</b>	<b>(52,219)</b>	<b>260,934</b>	<b>645,106</b>
Other Income									18,199	13,965
Gain on change in fair value of Biological Assets									42,452	43,565
Administration Expenses									(61,860)	(67,020)
Management Fees									(21,122)	(78,679)
Finance Cost									(231,622)	(173,525)
Income Tax (Expense)/Income									(1,717)	(132,014)
<b>Profit /(Loss)for the period</b>									<b>5,264</b>	<b>251,398</b>

The above figures are subject to audit



## INTERIM FINANCIAL STATEMENTS SHAREHOLDER AND INVESTOR INFORMATION

### Twenty Largest Shareholders

	as at 31/03/2019		as at 31/03/2018	
	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. D. S. D. De Lanerolle	285,010	0.53	-	-
3 Capital Trust holdings ltd	251,544	0.47	172,900	0.32
4 Mr. M. Z. Rasheed	238,071	0.44	412,858	0.77
5 Mr. M. H. M. Fazal	222,529	0.41	222,529	0.41
6 Seylan Bank PLC / Mohamed Mushtaq Fuad	215,219	0.40	286,208	0.53
7 Mr. R. A. Rishard	205,378	0.38	234,387	0.43
8 Mr. R. E. Rambukwella	197,462	0.25	118,162	0.22
9 Mr. F. A. Azhar	172,900	0.32	185,296	0.34
10 Marchant Bank of Sri Lanka and Finance / R.R.S. Ananda	153,025	0.17	104,098	0.19
11 Freudenberg Shipping Agencies Ltd	146,135	0.27	146,135	0.27
12 Mrs. H. P. N. Fonseka	134,748	0.25	-	-
13 Mr. A.V. Emmanuel	128,000	0.24	128,000	0.24
14 Mr.P.A.G. Weerakoon Banda	117,462	0.22	-	-
15 Dr.M.AM.A. Akram	117,139	0.22	-	-
16 Mr.P.K.C.P Samarasinghe	95,837	0.18	-	-
17 Mr. A. K. senaviratne	95,600	0.18	92,269	0.17
18 Sandwave Limited	95,000	0.18	95,000	0.18
19 Peoples Leasing & Finance PLC / Hi line Trading (Pvt) Ltd	94,099	0.17	96,599	0.18
20 Mr.R. Maheswaran	86,867	0.16	-	-
			-	-
	<b>48,050,422</b>	<b>88.83</b>		
Balance held by 16,552 Shareholders (2017/18 - 16,466)	5,903,068	10.94	5,803,817	10.76
Total no. of Shares	<b>53,953,490</b>	<b>100.00</b>	<b>53,953,490</b>	<b>100.00</b>

### The percentage of shares held as a

	31/03/2019			31/03/2018		
	Number of Shareholders	Number of Shares	%	Number of Shareholders	Number of Shares	%
Public Holding	16,569	8,954,493	16.60	16,484	8,954,993	16.60
Other Holding	3	44,998,997	83.40	2	44,998,497	83.40
<b>Total</b>	<b>16,572</b>	<b>53,953,490</b>	<b>100.00</b>	<b>16,486</b>	<b>53,953,490</b>	<b>100.00</b>

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

As at	31/03/2019	31/03/2018
Dr.Sena Yaddehige	-	-
S S Poholiyadde (Resigned w.e.f 02.08.2018)	-	-
Dr. L S Hettiarachchi	-	-
J L A Fernando	-	-
Shaminda Yaddehige	-	-
Dr.D S A Samaraweera	100	100
S S G Liyanage (appointed w.e.f 15.08.2018)	500	-

### CEO'S Interest in Shares

	31/03/2019	31/03/2018
M P S Pathiraja	59	59

# INTERIM FINANCIAL STATEMENTS

## CORPORATE INFORMATION

<b>Name of Company</b>	Maskeliya Plantations PLC
<b>Legal Form</b>	A Quoted Public Company with Limited Liability Incorporated in Sri Lanka.
<b>Date of Incorporation</b>	22nd June 1992
<b>Company Registration No</b>	PQ 134
<b>Principal Business Activities</b>	Cultivation, Manufacture and Sale of Tea, Planting and Cultivation of Timber.
<b>Stock Exchange Listing</b>	The Ordinary Shares are listed with the Colombo Stock Exchange of Sri Lanka.
<b>Registered / Head Office</b>	310, High Level Road, Nawinna, Maharagama Sri Lanka
<b>Ultimate Parent Enterprise</b>	Richard Pieris & Company PLC
<b>Board of Directors</b>	Dr. Sena Yaddhegige - Chairman S S Poholiyadde (Resigned w.e.f 02.08.2018) Dr. L S Hettiarachchi J L A Fernando Shaminda Yaddhegige Dr.D S A Samaraweera S S G Liyanage (appointed w.e.f 15.08.2018)
<b>Secretaries</b>	Richard Pieris Group Services (Private) Limited 310, High Level Road, Nawinna, Maharagama. Sri Lanka  Telephone: +(94) 11-4310564
<b>Auditors</b>	Messrs Ernst & Young Chartered Accountants 201, De Saram Place, Colombo 10, Sri Lanka.
<b>Bankers</b>	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
<b>Contact Details</b>	Telephone : +(94) 11 4310500 Facsimile : +(94) 11 4310835 Internet : www.arpico.com E-mail : mpl.rpk@arpico.com