

# Richard Pieris Exports PLC

Interim Financial Statements

Three months ended 30th June 2017

## Consolidated Income Statements

	3 months ended 30th June			Year ended 31st March
	2017	2016	Change	2017
	Rs. '000	Rs. '000	%	Rs. '000
<b>Continuing Operations</b>				
Revenue	1,063,039	878,450	21	3,818,441
Cost of Sales	(689,054)	(576,800)	19	(2,531,230)
<b>Gross Profit</b>	<b>373,985</b>	<b>301,650</b>	<b>24</b>	<b>1,287,211</b>
Other Operating Income	11,399	1,200	850	3,434
Distribution Costs	(98,720)	(60,169)	64	(285,079)
Administrative Expenses	(52,224)	(45,320)	15	(205,271)
Other Operating Expenses	-	-		(7,738)
<b>Profit from Operations</b>	<b>234,440</b>	<b>197,361</b>	<b>19</b>	<b>792,557</b>
Finance Income	10,860	6,877	58	34,887
Finance Cost	(3,668)	(6,939)	(47)	(10,673)
Other Financial Items	-	(10,536)	(100)	14,276
Share of Profit/(Loss) of Associate	(2,506)	995	(352)	7,660
<b>Profit Before Tax</b>	<b>239,126</b>	<b>187,758</b>	<b>27</b>	<b>838,707</b>
Taxation	(39,498)	(21,594)	83	(111,462)
<b>Profit for the Period from Continuing Operations</b>	<b>199,628</b>	<b>166,164</b>	<b>20</b>	<b>727,245</b>
<b>Discontinued Operations</b>				
Loss after tax for the period from discontinued operations	(15)	(24)	(38)	(37)
<b>Profit for the period</b>	<b>199,613</b>	<b>166,140</b>	<b>20</b>	<b>727,208</b>
<b>Attributable to:</b>				
Equity Holders of the Parent	120,669	115,981	4	461,983
Non Controlling Interest	78,944	50,159	57	265,225
	<b>199,613</b>	<b>166,140</b>	<b>20</b>	<b>727,208</b>
	<b>Rs.</b>	<b>Rs.</b>		<b>Rs.</b>
Earnings Per Share	10.81	10.39		41.38
Earnings Per Share from Continuing Operations	10.81	10.39		41.38
Dividend Per Share	-	-		16.00

Figures in brackets indicate deductions.

The above figures are subject to audit.

## Company Income Statements

	3 months ended 30th June			Year ended 31st March
	2017 Rs. '000	2016 Rs. '000	Change %	2017 Rs. '000
Revenue	282,766	336,398	(16)	1,174,155
Cost of Sales	(185,103)	(217,977)	(15)	(781,701)
<b>Gross Profit</b>	<b>97,663</b>	<b>118,421</b>	<b>(18)</b>	<b>392,454</b>
Other Operating Income	87,187	1,200	7,166	104,297
Distribution Costs	(12,879)	(8,853)	45	(36,750)
Administrative Expenses	(12,300)	(11,024)	12	(55,394)
Other Operating Expenses	-	-		(7,738)
<b>Profit from Operations</b>	<b>159,671</b>	<b>99,744</b>	<b>60</b>	<b>396,869</b>
Finance Income	3,804	2,065	84	11,285
Finance Cost	(1,916)	(5,163)	(63)	(7,748)
Other Financial Items	-	(5,761)	(100)	4,054
<b>Profit before Tax</b>	<b>161,559</b>	<b>90,885</b>	<b>78</b>	<b>404,460</b>
Taxation	(11,689)	(13,500)	(13)	(37,984)
<b>Profit Attributable to Ordinary Shareholders</b>	<b>149,870</b>	<b>77,385</b>	<b>94</b>	<b>366,476</b>
	<b>Rs.</b>	<b>Rs.</b>		<b>Rs.</b>
Earnings Per Share	13.42	6.93		32.83
Dividend Per Share	-	-		16.00

Figures in brackets indicate deductions.

The above figures are subject to audit.

## Consolidated Statement of Financial Position


	As at 30th June		As at 31st March
	2017	2016	2017
	Rs. 000	Rs. 000	Rs. 000
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant & Equipment	638,771	486,992	589,765
Investment in Associate	178,108	164,191	178,217
Other Investment	72,284	72,284	72,284
Leasehold Land Prepayment	12,021	12,295	12,090
Deferred Tax Assets	-	237	-
	<b>901,184</b>	<b>735,999</b>	<b>852,356</b>
<b>Discontinued Operations</b>			
Assets of Arpico Natural Latex Foams (Pvt ) Ltd	162	210	162
<b>Current Assets</b>			
Inventories	338,037	247,088	378,868
Trade & Other Receivables	875,444	728,284	748,498
Short Term Investments	353,477	319,530	343,470
Leasehold Land Prepayment	273	273	273
Amounts Due from Related Parties	30,609	45,272	36,301
Cash and Bank Balances	245,513	256,454	276,450
	<b>1,843,353</b>	<b>1,596,901</b>	<b>1,783,860</b>
<b>Total Assets</b>	<b>2,744,699</b>	<b>2,333,110</b>	<b>2,636,378</b>
<b>EQUITY AND LIABILITIES</b>			
Stated Capital	220,262	220,262	220,262
Revenue Reserves	758,226	468,440	637,557
Foreign Currency Translation	73,038	62,738	70,765
Equity Attributable to Equity Holders of the Parent	1,051,526	751,440	928,584
Non Controlling Interest	548,176	517,383	583,546
<b>Total Equity</b>	<b>1,599,702</b>	<b>1,268,823</b>	<b>1,512,130</b>
<b>Non-Current Liabilities</b>			
Interest Bearing Loans & Borrowings	-	6,332	-
Deferred Tax Liabilities	36,183	2,137	26,529
Retirement Benefit Obligation	67,474	60,747	66,176
	<b>103,657</b>	<b>69,216</b>	<b>92,705</b>
<b>Discontinued Operations</b>			
Liabilities of Arpico Natural Latex Foams (Pvt ) Ltd	226,853	226,874	226,839
<b>Current Liabilities</b>			
Trade and Other Payables	366,348	257,709	397,862
Income Tax Payable	36,869	35,620	26,113
Amounts Due to Related Parties	127,622	137,700	27,786
Interest Bearing Loans & Borrowings	283,646	337,168	352,943
	<b>814,485</b>	<b>768,197</b>	<b>804,704</b>
<b>Total Liabilities</b>	<b>1,144,995</b>	<b>1,064,287</b>	<b>1,124,248</b>
<b>Total Equity and Liabilities</b>	<b>2,744,697</b>	<b>2,333,110</b>	<b>2,636,378</b>

The above figures are subject to audit

I certify that the above Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007.

  
**Palika Chandrajeewa**  
 Sector Finance Manager

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 on 09th August 2017 in Colombo.

  
**W.R. Abeyirigunawardena**  
 Director

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

## Company Statement of Financial Position

	As at 30th June		As at 31st
	2017	2016	March
	Rs. 000	Rs. 000	2017
			Rs. 000
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant & Equipment	77,502	75,596	77,444
Long Term Investments	535,307	535,307	535,307
	<b>612,809</b>	<b>610,903</b>	<b>612,751</b>
<b>Current Assets</b>			
Inventories	115,109	103,713	128,858
Trade & Other Receivables	288,144	339,021	238,510
Short Term Investment	103,343	93,282	100,393
Amounts Due from Related Parties	107,807	44,984	35,845
Cash and Bank Balances	171,587	94,377	187,359
	<b>785,990</b>	<b>675,377</b>	<b>690,965</b>
<b>Total Assets</b>	<b>1,398,799</b>	<b>1,286,280</b>	<b>1,303,716</b>
<b>EQUITY AND LIABILITIES</b>			
Stated Capital	220,262	220,262	220,262
Revenue Reserves	914,358	651,584	764,488
<b>Total Equity</b>	<b>1,134,620</b>	<b>871,846</b>	<b>984,750</b>
<b>Non-Current Liabilities</b>			
Interest Bearing Loans & Borrowings	-	6,332	-
Deferred Tax Liability	1,001	949	715
Retirement Benefit Obligation	49,773	47,746	49,392
	<b>50,774</b>	<b>55,027</b>	<b>50,107</b>
<b>Current Liabilities</b>			
Trade and Other Payables	99,160	91,255	148,869
Income Tax Payable	16,982	21,897	13,903
Amounts Due to Related Parties	15,341	14,861	14,522
Interest Bearing Loans & Borrowings	81,922	231,394	91,565
	<b>213,405</b>	<b>359,407</b>	<b>268,859</b>
<b>Total Liabilities</b>	<b>264,179</b>	<b>414,434</b>	<b>318,966</b>
<b>Total Equity and Liabilities</b>	<b>1,398,799</b>	<b>1,286,280</b>	<b>1,303,716</b>

The above figures are subject to audit

I certify that the above Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007.

  
 .....  
**Palika Chandrajeewa**  
 Sector Finance Manager

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 on 09th August 2017 in Colombo.

  
 .....  
**W.R. Abeysirigunawardena**  
 Director

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

## Statements of Comprehensive Income

	3 months ended 30th June	Year ended 31st March	
	2017	2016	2017
Consolidated	Rs.'000	Rs.'000	Rs.'000
Profit for the period	199,613	166,140	727,208
Other comprehensive income / (Expenses) not to be reclassified to profit or loss in subsequent periods			
Actuarial gains/ ( losses) on defined benefit plans	-	-	1,794
Deferred Tax effect on actuarial gains /(losses) on defined benefit plans	-	-	(216)
Other Comprehensive Income / (Expenses) to be reclassified to profit or loss in subsequent periods			
Share of Other Comprehensive Income of Associate			
Actuarial gains/ ( losses) on defined benefit plans	-	-	(323)
Translation of Associate using foreign functional currency	2,273	(42)	7,985
Other comprehensive income for the period	2,273	(42)	9,240
Total comprehensive income for the period	201,886	166,098	736,448

Attributable to			
Equity Holder of the Parent Company	122,941	115,939	471,703
Non Controlling Interest	78,944	50,159	264,745
	201,886	166,098	736,448

	3 months ended 30th June	Year ended 31st March	
Company	2017 Rs.'000	2016 Rs.'000	2017 Rs.'000
Profit for the period	149,870	77,385	366,476
Other comprehensive income / (Expenses) not to be reclassified to profit or loss in subsequent periods			
Actuarial gains/ ( losses) on defined benefit plans	-	-	2,765
Deferred Tax effect on actuarial gains /(losses) on defined benefit plans	-	-	(332)
Other comprehensive income / (Expenses) to be reclassified to profit or loss in subsequent periods	-	-	-
Other comprehensive income for the period	-	-	2,433
Total comprehensive income for the period	149,870	77,385	368,909

Figures in brackets indicate deductions.

## Statement of Changes in Equity

	Stated Capital Rs. '000	Revenue Reserves		Foreign Currency Translation Rs. '000	Non Controlling Interest Rs. '000	Total Rs. '000
		General Reserves Rs. '000	Accumulated Profit Rs. '000			
<b>Consolidated</b>						
<b>Balance as at 31st March 2016</b>	220,262	219,250	133,209	62,780	467,224	1,102,725
Profit for the period	-	-	115,981	-	50,159	166,140
Other Comprehensive Income	-	-	-	(42)	-	(42)
Total Comprehensive Income	-	-	115,981	(42)	50,159	166,098
<b>Balance as at 30th June 2016</b>	220,262	219,250	249,190	62,738	517,383	1,268,823
<b>Balance as at 31st March 2017</b>	220,262	219,250	418,307	70,765	583,546	1,512,130
Profit for the period	-	-	120,669	-	78,944	199,613
Other Comprehensive Income	-	-	-	2,273	-	2,273
Total Comprehensive Income	-	-	120,669	2,273	78,944	201,886
Dividend paid by Subsidiary companies to outside Shareholders	-	-	-	-	(114,314)	(114,314)
<b>Balance as at 30th June 2017</b>	220,262	219,250	538,976	73,038	548,176	1,599,702

	Stated Capital Rs. '000	Revenue Reserves		Total Rs. '000
		General Reserves Rs. '000	Accumulated Profit Rs. '000	
<b>Company</b>				
<b>Balance as at 31st March 2016</b>	220,262	219,250	354,949	794,461
Profit for the period	-	-	77,385	77,385
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	-	-	77,385	77,385
<b>Balance as at 30th June 2016</b>	220,262	219,250	432,334	871,846
<b>Balance as at 31st March 2017</b>	220,262	219,250	545,238	984,750
Profit for the period	-	-	149,870	149,870
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	-	-	149,870	149,870
<b>Balance as at 30th June 2017</b>	220,262	219,250	695,108	1,134,620

## Cash Flow Statements

	Consolidated		Company	
	For the 3 months period ended		For the 3 months period ended	
	30th June 2017	30th June 2016	30th June 2017	30th June 2016
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Cash Flows from Operating Activities</b>				
Group Profit before Tax and Non-Controlling Interest				
From Continuing Operations	239,125	187,758	161,559	90,885
Loss from discontinued Operations	(15)	(24)	-	-
Adjustment to reconcile profit before tax to net cash flows	12,392	2,315	3,196	(3,679)
<b>Operating profit before working capital changes</b>	251,502	190,049	164,755	87,206
Changes in Working Capital adjustments	(12,085)	(32,645)	(156,737)	(57,569)
<b>Cash generated from operations</b>	239,417	157,404	8,018	29,637
Interest Paid	(4,548)	(7,780)	(2,618)	(5,940)
Income Tax Paid	(19,213)	(9,719)	(8,324)	(6,500)
Defined Benefit plan costs paid	(1,449)	(48)	(1,449)	(48)
<b>Net cash flows from / (used in) Operating activities</b>	214,207	139,857	(4,373)	17,149
<b>Net cash used in investing activities</b>	(61,151)	(25,804)	(1,367)	(6,757)
<b>Net cash inflow/(outflow) before financing</b>	153,056	114,053	(5,740)	10,392
Net cash used in financing activities	(137,812)	(70,958)	(10,032)	(34,321)
<b>Net Increase / (Decrease) in cash and cash equivalents</b>	15,244	43,095	(15,772)	(23,929)
<b>Cash and cash equivalents at the beginning of the period</b>	64,380	(39,291)	187,359	(28,780)
<b>Cash and cash equivalents at the end of the period</b>	79,623	3,804	171,587	(52,709)
<b>Analysis of Cash and Cash Equivalents</b>				
Cash at Bank & in Hand				
From Continuing operations	245,513	256,454	171,587	94,377
From Discontinuing operations	162	210	-	-
	245,675	256,664	171,587	94,377
Bank Overdraft	(166,052)	(252,860)	-	(147,086)
	79,623	3,804	171,587	(52,709)

Figures in brackets indicate deductions.

The above figures are subject to audit.



## Consolidated Segmental Information

	Turnover		Profit / (Loss) from operations		Net Assets	
	For the 3 months period ended		For the 3 months period ended		As at	As at
	30th June	30th June	30th June	30th June	30th June	30th June
	2017	2016	2017	2016	2017	2016
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Mineral Segment	11,195	12,642	(573)	(219)	32,877	32,391
Latex Based Segment	773,136	537,569	152,979	97,836	717,116	663,413
Hard Rubber Segment	282,766	336,398	159,671	99,744	1,134,620	871,846
	1,067,097	886,609	312,077	197,361	1,884,613	1,567,650
Adjustment for Inter Group Transactions	(4,058)	(8,159)	(77,637)	-	(827,171)	(816,210)
	<b>1,063,039</b>	<b>878,450</b>	<b>234,440</b>	<b>197,361</b>	<b>1,057,442</b>	<b>751,440</b>

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

## Notes to the Financial Statements

1 The figures given above for the three months ended 30th June 2017 and 30th June 2016 are subject to audit.

The Interim Financial Statements of Richard Pieris Exports PLC for the three months ended 30th June 2017 have been prepared in accordance with LKAS 34, Interim Financial Reporting. There were no changes to the Accounting Policies and methods of Computation since the publication of the Annual Report for the year ended 31st March 2017. The provisions of the new Companies Act No.7 of 2007 have been considered in preparing the interim financial statements of the Company and of the Group.

The Interim financial statements have been prepared on a historical cost basis, except for financial instruments which have been measured at fair value.

2 Figures for the corresponding period have been re-arranged where ever necessary to confirm to the current presentation. The figures in brackets indicate deductions.

### 3 Stated Capital

	As at 30.06.2017	As at 31.03.2017
Issued & fully paid Number of shares (Ordinary Shares)	11,163,745	11,163,745
	Rs.	Rs.
Stated Capital ( Rs )	220,262,000	220,262,000

4 There has not been a significant change in the nature of the contingent liabilities, which were disclosed in the annual report for the year ended 31st March 2017.

5 There have been no events subsequent to the interim period, which require disclosure in the Interim Financial Statements.

### 6 Capital and Lease Commitments

The Capital Commitments for Property, Plant and Equipment incidental to the ordinary course of business as at 30.06.2017, approved by the board are as follows.

	Group		Company	
	2017 Rs.'000	2016 Rs.'000	2017 Rs.'000	2016 Rs.'000
Contracted but not provided for	188,863	-	-	-
Approved but not contracted for	339,624	-	-	-
	<u>528,487</u>	<u>-</u>	<u>-</u>	<u>-</u>

### Lease Commitments

	Group			
	2017 Rs.'000	2017 USD	2016 Rs.'000	2016 USD
Within one year	4,596	29,910	4,085	27,971
After one year but not more than five years	18,383	119,640	16,341	111,884
More than five years	282,610	1,839,313	249,744	1,709,991
	<u>305,589</u>	<u>1,988,863</u>	<u>270,170</u>	<u>1,849,846</u>

7 Discontinued operations Comprise the results of Subsidiaries of the Group whose Commercial operations have been discontinued.

### 8 Net asset value per Share

	30th June 2017 Rs.	30th June 2016 Rs.	31st March 2017 Rs.
Consolidated ( in Rs. )	94.19	67.31	83.18
Company ( in Rs. )	101.63	78.09	88.21

### 9 Market Price Per Share

	30th June 2017 Rs	30th June 2016 Rs.	31st March 2017 Rs.
Highest for the Quarter (in Rs.)	229.00	255.00	255.00
Lowest for the Quarter (in Rs.)	206.00	210.00	200.00
Last Traded Price for the Year / Quarter (in Rs.)	225.00	238.00	209.00

10 All values included in this financial statements, are in Rupees 000's unless otherwise stated.

## Shareholder Information

### 1. Major Shareholders as at 30th June 2017

	<u>As at 30th June 2017</u>		<u>As at 31st March 2017</u>		<u>Change</u>
	No of Shares	Holding %	No of Shares	Holding %	
1 Richard Pieris & Company Plc.	8,959,997	80.26%	8,959,997	80.26%	-
2 T R L Holdings(Pvt) Ltd	386,775	3.46%	386,775	3.46%	-
3 Mr. T.T.T.Al-Nakib	131,437	1.18%	125,000	1.12%	6,437
4 Mr.D.F.G.Dalpethado	78,337	0.70%	32,671	0.29%	45,666
5 Mr. P.Vijendran	60,000	0.54%	60,000	0.54%	-
6 First Capital Markets Ltd	57,500	0.52%	-	-	57,500
7 Kalday Private Limited	53,399	0.48%	53,399	0.48%	-
8 Mr.K.A.S.R.Nissanka	53,397	0.48%	53,397	0.48%	-
9 Mr. A.A.A.Noorudin	50,000	0.45%	50,000	0.45%	-
10 Ransiri Enterprises ( Pvt ) Ltd	42,100	0.38%	41,572	0.37%	528
11 Union Investments (Pvt) Ltd	40,600	0.36%	40,600	0.36%	-
12 Mr. Sithampalam	35,000	0.31%	35,000	0.31%	-
13 Corporate Holdings (Pvt) Ltd	30,000	0.27%	30,000	0.27%	-
14 Mr. M.S.P.Fernando	28,008	0.25%	28,008	0.25%	-
15 Mr.R.A.Rishard	26,912	0.24%	50,578	0.45%	(23,666)
16 Mrs M. Y. Amerasinghe	26,000	0.23%	26,000	0.23%	-
17 Mr. N.A.Withana	25,000	0.22%	25,000	0.22%	-
18 Mr. W.M.H.B.Senevi	22,114	0.20%	22,114	0.20%	-
19 Mr.H.A. Pieris	20,932	0.19%	20,932	0.19%	-
20 Mr P.T.S.De Silva	19,624	0.18%	17,873	0.16%	1,751
Total	10,147,132	90.89%	10,205,569	91.42%	88,216

### 2. Public & Parent Shareholding

As at 30th June 2017, the public held 19.74% (2016 : 19.74%) of the stated capital of the company. The share holding of the parent company, Richard Pieris & Company PLC, was 80.26%. (2016-80.26%).

As at 30th June 2017 no of public holders are 1,522 (2016 : 1,514)

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

### 3 Details of Directors Shareholding is given below

Name of the Director	No of Shares as at 30th June 2017	No of Shares as at 31st March 2016
Dr. Sena Yaddehige	-	-
Mr. Shaminda Yaddehige	-	-
Mr. Sunil S.G. Liyanage	203	203
Mr. W.J. Viville P Perera	100	100
Mr. Wasantha Rukmal Abeysirigunawardena	-	-
Dr.L.M.K.Tillekeratne	-	-
Mr. Angelo Maharajah Patrick	-	-

## **CORPORATE INFORMATION**

### **LEGAL FORM**

A Quoted Public Company with limited liability  
Incorporated in Sri Lanka on 30th June, 1983

### **PRINCIPAL BUSINESS ACTIVITIES**

Manufacture and Export of rubber based products and manufacture of  
fillers for the rubber industry

### **BOARD OF DIRECTORS**

Dr. Sena Yaddehige (Chairman)

Shaminda Yaddehige

Sunil S G Liyanage

W.J.Viville P Perera

W R Abeysirigunawardena

Dr.L.M.K.Tillekeratne

Angelo Maharajah Patrick

### **REGISTERED OFFICE**

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

T.P. 0114 310500

E-mail : rpe@arpico.com

Web : www.arpicorubber.com

### **COMPANY SECRETARIES**

Richard Pieris Group Services ( Private) Limited.

No. 310, High Level Road,  
Nawinna,

Maharagama.

T.P. 0114 310500

### **AUDITORS**

M/s Kreston MNS & Company  
Chartered Accountants