

ELPITIYA PLANTATIONS PLC

INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 31ST DECEMBER 2020

ELPITIYA PLANTATIONS PLC
STATEMENT OF FINANCIAL POSITION

Group	Company		Group		Company	
			Unaudited As at 31.12.2020 Rs.'000	Unaudited As at 31.12.2019 Rs.'000	Unaudited As at 31.12.2020 Rs.'000	Unaudited As at 31.12.2019 Rs.'000
		Assets				
		Non current assets				
382,232	382,232	Leasehold property plant and equipment	358,720	204,073	358,720	204,073
1,093,491	884,504	Freehold property plant and equipment	1,283,922	974,986	1,080,508	763,892
3,553,395	3,553,395	Bearer biological assets	3,651,888	3,488,981	3,651,888	3,488,981
1,045,352	1,045,352	Consumable biological assets	1,062,078	1,015,848	1,062,078	1,015,848
42,488	42,488	Other non current asset	43,408	42,102	43,408	42,102
189,910	189,290	Investments	236,180	209,747	189,290	189,290
2,604	-	Goodwill	2,604	2,604	-	-
6,309,472	6,097,261		6,638,800	5,938,341	6,385,892	5,704,186
		Current assets				
10,385	10,385	Produce on bearer biological assets	10,385	11,291	10,385	11,291
338,312	338,277	Inventories	371,765	526,968	371,730	526,933
301,590	260,638	Trade and other receivables	344,857	300,918	328,085	287,954
100,549	245,785	Amounts due from related companies	94,436	93,547	234,375	237,170
89	89	Income tax receivables	89	-	89	-
29,480	22,133	Cash and bank balances	41,386	82,071	35,062	77,953
780,405	877,308		862,917	1,014,795	979,727	1,141,301
7,089,877	6,974,570	TOTAL ASSETS	7,501,717	6,953,135	7,365,619	6,845,487
		Equity and liabilities				
		Capital and reserves				
694,236	694,236	Stated capital	694,236	694,236	694,236	694,236
790,870	790,870	Timber reserve	790,870	765,958	790,870	765,958
3,145,643	3,019,774	Accumulated profits	3,686,742	3,137,922	3,539,880	3,032,080
4,630,749	4,504,880	Total equity attributable to equity holders of the company	5,171,848	4,598,116	5,024,986	4,492,274
(4,531)	-	Non-controlling interest	(4,626)	(4,508)	-	-
4,626,218	4,504,880	Total equity	5,167,222	4,593,608	5,024,986	4,492,274
		Non current liabilities				
17,250	17,250	Interest bearing loans and borrowings	13,875	37,519	13,875	37,519
643,194	643,068	Retirement benefit obligations	628,979	542,142	628,853	542,045
200,353	200,353	Deferred income	185,645	206,472	185,645	206,472
496,951	506,456	Deferred tax liability	501,451	478,851	510,956	478,851
317,510	317,510	Net liability to the lessor payable	314,947	160,757	314,947	160,757
1,675,258	1,684,636		1,644,898	1,425,741	1,654,276	1,425,644
		Current liabilities				
70,419	70,419	Interest bearing loans and borrowings	11,841	84,736	11,841	79,757
4,056	4,056	Net liability to the lessor payable	3,963	3,784	3,963	3,784
254,827	251,480	Trade and other payables	414,030	343,628	410,789	342,390
190,117	190,117	Amounts due to related companies	160,139	196,553	160,139	196,553
268,982	268,982	Bank Overdrafts	99,625	305,085	99,625	305,085
788,401	785,054		689,598	933,786	686,357	927,569
7,089,877	6,974,570	TOTAL EQUITY AND LIABILITIES	7,501,717	6,953,135	7,365,619	6,845,487
63.55	61.82	Net assets per share	70.98	63.10	68.96	61.65

Sgd.
Ruwan Nissanka
Chief Financial Officer

Signed on behalf of the Board of Directors of Elpitiya Plantations PLC

Sgd.
M P Dissanayake
Chairman

11.02.2021

Sgd.
Rohan.M. Fernando
Managing Director

ELPITIYA PLANTATIONS PLC
INCOME STATEMENT

Group

Audited Year ended 31.03.2020 Rs.'000		03 months ended			09 months ended		
		Unaudited 31.12.2020 Rs.'000	Unaudited 31.12.2019 Rs.'000	Change	Unaudited 31.12.2020 Rs.'000	Unaudited 31.12.2019 Rs.'000	Change
3,307,620	Revenue	941,750	848,061	11%	2,972,926	2,437,100	22%
(2,836,748)	Cost of sales	(662,287)	(635,861)	4%	(2,220,373)	(2,039,382)	9%
470,872	Gross Profit	279,462	212,200	32%	752,552	397,719	89%
48,653	Gain on fair value of biological assets	-	-		-	-	0%
223,949	Other income	45,342	120,867	-62%	127,943	204,330	-37%
(344,284)	Administration expenses	(67,624)	(90,604)	-25%	(221,128)	(241,024)	-8%
(71,992)	Management fee and workers profit share	(33,370)	(27,479)	21%	(94,321)	(56,850)	66%
(49,258)	Finance cost	(12,081)	(19,825)	-39%	(41,972)	(52,230)	-20%
2,470	Finance income	89	119	-25%	402	613	-34%
54,980	Share of profit of joint ventures	14,614	14,310	2%	81,221	39,866	104%
335,390	Profit before taxation	226,432	209,590	8%	604,697	292,425	107%
(27,663)	Tax expenses	(3,006)	(3,004)	0%	(9,043)	(9,061)	(0)
307,727	Profit for the period	223,426	206,586	8%	595,654	283,364	110%
	Attributable to						
307,854	Equity holders of the parent	223,457	206,639	8%	595,749	283,469	110%
(128)	Non controlling Interest	(30)	(53)	-44%	(95)	(105)	-10%
307,726	Net Profit for the period	223,427	206,586	8%	595,654	283,364	110%
4.22	Earnings per share	3.07	2.84		8.17	3.89	

Audited Year ended 31.03.2020 Rs.'000		03 months ended		09 months ended	
		Unaudited 31.12.2020 Rs.'000	Unaudited 31.12.2019 Rs.'000	Unaudited 31.12.2020 Rs.'000	Unaudited 31.12.2019 Rs.'000
307,726	Profit for the period	223,427	206,586	595,654	283,364
(22,527)	Actuarial gain on defined benefit plans	-	-	-	-
3,154	Income tax effect	-	-	-	-
(19,373)	Other comprehensive income for the period, net of tax	-	-	-	-
288,353	Total comprehensive income for the period, net of tax	223,427	206,586	595,654	283,364
	Attributable to				
288,480	Equity holders of the parent	223,457	206,639	595,749	283,469
(128)	Non controlling Interest	(30)	(53)	(95)	(105)
288,353	Total comprehensive income for the period	223,427	206,586	595,654	283,364

ELPITIYA PLANTATIONS PLC

INCOME STATEMENT

Company

Audited Year ended 31.03.2020 Rs.'000		03 months ended			09 months ended		
		Unaudited 31.12.2020 Rs.'000	Unaudited 31.12.2019 Rs.'000	Change	Unaudited 31.12.2020 Rs.'000	Unaudited 31.12.2019 Rs.'000	Change
3,287,442	Revenue	934,234	838,147	11%	2,952,334	2,418,064	22%
(2,823,898)	Cost of sales	(659,418)	(632,659)	4%	(2,210,818)	(2,029,599)	9%
463,544	Gross profit	274,816	205,488	34%	741,516	388,465	91%
48,653	Gain on fair value of biological assets	-	-	0%	-	-	0%
223,610	Other income	45,353	120,532	-62%	197,812	203,907	-3%
(341,146)	Administration expenses	(67,073)	(89,664)	-25%	(219,532)	(238,710)	-8%
(71,992)	Management fee and workers profit share	(33,370)	(27,479)	21%	(94,321)	(56,850)	66%
(47,876)	Finance cost	(12,081)	(19,579)	-38%	(41,972)	(50,943)	-18%
2,175	Finance income	69	107	-36%	254	483	-47%
276,968	Profit before taxation	207,713	189,405	10%	583,756	246,352	137%
(35,258)	Tax expenses	(3,000)	(3,000)	0%	(9,000)	(9,000)	0%
241,710	Profit for the period	204,713	186,405	10%	574,756	237,352	142%

<u>3.32</u> Earnings per share	<u>2.81</u>	<u>2.56</u>	<u>7.89</u>	<u>3.26</u>
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Audited Year ended 31.03.2020 Rs.'000		03 months ended		09 months ended	
		Unaudited 31.12.2020 Rs.'000	Unaudited 31.12.2019 Rs.'000	Unaudited 31.12.2020 Rs.'000	Unaudited 31.12.2019 Rs.'000
241,710	Profit for the period	204,713	186,405	574,756	237,352
(63,573)	Actuarial gain on defined benefit plans	-	-	-	-
8,900	Income tax effect	-	-	-	-
(54,673)	Other comprehensive income for the period, net of tax	-	-	-	-
187,037	Total comprehensive income for the period, net of tax	204,713	186,405	574,756	237,352

ELPITIYA PLANTATIONS PLC
STATEMENT OF CHANGES IN EQUITY

Group

	Stated capital Rs.'000	Retained earnings Rs.'000	Timber reserve Rs.'000	Total Rs.'000	Non controlling Interest Rs.000	Total equity Rs.000
Balance as at 01.04.2019	694,236	2,945,536	765,958	4,405,730	(4,403)	4,401,327
Net profit for the period	-	283,469	-	283,469	(105)	283,364
Dividend Paid	-	(91,083)	-	(91,083)	-	(91,083)
Balance as at 31.12.2019	694,236	3,137,922	765,958	4,598,116	(4,508)	4,593,608
Balance as at 01.04.2020	694,236	3,145,643	790,870	4,630,749	(4,531)	4,626,218
Net profit for the period	-	595,749	-	595,749	(95)	595,654
Dividend Paid	-	(54,650)	-	(54,650)	-	(54,650)
Balance as at 31.12.2020	694,236	3,686,742	790,870	5,171,848	(4,626)	5,167,222

Company

	Stated capital Rs.'000	Retained earnings Rs.'000	Timber reserve Rs.'000	Total equity Rs.000
Balance as at 01.04.2019	694,236	2,885,811	765,958	4,346,005
Net profit for the period	-	237,352	-	237,352
Dividend Paid	-	(91,083)	-	(91,083)
Balance as at 31.12.2019	694,236	3,032,080	765,958	4,492,274
Balance as at 01.04.2020	694,236	3,019,774	790,870	4,504,880
Net Profit for the period	-	574,756	-	574,756
Dividend Paid	-	(54,650)	-	(54,650)
Balance as at 31.12.2020	694,236	3,539,880	790,870	5,024,986

ELPITIYA PLANTATIONS PLC

CASH FLOW STATEMENT

	Group		Company	
	Unaudited 09 months ended 31.12.2020 Rs.'000	Unaudited 09 months ended 31.12.2019 Rs.'000	Unaudited 09 months ended 31.12.2020 Rs.'000	Unaudited 09 months ended 31.12.2019 Rs.'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit before taxation	604,697	292,425	583,756	246,352
ADJUSTMENTS FOR				
Depreciation and amortization	238,779	229,357	231,847	222,446
Provision for defined benefit plans	45,035	44,004	45,034	44,004
Share of profit of joint ventures	(81,221)	(39,866)	-	-
Amortization of subleases income	(16,401)	(16,535)	(16,401)	(16,535)
Interest income	(402)	(613)	(254)	(483)
Finance cost	41,972	52,230	41,972	50,943
Dividend income	-	-	(69,903)	-
Profit of Sale of Property , Plant & Equipment	(5,893)	(3,346)	(5,893)	(3,346)
	221,870	265,231	226,403	297,029
Operating profit before working capital changes	826,567	557,656	810,159	543,381
(Increase)/ Decrease in trade and other receivables	(14,239)	(32,610)	(67,446)	(21,124)
(Increase) / Decrease in amounts due from related companies	22,753	(13,320)	28,550	(19,046)
(Increase) / Decrease in inventories	(33,453)	(145,691)	(33,453)	(145,691)
Increase / (Decrease) in trade and other payables	118,032	(32,130)	111,759	(32,154)
Increase / (Decrease) in amounts due to related companies	(47,118)	27,338	(47,118)	27,388
	45,975	(196,413)	(7,709)	(190,627)
Cash generated from operations	872,542	361,243	802,450	352,755
Cash received as sub lease of land	567	3,560	567	3,560
Finance cost paid	(12,107)	(25,912)	(12,107)	(24,625)
Defined benefit plan cost paid	(59,250)	(54,203)	(59,250)	(54,203)
Dividend Paid	(54,650)	(91,083)	(54,650)	(91,083)
Grants received	1,260	7,232	1,260	7,232
Income tax paid	-	(13,418)	-	(13,362)
	(124,180)	(173,824)	(124,180)	(172,480)
Net cash from operating activities	748,362	187,419	678,271	180,275
CASH FLOWS FROM INVESTING ACTIVITIES				
Field development expenditure	(203,216)	(251,779)	(203,216)	(251,779)
Dividend Income	-	-	69,903	-
Interest income received	402	613	254	483
Purchase of property, plant and equipment	(285,947)	(141,257)	(284,587)	(136,958)
Proceed from Sale of Property , Plant & Equipment	5,893	5,000	5,893	5,000
Net Cash used in investing activities	(482,868)	(387,423)	(411,754)	(383,254)
	265,494	(200,004)	266,516	(202,979)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from loans	239,360	18,427	239,360	18,427
Settlement of loans	(301,313)	(80,077)	(301,313)	(65,139)
Payment of government lease rentals	(22,278)	(10,899)	(22,278)	(10,899)
Net cash flow used in financing activities	(84,231)	(72,549)	(84,231)	(57,611)
Net Increase/Decrease in Cash & Cash Equivalents	181,263	(272,553)	182,285	(260,590)
A. Cash & Cash Equivalents at the beginning of the period	(239,502)	49,539	(246,849)	33,458
B. Cash & Cash Equivalents at the end of the period	(58,239)	(223,014)	(64,563)	(227,132)

NOTE A

Cash & Cash Equivalents at the beginning of the period

Cash and Bank
Overdraft

29,480	49,539	22,133	33,458
(268,982)	-	(268,982)	-
(239,502)	49,539	(246,849)	33,458

NOTE B

Cash & Cash Equivalents at the end of the period

Cash and Bank
Overdraft

41,386	82,071	35,062	77,953
(99,625)	(305,085)	(99,625)	(305,085)
(58,239)	(223,014)	(64,563)	(227,132)

ELPITIYA PLANTATIONS PLC

SEGMENT INFORMATION

For the 09 months ended 31.12.2020

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Tea				
Revenue	2,056,257	1,678,217	2,056,257	1,678,217
Revenue expenditure	(1,725,891)	(1,624,223)	(1,725,891)	(1,624,223)
Segment Result-Gross Profit	330,366	53,994	330,366	53,994
Rubber				
Revenue	158,616	102,932	158,616	102,932
Revenue expenditure	(195,547)	(150,154)	(195,547)	(150,154)
Segment Result-Gross Loss	(36,931)	(47,222)	(36,931)	(47,222)
Oil Plant				
Revenue	729,351	631,629	729,351	631,629
Revenue expenditure	(279,352)	(249,216)	(279,352)	(249,216)
Segment Result-Gross Profit	450,000	382,413	450,000	382,413
Others				
Revenue	28,702	24,322	8,111	5,286
Revenue expenditure	(19,585)	(15,787)	(10,030)	(6,005)
Segment Result-Gross profit/(Loss)	9,117	8,535	(1,919)	(719)
Total Segments				
Revenue	2,972,925	2,437,100	2,952,334	2,418,064
Revenue expenditure	(2,220,374)	(2,039,380)	(2,210,819)	(2,029,598)
Total segment result-Gross profit	752,552	397,719	741,516	388,465
Other income	127,943	204,330	197,812	203,907
Administration expenses	(221,128)	(241,024)	(219,532)	(238,710)
Management fee and workers profit share	(94,321)	(56,850)	(94,321)	(56,850)
Finance cost	(41,972)	(52,230)	(41,972)	(50,943)
Finance income	402	613	254	483
Share of profit of joint ventures	81,221	39,866	-	-
Profit before taxation	604,697	292,425	583,756	246,352

For the 03 months ended 31.12.2020

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Tea				
Revenue	640,060	588,128	640,060	588,128
Revenue expenditure	(473,057)	(503,995)	(473,057)	(503,995)
Segment Result-Gross Profit	167,003	84,133	167,003	84,133
Rubber				
Revenue	76,983	55,004	76,983	55,004
Revenue expenditure	(72,247)	(43,003)	(72,247)	(43,003)
Segment Result-Gross Profit	4,736	12,001	4,736	12,001
Oil Plant				
Revenue	213,513	191,188	213,513	191,188
Revenue expenditure	(107,117)	(83,664)	(107,117)	(83,664)
Segment Result-Gross Profit	106,397	107,524	106,397	107,524
Others				
Revenue	11,195	13,741	3,680	3,827
Revenue expenditure	(9,869)	(5,197)	(7,000)	(1,996)
Segment Result-Gross profit/(Loss)	1,326	8,544	(3,320)	1,831
Total Segments				
Revenue	941,750	848,061	934,235	838,147
Revenue expenditure	(662,289)	(635,861)	(659,420)	(632,658)
Total segment result-Gross profit	279,462	212,200	274,816	205,488
Other income	45,342	120,867	45,353	120,532
Administration expenses	(67,624)	(90,604)	(67,073)	(89,664)
Management fee and workers profit share	(33,370)	(27,479)	(33,370)	(27,479)
Finance cost	(12,081)	(19,825)	(12,081)	(19,579)
Finance income	89	119	69	107
Share of profit of joint ventures	14,614	14,310	-	-
Profit before taxation	226,432	209,590	207,713	189,405

ELPITIYA PLANTATIONS PLC

NOTES TO THE FINANCIAL STATEMENTS

1. Interim Financial Statements of the company and the group have been prepared based on the Sri Lanka Accounting Standards that came into effect from January 01, 2012 (SLFRS/LKAS). There were no changes to the Accounting Policies and methods of computation since the publication of the annual report 2019/2020, except for the Accounting Policies and methods of computation adopted to be in compliance with the requirement of the Sri Lanka Accounting Standard SLFRS 16 - "Leases", which became effective from January 01, 2019. SLFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract (i.e. Lessee and Lessor). SLFRS 16 replaced LKAS 17 - "Leases" and related interpretations. Further these Interim Financial Statements have been prepared in compliance with the requirement of the Sri Lanka Accounting Standard LKAS 34 on Interim Financial Reporting.
2. Gain or losses arising from biological transformation for the period of nine months have not been recognised in the Financial Statements assuming that physical and price changes occurred during the period is immaterial.
3. Stated Capital of Elpitiya Plantations PLC amounts to Rs.694,236,120 represented by 72,866,430 shares.
4. During the period under review there were no significant changes in the nature of the contingent liabilities, capital and other commitments.
5. There have been no other events subsequent to the interim periods, which require disclosure in the interim financial statements.
6. All liabilities to Management fee and other similar expenditures have been provided.
7. The presentation and classification of the interim financial statements of the previous year have been amended, where relevant, for better presentations and to be comparable with those of the current year.
8. Figures in brackets indicate deductions.

ELPITIYA PLANTATIONS PLC

TOP 20 SHAREHOLDERS AS AT 31.12.2020

	Name of the Shareholder	Share Holding	%
1	Aitken Spence Plantation Managements PLC	44,917,354	61.64
2	Secretary to the Treasury	15,613,092	21.43
3	Mr T.T.T. Al- Nakib	390,645	0.54
4	Mr K C Vignarajah	334,700	0.46
5	Tranz Dominion, L.L.C	315,000	0.43
6	Dr. R.D Bandaranaike	210,696	0.29
7	Mr. G.D.M. Ranasinghe / Mrs. O R K Ranasinghe	175,000	0.24
8	Mr. S.J. Amarasekera	118,200	0.16
9	Mr U D Wickremesooriya / Mrs S.F. Wickremesooriya	110,000	0.15
10	Hatton National Bank / H.G. Balasuriya	109,920	0.15
11	Mr. N. Samarasuriya / Mrs. C. Samarasuriya	100,000	0.14
12	J.B Cocoshell (Pvt) Ltd	97,872	0.13
13	Mr. W.M.T.I. Weerasekera	90,000	0.12
14	Mr A.D.R. Gomez	82,010	0.11
15	Mrs. F.F. Haniffa	77,519	0.11
16	Seylan Bank PLC / Mohamed Mushtaq Fund	73,143	0.10
17	Maskeliya Tea Exports Pvt. Ltd.	70,986	0.10
18	Mr. L.M.M. Dias	66,850	0.09
19	Mr L H R Perera	65,000	0.09
20	CDB Finance PLC / Mr. M.B.K.K. Lakmal	64,980	0.09
	Total No. of Shares	63,082,967	86.57

PUBLIC SHAREHOLDING AS AT 31.12.2020

Shareholder	No. of Shares	%
Aitken Spence Plantation Managements PLC.	44,917,354	61.64
Secretary to the Treasury	15,613,092	21.43
Public Holding	12,335,984	16.93
TOTAL	72,866,430	100.00

Total number of public shareholders as at 31.12.2020

11,460

DIRECTORS' SHAREHOLDINGS

None of the Directors hold shares in the Company.

MARKET PRICES OF SHARES RECORDED DURING THE PERIOD ENDED

	31.12.2020	31.12.2019
	Rs.	Rs.
Highest price recorded for the nine months ending	48.00	21.00
Lowest price recorded for the nine months ending	12.50	18.00
Last traded price	46.30	18.90
Highest price recorded for the three months ending	48.00	22.90
Lowest price recorded for the three months ending	27.00	16.00

The float adjusted market capitalization as at 31 December 2020 was Rs 571,156,059/-. As the float adjusted market capitalization is less than Rs. 01 Bn with more than 10% public holding, Elpitiya Plantations PLC complies under option 2 in terms of rule 7.13.1 (b) (for Diri Savi Board companies) of the Listing Rules of the Colombo Stock Exchange.

GROUP COMPANIES

Escape Parks Ceylon (Private) Limited* (Formerly known as Venture Valley (Private) Limited)
Water Villas (Private) Limited *
EPP Hydro Power Company (Private) Limited

JOINT VENTURE COMPANIES

AEN Palm Oil Processing (Private) Limited
Elpitiya Dianhong Jin Ya Tea Company (Private) Limited
Elpitiya Lifestyle Solutions (Private) Limited

Note- * Water Villas (Private) Limited and Escape Parks Ceylon (Private) Limited - Commercial operations have not commenced.

NAME OF DIRECTORS

Dr M P Dissanayake
Dr R M Fernando
Mr Merrill J Fernando
Mr Malik J Fernando
Dr.S.A.B. Ekanayaka
Mr S C Ratwatte
Ms B W G C S Bogahawaththe
Mr. D A De S Wickramanayake
Mr B. Bulumulla