

Richard Pieris Exports PLC

Interim Financial Statements

Nine months ended 31st December 2020

Consolidated Statement of Financial Position

	As at 31st December	As at 31st March
	2020	2020
	Rs. 000	Rs. 000
ASSETS		
Non-current Assets		
Property, Plant & Equipment	846,742	834,487
Investment in Associate	213,705	225,509
Other Investment	11,061	16,061
Investment Property - Right of use asset	323,602	323,602
Right of use asset	97,270	99,075
Advance Payment for Investment	57,363	57,363
Deferred Tax Asset	2,220	1,064
	1,551,963	1,557,161
Discontinued Operations		
Assets of Arpico Natural Latex Foams (Pvt) Ltd	-	50
Current Assets		
Inventories	447,683	552,293
Trade & Other Receivables	1,669,728	1,657,432
Short Term Investment	6,160	5,782
Amounts Due from Related Parties	59,469	57,408
Cash and Bank Balances	1,158,908	694,176
	3,341,948	2,967,091
Total Assets	4,893,911	4,524,302
EQUITY AND LIABILITIES		
Stated Capital	220,262	220,262
Revenue Reserves	2,021,313	1,578,391
Foreign Currency Translation	121,824	122,698
Equity Attributable to Equity Holders of the Parent	2,363,399	1,921,351
Non Controlling Interest	1,327,308	1,029,857
Total Equity	3,690,707	2,951,208
Non-Current Liabilities		
Deferred Tax Liabilities	64,695	68,641
Retirement Benefit Obligation	101,813	91,419
Lease Instalments Payable After One Year	64,246	57,507
	230,754	217,567
Discontinued Operations		
Liabilities of Arpico Natural Latex Foams (Pvt) Ltd	226,893	226,898
Current Liabilities		
Trade and Other Payables	575,886	501,936
Income Tax Payable	49,819	34,356
Amounts Due to Related Parties	87,559	68,254
Lease Instalments Payable In the Ensuing Year	8,682	8,876
Interest Bearing Loans & Borrowings	23,611	515,207
	745,557	1,128,629
Total Liabilities	1,203,204	1,573,094
Total Equity and Liabilities	4,893,911	4,524,302

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 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 on 10th Feb 2021 in Colombo.



W.R. Abeysirigunawardena
Director



W.J. Viville P. Perera
Director

Company Statement of Financial Position

	As at 31st December 2020 Rs. 000	As at 31st March 2020 Rs. 000
ASSETS		
Non-current Assets		
Property, Plant & Equipment	104,528	74,033
Long Term Investments	474,084	479,084
Deferred Tax Asset	2,220	1,064
	580,832	554,181
Current Assets		
Inventories	153,065	156,532
Trade & Other Receivables	441,917	410,072
Amounts Due from Related Parties	534	111,266
Cash and Bank Balances	868,507	616,956
	1,464,023	1,294,826
Total Assets	2,044,855	1,849,007
EQUITY AND LIABILITIES		
Stated Capital	220,262	220,262
Revenue Reserves	1,602,305	1,372,776
Total Equity	1,822,567	1,593,038
Non-Current Liabilities		
Retirement Benefit Obligation	68,378	62,923
	68,378	62,923
Current Liabilities		
Trade and Other Payables	116,193	156,199
Income Tax Payable	10,644	10,536
Amounts Due to Related Parties	27,073	26,080
Interest Bearing Loans & Borrowings	-	231
	153,910	193,046
Total Liabilities	222,288	255,969
Total Equity and Liabilities	2,044,855	1,849,007

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.



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Palika Chandrajeewa
Sector Financial Controller

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W.R. Abeyirigunawardena
Director



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W.J. Viville P. Perera
Director

Consolidated Income Statements

	3 months ended 31st December			9 months ended 31st December		
	2020	2019	Change	2020	2019	Change
	Rs. '000	Rs. '000	%	Rs. '000	Rs. '000	%
Continuing Operations						
Revenue	1,486,022	1,426,063	4	4,017,460	4,222,145	(5)
Cost of Sales	(978,963)	(970,476)	1	(2,668,425)	(2,873,571)	(7)
Gross Profit	507,059	455,587	11	1,349,035	1,348,574	0
Other Operating Income	5,388	(8,888)	(161)	17,807	10,220	74
Distribution Costs	(135,254)	(96,637)	40	(325,666)	(286,623)	14
Administrative Expenses	(55,269)	(50,402)	10	(148,890)	(160,448)	(7)
Other Operating Expenses	(3,514)	-	100	(3,514)	-	100
Profit from Operations	318,410	299,660	6	888,772	911,723	(3)
Finance Income	4,829	6,315	(24)	14,331	19,887	(28)
Finance Cost	(2,998)	(5,394)	(44)	(13,137)	(11,680)	12
Other Financial Items	35,510	835	4,153	(5,428)	48,879	(111)
Share of Profit/ (Loss) of Associate	(4,251)	(2,205)	93	(12,658)	(846)	1,396
Profit Before Tax	351,500	299,211	17	871,880	967,963	(10)
Taxation	(52,731)	(60,160)	(12)	(126,462)	(153,830)	(18)
Profit for the Period from Continuing Operations	298,769	239,051	25	745,418	814,133	(8)
Discontinued Operations						
Loss after tax for the period from discontinued operations	(15)	(15)	-	(45)	(45)	-
Profit for the period	298,754	239,036	25	745,373	814,088	(8)
Attributable to:						
Equity Holders of the Parent	171,155	124,981	37	447,922	496,688	(10)
Non Controlling Interest	127,599	114,055	12	297,451	317,400	(6)
	298,754	239,036	25	745,373	814,088	(8)
	Rs.	Rs.		Rs.	Rs.	
Earnings Per Share	15.33	11.19		40.12	44.49	
Earnings Per Share from Continuing Operations	15.33	11.20		40.12	44.49	

Figures in brackets indicate deductions.

The above figures are subject to audit.

Company Income Statements

	3 months ended 31st December			9 months ended 31st December		
	2020 Rs. '000	2019 Rs. '000	Change %	2020 Rs. '000	2019 Rs. '000	Change %
Revenue	288,425	290,798	(1)	923,114	1,097,459	(16)
Cost of Sales	(193,747)	(211,560)	(8)	(595,108)	(751,834)	(21)
Gross Profit	94,678	79,238	19	328,006	345,625	(5)
Other Operating Income	14	111,105	(100)	384	111,325	(100)
Distribution Costs	(10,907)	(7,044)	55	(26,926)	(30,245)	(11)
Administrative Expenses	(17,989)	(12,648)	42	(41,877)	(39,545)	6
Profit from Operations	65,796	170,651	(61)	259,587	387,160	(33)
Finance Income	4,101	6,315	(35)	13,152	19,887	(34)
Finance Cost	(637)	(643)	(1)	(1,923)	(2,020)	(5)
Other Financial Items	22,200	3,131	609	1,836	26,485	(93)
Profit before Tax	91,460	179,454	(49)	272,652	431,512	(37)
Taxation	(12,804)	(9,597)	33	(38,123)	(44,599)	(15)
Profit Attributable to Ordinary Shareholders	78,656	169,857	(54)	234,529	386,913	(39)
	Rs.	Rs.		Rs.	Rs.	
Earnings Per Share	7.05	15.21		21.01	34.66	

Figures in brackets indicate deductions.

The above figures are subject to audit.

Statements of Comprehensive Income

	3 months ended 31st December		9 months ended 31st December	
	2020 Rs.'000	2019 Rs.'000	2020 Rs.'000	2019 Rs.'000
Consolidated				
Profit for the period	298,754	239,036	745,373	814,088
Other comprehensive income / (Expenses) not to be reclassified to profit or loss in subsequent periods				
Change in fair value on other investment at fair value through other comprehensive income	(5,000)	-	(5,000)	-
Other Comprehensive Income / (Expenses) to be reclassified to profit or loss in subsequent periods				
Share of Other Comprehensive Income of Associate				
Translation of Associate using foreign functional currency	9,225	(1,622)	(874)	8,530
Other comprehensive income for the period	4,225	(1,622)	(5,874)	8,530
Total comprehensive income for the period	302,979	237,414	739,499	822,618

Attributable to

Equity Holder of the Parent Company	175,380	123,359	442,048	505,218
Non Controlling Interest	127,599	114,055	297,451	317,400
	302,979	237,414	739,499	822,618

	3 months ended 31st December		9 months ended 31st December	
	2020 Rs.'000	2019 Rs.'000	2020 Rs.'000	2019 Rs.'000
Company				
Profit for the period	78,656	169,857	234,529	386,913
Other comprehensive income / (Expenses) not to be reclassified to profit or loss in subsequent periods				
Change in fair value on other investment at fair value through other comprehensive income	(5,000)	-	(5,000)	-
Other comprehensive income / (Expenses) to be reclassified to profit or loss in subsequent periods	-	-	-	-
Other comprehensive income for the period	(5,000)	-	(5,000)	-
Total comprehensive income for the period	73,656	169,857	229,529	386,913

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			
Consolidated						
Balance as at 31st March 2019	220,262	219,250	1,027,015	101,728	804,210	2,372,465
Profit for the period	-	-	496,688	-	317,400	814,088
Other Comprehensive Income	-	-	-	8,530	-	8,530
Total Comprehensive Income	-	-	496,688	8,530	317,400	822,618
Interim dividend	-	-	(276,303)	-	-	(276,303)
Dividend paid by Subsidiary companies to outside shareholders	-	-	-	-	(170,924)	(170,924)
Balance as at 31st December 2019	220,262	219,250	1,247,400	110,258	950,686	2,747,856
Balance as at 31st March 2020	220,262	219,250	1,359,141	122,698	1,029,857	2,951,208
Profit for the period	-	-	447,922	-	297,451	745,373
Other Comprehensive Income	-	-	(5,000)	(874)	-	(5,874)
Total Comprehensive Income	-	-	442,922	(874)	297,451	739,499
Balance as at 31st December 2020	220,262	219,250	1,802,063	121,824	1,327,308	3,690,707

	Stated Capital Rs. '000	Revenue Reserves		Total Rs. '000
		General Reserves Rs. '000	Accumulated Profit Rs. '000	
Company				
Balance as at 31st March 2019	220,262	219,250	989,769	1,429,281
Profit for the period	-	-	386,913	386,913
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	-	-	386,913	386,913
Interim dividend	-	-	(276,303)	(276,303)
Balance as at 31st December 2019	220,262	219,250	1,100,379	1,539,891
Balance as at 31st March 2020	220,262	219,250	1,153,526	1,593,038
Profit for the period	-	-	234,529	234,529
Other Comprehensive Income	-	-	(5,000)	(5,000)
Total Comprehensive Income	-	-	229,529	229,529
Balance as at 31st December 2020	220,262	219,250	1,383,055	1,822,567

Consolidated Segmental Information

	Turnover		Profit / (Loss) before Tax		Total Assets		Total Liabilities	
	For the 9 months period ended		For the 9 months period ended		As at 31st Dec	As at 31st March	As at 31st Dec	As at 31st March
	31st Dec 2020	31st Dec 2019	31st Dec 2020	31st Dec 2019	2020	2020	2020	2020
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Mineral Segment	27,282	35,302	(353)	312	53,534	52,553	19,952	18,717
Latex Based Segment	3,081,760	3,109,516	612,239	647,908	3,071,591	3,000,145	987,723	1,438,305
Hard Rubber Segment	923,114	1,097,459	272,652	431,512	2,044,855	1,849,007	222,288	255,969
	4,032,156	4,242,277	884,538	1,079,732	5,169,980	4,901,705	1,229,963	1,712,991
Adjustment for Inter Group Transactions	(14,696)	(20,132)	(12,658)	(111,769)	(276,069)	(377,403)	(26,759)	(139,897)
	4,017,460	4,222,145	871,880	967,963	4,893,911	4,524,302	1,203,204	1,573,094

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

Cash Flow Statements

	Consolidated		Company	
	For the 9 months period ended		For the 9 months period ended	
	31st Dec 2020	31st Dec 2019	31st Dec 2020	31st Dec 2019
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Cash Flows from Operating Activities				
Group Profit before Tax and Non-Controlling Interest				
From Continuing Operations	871,880	967,963	272,652	431,512
Loss from discontinued Operations	(45)	(45)	-	-
Adjustment to reconcile profit before tax to net cash flows	103,687	70,744	1,459	(116,158)
Operating profit before working capital changes	975,522	1,038,662	274,111	315,354
Changes in Working Capital adjustments	168,227	(433,383)	43,341	(34,290)
Cash generated from / (used in) operations	1,143,749	605,279	317,452	281,064
Interest Paid	(6,592)	(11,680)	(1,923)	(2,020)
Income Tax Paid	(117,831)	(176,333)	(39,171)	(50,098)
Defined Benefit plan costs paid	(1,832)	(8,958)	(1,633)	(4,076)
Net cash flows from / (used in) Operating activities	1,017,494	408,308	274,725	224,870
Net cashflows from / (used in) investing activities	(65,268)	124,961	(22,943)	316,812
Net cash inflow / (Out flow) before financing	952,226	533,268	251,782	541,682
Net cash flows from / (used in) financing activities	(181,847)	(385,949)	-	(276,303)
Net Increase / (decrease) in cash and cash equivalents	770,379	147,319	251,782	265,379
Cash and cash equivalents at the beginning of the period	364,911	540,040	616,725	547,921
Cash and cash equivalents at the end of the period	1,135,290	687,359	868,507	813,300
Analysis of Cash and Cash Equivalents				
Cash at Bank & in Hand				
From Continuing operations	1,158,908	890,082	868,507	813,300
From Discontinuing operations	-	50	-	-
	1,158,908	890,132	868,507	813,300
Bank Overdraft	(23,618)	(202,773)	-	-
	1,135,290	687,359	868,507	813,300

Figures in brackets indicate deductions.

The above figures are subject to audit.

Notes to the Financial Statements

- 1 The figures given above for the nine months ended 31st December 2020 and 31st December 2019 are subject to audit.
- The Interim Financial Statements of Richard Pieris Exports PLC for the nine months ended 31st December 2020 have been prepared in accordance with LKAS 34, Interim Financial Reporting.
- These Interim Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2020.
- The accounting policies adopted in the preparation of the Interim Financial Statements are consistent with those followed in the preparation of the Annual Financial Statements for the year ended 31st March 2020.
- The provisions of the Companies Act No.7 of 2007 have been considered in preparing the interim financial statements of the Company and of the Group.
- 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 31.12.2020 | As at 31.03.2020 |
|--|------------------|------------------|
| 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 **Market Capitalization**
- | | As at 31.12.2020 | As at 31.03.2020 |
|---|------------------|------------------|
| Market Capitalization (Rs '000") | 3,896,147 | 2,130,043 |
| Float adjusted Market Capitalization (Rs '000") | 627,280 | 342,937 |
| Pirce Earnings Ratio (times) | 22.76 | 3.31 |
- The company complies with option 02 of the listing rules 7.13.1(b) - Less than Rs 1 Bn float adjusted market capitalization.
- 5 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 2020
- 6 There have been no events subsequent to the interim period, which require disclosure in the Interim Financial Statements.
- 7 There are no material capital commitments which have been approved as at 31.12.2020.
- 8 Discontinued operations Comprise the results of Subsidiaries of the Group whose Commercial operations have been discontinued.
- 9 **Net asset value per Share**
- | | 31st Dec 2020 | 31st Dec 2019 | 31st March 2020 |
|---|---------------|---------------|-----------------|
| | Rs. | Rs. | Rs. |
| Consolidated (in Rs.) | 211.70 | 160.98 | 172.11 |
| Company (in Rs.) | 163.25 | 137.94 | 142.70 |
| | Rs | Rs | Rs. |
| Highest for the Quarter / Year (in Rs.) | 367.50 | 295.00 | 295.00 |
| Lowest for the Quarter / Year (in Rs.) | 230.00 | 215.10 | 180.00 |
| Last Traded Price for the Quarter / Year (in Rs.) | 349.00 | 259.10 | 190.80 |
- 10 All values included in this financial statements, are in Rupees 000's unless otherwise stated.
- 11 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 .

Shareholder Information

1. Major Shareholders as at 31st December 2020

	<u>As at 31st December 2020</u>		<u>As at 31st March 2020</u>		<u>Change</u>
	No of Shares	Holding %	No of Shares	Holding %	
1 Richard Pieris & Company Plc.	9,366,027	83.90%	9,366,027	83.90%	-
2 Mr T.T.T.Al-Nakib	122,076	1.09%			122,076
3 Mrs.V.Saraswathi	86,594	0.78%	82,122	0.74%	4,472
4 Dr.A.B.Abeysundara	60,756	0.54%	62,795	0.56%	(2,039)
5 Mr. P.Vijendran	60,000	0.54%	60,000	0.54%	-
6 Kalday Private Limited	53,399	0.48%	53,399	0.48%	-
7 Mr.K.A.S.R.Nissanka	50,000	0.45%	50,000	0.45%	-
8 Mr. A.A.A.Noorudin	48,864	0.44%	50,000	0.45%	(1,136)
9 Ransiri Enterprises (Pvt) Ltd	42,100	0.38%	42,100	0.38%	-
10 Mr.S.Abishek	41,000	0.37%	41,000	0.37%	-
11 Union Investments (Pvt) Ltd	40,600	0.36%	40,600	0.36%	-
12 Mr. A.S.Ratnayake	39,711	0.36%	45,736	0.41%	(6,025)
13 Mr. Subramaniam	33,160	0.30%			33,160
14 Mr.H.A.R.Pieris	31,000	0.28%			31,000
15 J.B.Cocoshell (Pvt) Ltd	30,335	0.27%	30,335	0.27%	-
16 Corporate Holdings (Pvt) Ltd	30,000	0.27%	30,000	0.27%	-
17 Mr.M.Naizer	26,530	0.24%	29,100	0.26%	(2,570)
18 Mr. N.A.Withana	25,000	0.22%	25,000	0.22%	-
19 Mr Ravindra Erle	23,200	0.21%			23,200
20 Mrs.M.Y.Amerasinghe	21,998	0.20%	25,000	0.22%	(3,002)
Total	10,232,350	91.66%	10,033,214	89.87%	199,136

2. Public & Parent Shareholding

As at 31st December 2020, the public held 16.10% (2019: 16.10%) of the stated capital of the company. The share holding of the parent company, Richard Pieris & Company PLC, was 83.90%. (2019-83.90%).

As at 31st December 2020, no of public holders are 1,893 (2019 : 1,559)

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 31st December 2020	No of Shares as at 31st March 2020
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