

Richard Pieris Exports PLC

Interim Financial Statements

Three months ended 30th June 2019

Consolidated Statement of Financial Position

	As at 30th June		As at 31st March
	2019	2018	2019
	Rs. 000	Rs. 000	Rs. 000
ASSETS			
Non-current Assets			
Property, Plant & Equipment	790,387	768,805	806,382
Investment in Associate	208,659	179,238	206,736
Other Investment	54,213	72,284	54,213
Investment Property - Leasehold	287,323	-	287,323
Leasehold Land Prepayment	11,476	11,749	11,544
Deferred Tax Asset	546	-	297
	1,352,604	1,032,076	1,366,495
Discontinued Operations			
Assets of Arpico Natural Latex Foams (Pvt) Ltd	50	108	108
Current Assets			
Inventories	452,777	364,064	508,994
Trade & Other Receivables	1,238,854	1,175,537	1,130,565
Short Term Investment	111,843	324,178	193,016
Leasehold Land Prepayment	273	273	273
Amounts Due from Related Parties	167,858	301,235	95,042
Cash and Bank Balances	624,985	197,334	733,880
	2,596,590	2,362,621	2,661,770
Total Assets	3,949,244	3,394,805	4,028,373
EQUITY AND LIABILITIES			
Stated Capital	220,262	220,262	220,262
Revenue Reserves	1,407,073	1,006,182	1,246,265
Foreign Currency Translation	103,297	79,485	101,728
Equity Attributable to Equity Holders of the Parent	1,730,632	1,305,929	1,568,255
Non Controlling Interest	892,889	731,156	804,210
Total Equity	2,623,521	2,037,085	2,372,465
Non-Current Liabilities			
Interest Bearing Loans & Borrowings	29,452	92,373	43,875
Deferred Tax Liabilities	67,583	67,636	70,437
Retirement Benefit Obligation	90,780	80,666	89,225
	187,815	240,675	203,537
Discontinued Operations			
Liabilities of Arpico Natural Latex Foams (Pvt) Ltd	226,853	226,854	226,896
Current Liabilities			
Trade and Other Payables	460,132	345,211	448,354
Income Tax Payable	101,490	29,769	72,718
Amounts Due to Related Parties	261,241	131,565	428,512
Interest Bearing Loans & Borrowings	88,192	383,646	275,891
	911,055	890,191	1,225,475
Total Liabilities	1,325,723	1,357,720	1,655,908
Total Equity and Liabilities	3,949,244	3,394,805	4,028,373


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 12th August 2019 in Colombo.


 W.R. Abeyasingunawardena
 Director


 W.J. Viville P. Perera
 Director

Company Statement of Financial Position

	As at 30th June		As at 31st March
	2019	2018	2019
	Rs. 000	Rs. 000	Rs. 000
ASSETS			
Non-current Assets			
Property, Plant & Equipment	78,048	71,620	79,770
Long Term Investments	517,236	535,307	517,236
Deferred Tax Asset	546	-	297
	595,830	606,927	597,303
Current Assets			
Inventories	162,177	109,507	154,621
Trade & Other Receivables	433,303	390,241	328,859
Short Term Investment	106,568	190,794	187,741
Amounts Due from Related Parties	19,695	25,829	18,688
Cash and Bank Balances	460,364	134,549	573,651
	1,182,107	850,920	1,263,560
Total Assets	1,777,937	1,457,847	1,860,863
EQUITY AND LIABILITIES			
Stated Capital	220,262	220,262	220,262
Revenue Reserves	1,302,545	1,029,549	1,209,019
Total Equity	1,522,807	1,249,811	1,429,281
Non-Current Liabilities			
Deferred Tax Liability	-	681	-
Retirement Benefit Obligation	61,118	56,065	61,003
	61,118	56,746	61,003
Current Liabilities			
Trade and Other Payables	140,997	110,339	136,504
Income Tax Payable	24,462	5,119	18,776
Amounts Due to Related Parties	28,553	31,219	189,570
Interest Bearing Loans & Borrowings	-	4,613	25,729
	194,012	151,290	370,579
Total Liabilities	255,130	208,036	431,582
Total Equity and Liabilities	1,777,937	1,457,847	1,860,863


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

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 Approved and Signed for and on behalf of the Board on 12th August 2019 in Colombo.



W.R. Abeyirigunawardena
 Director



W.J. Viville P. Perera
 Director

Consolidated Income Statements

	3 months ended 30th June			Year ended 31st March
	2019 Rs. '000	2018 Rs. '000	Change %	2019 Rs. '000
Continuing Operations				
Revenue	1,265,721	1,227,444	3	5,182,356
Cost of Sales	(849,098)	(831,172)	2	(3,426,465)
Gross Profit	416,623	396,272	5	1,755,891
Other Operating Income	8,236	410	1,909	31,334
Distribution Costs	(89,386)	(109,179)	(18)	(474,560)
Administrative Expenses	(57,967)	(55,590)	4	(241,250)
Other Operating Expenses	-	-		(1)
Profit from Operations	277,506	231,913	20	1,071,414
Finance Income	7,536	9,907	(24)	42,311
Finance Cost	(4,164)	(4,435)	(6)	(30,410)
Other Financial Items	8,748	12,191	(28)	73,820
Share of Profit/ (Loss) of Associate	412	2,397	(83)	7,970
Profit Before Tax	290,038	251,973	15	1,165,105
Taxation	(40,536)	(38,983)	4	(184,743)
Profit for the Period from Continuing Operations	249,502	212,990	17	980,362
Discontinued Operations				
Loss after tax for the period from discontinued operations	(15)	(15)	-	(57)
Profit for the period	249,487	212,975	17	980,305
Attributable to:				
Equity Holders of the Parent	160,808	132,796	21	593,034
Non Controlling Interest	88,679	80,179	11	387,271
	249,487	212,975	17	980,305

	Rs.	Rs.	Rs.
Earnings Per Share	14.40	11.90	53.12
Earnings Per Share from Continuing Operations	14.41	11.90	53.12
Dividend Per Share	-	-	18.00

Figures in brackets indicate deductions.

The above figures are subject to audit.

Company Income Statements

	3 months ended 30th June			Year ended 31st March
	2019 Rs. '000	2018 Rs. '000	Change %	2019 Rs. '000
Revenue	366,733	337,790	9	1,284,310
Cost of Sales	(244,042)	(238,165)	2	(892,299)
Gross Profit	122,691	99,625	23	392,011
Other Operating Income	8	273	(97)	153,601
Distribution Costs	(13,233)	(13,669)	(3)	(38,947)
Administrative Expenses	(13,020)	(12,359)	5	(59,633)
Profit from Operations	96,446	73,870	31	447,032
Finance Income	7,536	6,423	17	28,536
Finance Cost	(686)	(686)	-	(4,838)
Other Financial Items	5,166	1,768	192	51,061
Profit before Tax	108,462	81,375	33	521,791
Taxation	(14,936)	(11,030)	35	(51,414)
Profit Attributable to Ordinary Shareholders	93,526	70,345	33	470,377
	Rs.	Rs.		Rs.
Earnings Per Share	8.38	6.30		42.13
Dividend Per Share	-	-		18.00

Figures in brackets indicate deductions.

The above figures are subject to audit.

Statements of Comprehensive Income

	3 months ended 30th June		Year ended 31st March
	2019 Rs.'000	2018 Rs.'000	2019 Rs.'000
Consolidated			
Profit for the period	249,487	212,975	980,305
Other comprehensive income / (Expenses) not to be reclassified to profit or loss in subsequent periods			
Actuarial gains/ (losses) on defined benefit plans	-	-	(1,558)
Deferred Tax effect on actuarial gains /(losses) on defined benefit plans	-	-	194
Change in fair value on other investment at fair value through other comprehensive income	-	-	(18,071)
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	-	-	297
Translation of Associate using foreign functional currency	1,569	3,880	26,123
Other comprehensive income for the period	1,569	3,880	6,985
Total comprehensive income for the period	251,056	216,855	987,290

Attributable to			
Equity Holder of the Parent Company	162,377	136,676	599,949
Non Controlling Interest	88,679	80,179	387,341
	251,056	216,855	987,290

	3 months ended 30th June		Year ended 31st March
	2019 Rs.'000	2018 Rs.'000	2019 Rs.'000
Company			
Profit for the period	93,526	70,345	470,377
Other comprehensive income / (Expenses) not to be reclassified to profit or loss in subsequent periods			
Actuarial gains/ (losses) on defined benefit plans	-	-	(1,795)
Deferred Tax effect on actuarial gains /(losses) on defined benefit plans	-	-	251
Change in fair value on other investment at fair value through other comprehensive income	-	-	(18,071)
Other comprehensive income / (Expenses) to be reclassified to profit or loss in subsequent periods	-	-	-
Other comprehensive income for the period	-	-	(19,615)
Total comprehensive income for the period	93,526	70,345	450,762

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 2018	220,262	219,250	654,136	75,605	650,977	1,820,230
Profit for the period	-	-	132,796	-	80,179	212,975
Other Comprehensive Income	-	-	-	3,880	-	3,880
Total Comprehensive Income	-	-	132,796	3,880	80,179	216,855
Balance as at 30th June 2018	220,262	219,250	786,932	79,485	731,156	2,037,085
Balance as at 31st March 2019	220,262	219,250	1,027,015	101,728	804,210	2,372,465
Profit for the period	-	-	160,808	-	88,679	249,487
Other Comprehensive Income	-	-	-	1,569	-	1,569
Total Comprehensive Income	-	-	160,808	1,569	88,679	251,056
Balance as at 30th June 2019	220,262	219,250	1,187,823	103,297	892,889	2,623,521

	Stated Capital Rs. '000	Revenue Reserves		Total Rs. '000
		General Reserves Rs. '000	Accumulated Profit Rs. '000	
Company				
Balance as at 31st March 2018	220,262	219,250	739,954	1,179,466
Profit for the period	-	-	70,345	70,345
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	-	-	70,345	70,345
Balance as at 30th June 2018	220,262	219,250	810,299	1,249,811
Balance as at 31st March 2019	220,262	219,250	989,769	1,429,281
Profit for the period	-	-	93,526	93,526
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	-	-	93,526	93,526
Balance as at 30th June 2019	220,262	219,250	1,083,295	1,522,807

Consolidated Segmental Information

	Turnover		Profit / (Loss) before Tax		Total Assets		Total Liabilities	
	For the 3 months period ended		For the 3 months period ended		As at 30th June	As at 30th June	As at 30th June	As at 30th June
	30th June 2019	30th June 2018	30th June 2019	30th June 2018	2019	2018	2019	2018
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Mineral Segment	11,654	12,019	108	(299)	52,061	55,212	18,497	22,268
Latex Based Segment	893,168	883,299	181,056	168,500	2,402,559	2,195,796	1,081,052	1,157,685
Hard Rubber Segment	366,733	337,790	108,462	81,375	1,777,937	1,457,847	255,130	208,036
	1,271,555	1,233,108	289,626	249,576	4,232,557	3,708,855	1,354,679	1,387,989
Adjustment for Inter Group Transactions	(5,834)	(5,664)	412	2,397	(283,313)	(314,050)	(28,956)	(30,269)
	1,265,721	1,227,444	290,038	251,973	3,949,244	3,394,805	1,325,723	1,357,720

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

Cash Flow Statements

	Consolidated		Company	
	For the 3 months period ended		For the 3 months period ended	
	30th June 2019	30th June 2018	30th June 2019	30th June 2018
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Cash Flows from Operating Activities				
Group Profit before Tax and Non-Controlling Interest				
From Continuing Operations	290,038	251,973	108,462	81,375
Loss from discontinued Operations	(15)	(15)	-	-
Adjustment to reconcile profit before tax to net cash flows	21,253	18,611	(2,737)	(1,774)
Operating profit before working capital changes	311,277	270,568	105,725	79,601
Changes in Working Capital adjustments	(280,424)	12,964	(269,531)	(80,784)
Cash generated from/(used in) operations	30,852	283,533	(163,806)	(1,183)
Interest Paid	(4,164)	(4,435)	(686)	(686)
Income Tax Paid	(14,809)	(12,868)	(9,499)	(8,677)
Defined Benefit plan costs paid	(2,379)	(1,983)	(2,099)	(1,983)
Net cash flows from / (used in) Operating activities	9,500	264,247	(176,090)	(12,529)
Net cash used in investing activities	84,058	(87,153)	88,532	(73,194)
Net cash inflow / (Out flow) before financing	93,558	177,094	(87,558)	(85,723)
Net cash flows from / (used in) financing activities	(37,922)	19,135	-	-
Net Increase / (Decrease) in cash and cash equivalents	55,636	196,229	(87,558)	(85,723)
Cash and cash equivalents at the beginning of the period	540,040	(217,187)	547,922	215,659
Cash and cash equivalents at the end of the period	595,676	(20,958)	460,364	129,936
Analysis of Cash and Cash Equivalents				
Cash at Bank & in Hand				
From Continuing operations	624,985	197,334	460,364	134,549
From Discontinuing operations	50	108	-	-
	625,035	197,442	460,364	134,549
Bank Overdraft	(29,359)	(218,400)	-	(4,613)
	595,676	(20,958)	460,364	129,936

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 2019 and 30th June 2018 are subject to audit.

The Interim Financial Statements of Richard Pieris Exports PLC for the three months ended 30th June 2019 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 2019. 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.

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 30.06.2019	As at 31.03.2019
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 30.06.2019	As at 31.03.2019
Market Capitalization (Rs '000")	2,209,305	2,366,714
Float adjusted Market Capitalization (Rs '000")	355,698	381,041
Pirce Earnings Ratio (times)	23.62	5.03
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 2019.

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

7 Capital and Lease Commitments

The Capital Commitments for Property, Plant and Equipment incidental to the ordinary course of business as at 30.06.2019, approved by the board are as follows.

	Group		Company	
	2019 Rs.'000	2018 Rs.'000	2019 Rs.'000	2018 Rs.'000
Contracted but not provided for	-	-	-	-
Approved but not contracted for	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Lease Commitments

	Group			
	2019 Rs.'000	2019 USD	2018 Rs.'000	2018 USD
Within one year	5,279	29,910	4,656	29,403
After one year but not more than five years	21,117	119,640	18,626	117,625
More than five years	315,507	1,787,575	281,688	1,778,894
	<u>341,903</u>	<u>1,937,125</u>	<u>304,970</u>	<u>1,925,922</u>

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

9 Net asset value per Share

	30th June 2019 Rs.	30th June 2018 Rs.	31st March 2019 Rs.
Consolidated (in Rs.)	155.02	116.98	140.48
Company (in Rs.)	136.40	111.95	128.03

10 Market Price Per Share

	30th June 2019 Rs	30th June 2018 Rs	31st March 2019 Rs.
Highest for the Quarter / Year (in Rs.)	219.50	174.00	248.00
Lowest for the Quarter / Year (in Rs.)	190.00	160.00	201.20
Last Traded Price for the Quarter / Year (in Rs.)	197.90	160.40	212.00

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

Shareholder Information

1. Major Shareholders as at 30th June 2019

	<u>As at 30th June 2019</u>		<u>As at 31st March 2019</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. P.Vijendran	60,000	0.54%	60,000	0.54%	-
3 Kalday Private Limited	53,399	0.48%	53,399	0.48%	-
4 Comercial Credit and Finance PLC	50,000	0.45%	55,000	0.49%	-
5 Mr.K.A.S.R.Nissanka	50,000	0.45%	52,897	0.47%	(2,897)
6 Mr. A.A.A.Noorudin	50,000	0.45%	50,000	0.45%	-
7 Mr.C.Ramachandran	50,000	0.45%	50,000	0.45%	-
8 Mr.D.F.G.Dalpethado	48,891	0.44%	46,184	0.41%	2,707
9 Ransiri Enterprises (Pvt) Ltd	42,100	0.38%	42,100	0.38%	-
10 Mr.S.Abishek	41,000	0.37%	40,000	0.36%	1,000
11 Union Investments (Pvt) Ltd	40,600	0.36%	40,600	0.36%	-
12 Mr. M.S.P.Fernando	34,048	0.30%	34,048	0.30%	-
13 Corporate Holdings (Pvt) Ltd	30,000	0.27%	30,000	0.27%	-
14 Mr.F.J.P.Raj	30,000	0.27%	30,000	0.27%	-
15 Mrs.V.Saraswathi	29,202	0.26%		0.00%	29,202
16 Mr.M.Naizer	28,008	0.25%	28,008	0.25%	-
17 Mr. N.A.Withana	25,000	0.22%	25,000	0.22%	-
18 Mr.K.L.G.Udayananda	22,611	0.20%			
19 Mrs M. Y. Amerasinghe	21,998	0.20%	21,998	0.20%	-
20 Mr.H.A. Pieris	20,931	0.19%	20,931	0.19%	-
Total	10,093,815	90.42%	10,046,192	89.99%	30,012

2. Public & Parent Shareholding

As at 30th June 2019, the public held 16.10% (2018: 16.10%) of the stated capital of the company. The share holding of the parent company, Richard Pieris & Company PLC, was 83.90%. (2018-83.90%).

As at 30th June 2019 no of public holders are 1,592 (2018 : 1,565)

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 2019	No of Shares as at 31st March 2019
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