

Richard Pieris Exports PLC

Interim Financial Statements

Three months ended 30th June 2018

Consolidated Statement of Financial Position

	As at 30th June		As at 31st March
	2018	2017	2018
	Rs. 000	Rs. 000	Rs. 000
ASSETS			
Non-current Assets			
Property, Plant & Equipment	768,805	638,771	773,932
Investment in Associate	179,238	178,108	173,306
Other Investment	72,284	72,284	72,284
Leasehold Land Prepayment	11,749	12,021	11,817
	1,032,076	901,184	1,031,339
Discontinued Operations			
Assets of Arpico Natural Latex Foams (Pvt) Ltd	108	162	108
Current Assets			
Inventories	364,064	338,037	511,613
Trade & Other Receivables	1,175,537	875,444	967,516
Short Term Investments	324,178	353,477	241,112
Leasehold Land Prepayment	273	273	273
Amounts Due from Related Parties	301,235	30,609	308,140
Cash and Bank Balances	197,334	245,513	281,797
	2,362,621	1,843,353	2,310,451
Total Assets	3,394,805	2,744,699	3,341,898
EQUITY AND LIABILITIES			
Stated Capital	220,262	220,262	220,262
Revenue Reserves	1,006,182	758,226	873,386
Foreign Currency Translation	79,485	73,038	75,605
Equity Attributable to Equity Holders of the Parent	1,305,929	1,051,526	1,169,253
Non Controlling Interest	731,156	548,176	650,977
Total Equity	2,037,085	1,599,702	1,820,230
Non-Current Liabilities			
Interest Bearing Loans & Borrowings	92,373	-	90,814
Deferred Tax Liabilities	67,636	36,183	61,799
Retirement Benefit Obligation	80,666	67,474	79,292
	240,675	103,657	231,905
Discontinued Operations			
Liabilities of Arpico Natural Latex Foams (Pvt) Ltd	226,854	226,853	226,839
Current Liabilities			
Trade and Other Payables	345,211	366,350	320,002
Income Tax Payable	29,769	36,869	9,838
Amounts Due to Related Parties	131,565	127,622	90,256
Interest Bearing Loans & Borrowings	383,646	283,646	642,828
	890,191	814,487	1,062,924
Total Liabilities	1,357,720	1,144,997	1,521,668
Total Equity and Liabilities	3,394,805	2,744,699	3,341,898


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 13th August 2018 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
	2018	2017	2018
	Rs. 000	Rs. 000	Rs. 000
ASSETS			
Non-current Assets			
Property, Plant & Equipment	71,620	77,502	73,474
Long Term Investments	535,307	535,307	535,307
	606,927	612,809	608,781
Current Assets			
Inventories	109,507	115,109	124,246
Trade & Other Receivables	390,241	288,144	293,858
Short Term Investment	190,794	103,343	111,177
Amounts Due from Related Parties	25,829	107,807	33,967
Cash and Bank Balances	134,549	171,587	215,777
	850,920	785,990	779,025
Total Assets	1,457,847	1,398,799	1,387,806
EQUITY AND LIABILITIES			
Stated Capital	220,262	220,262	220,262
Revenue Reserves	1,029,549	914,358	959,204
Total Equity	1,249,811	1,134,620	1,179,466
Non-Current Liabilities			
Interest Bearing Loans & Borrowings	-	-	-
Deferred Tax Liability	681	1,001	521
Retirement Benefit Obligation	56,065	49,773	55,939
	56,746	50,774	56,460
Current Liabilities			
Trade and Other Payables	110,339	99,160	123,885
Income Tax Payable	5,119	16,982	2,926
Amounts Due to Related Parties	31,219	15,341	24,951
Interest Bearing Loans & Borrowings	4,613	81,922	118
	151,290	213,405	151,880
Total Liabilities	208,036	264,179	208,340
Total Equity and Liabilities	1,457,847	1,398,799	1,387,806

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

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W.R. Abeysirigunawardena
 Director



W.J. Viville P. Perera
 Director

Consolidated Income Statements

	3 months ended 30th June			Year ended 31st March 2018
	2018	2017	Change	2018
	Rs. '000	Rs. '000	%	Rs. '000
Continuing Operations				
Revenue	1,227,444	1,063,039	15	4,271,727
Cost of Sales	(831,172)	(689,054)	21	(2,908,472)
Gross Profit	396,272	373,985	6	1,363,255
Other Operating Income	410	925	(56)	6,476
Distribution Costs	(109,179)	(98,720)	11	(354,417)
Administrative Expenses	(55,590)	(52,224)	6	(221,797)
Other Operating Expenses	-	-		(28)
Profit from Operations	231,913	223,966	4	793,489
Finance Income	9,907	10,860	(9)	41,582
Finance Cost	(4,435)	(3,668)	21	(8,169)
Other Financial Items	12,191	10,474	(16)	27,544
Share of Profit/ (Loss) of Associate	2,397	(2,506)	(196)	(8,099)
Profit Before Tax	251,973	239,126	5	846,347
Taxation	(38,983)	(39,498)	(1)	(133,240)
Profit for the Period from Continuing Operations	212,990	199,628	7	713,107
Discontinued Operations				
Loss after tax for the period from discontinued operations	(15)	(15)	-	(54)
Profit for the period	212,975	199,613	7	713,053
Attributable to:				
Equity Holders of the Parent	132,796	120,669	10	415,710
Non Controlling Interest	80,179	78,944	2	297,343
	212,975	199,613	7	713,053

	Rs.	Rs.	Rs.
Earnings Per Share	11.90	10.81	37.24
Earnings Per Share from Continuing Operations	11.90	10.81	37.24
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 2018
	2018 Rs. '000	2017 Rs. '000	Change %	2018 Rs. '000
Revenue	337,790	282,766	19	1,066,436
Cost of Sales	(238,165)	(185,103)	29	(761,990)
Gross Profit	99,625	97,663	2	304,446
Other Operating Income	273	78,249	(100)	161,015
Distribution Costs	(13,669)	(12,879)	6	(36,475)
Administrative Expenses	(12,359)	(12,300)	0	(56,782)
Profit from Operations	73,870	150,733	(51)	372,204
Finance Income	6,423	3,804	69	20,217
Finance Cost	(686)	(1,916)	(64)	(4,700)
Other Financial Items	1,768	8,938	(80)	19,486
Profit before Tax	81,375	161,559	(50)	407,207
Taxation	(11,030)	(11,689)	(6)	(33,389)
Profit Attributable to Ordinary Shareholders	70,345	149,870	(53)	373,818
	Rs.	Rs.		Rs.
Earnings Per Share	6.30	13.42		33.48
Dividend Per Share	-	-		16.00

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
	2018	2017	2018
Consolidated	Rs.'000	Rs.'000	Rs.'000
Profit for the period	212,975	199,613	713,053
Other comprehensive income / (Expenses) not to be reclassified to profit or loss in subsequent periods			
Actuarial gains/ (losses) on defined benefit plans	-	-	(3,037)
Deferred Tax effect on actuarial gains /(losses) on defined benefit plans	-	-	419
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	-	-	131
Translation of Associate using foreign functional currency	3,880	2,273	4,840
Other comprehensive income for the period	3,880	2,273	2,353
Total comprehensive income for the period	216,855	201,886	715,406
Attributable to			
Equity Holder of the Parent Company	136,676	122,942	419,289
Non Controlling Interest	80,179	78,944	296,117
	216,855	201,886	715,406

	3 months ended 30th June		Year ended 31st March
	2018	2017	2018
Company	Rs.'000	Rs.'000	Rs.'000
Profit for the period	70,345	149,870	373,818
Other comprehensive income / (Expenses) not to be reclassified to profit or loss in subsequent periods			
Actuarial gains/ (losses) on defined benefit plans	-	-	(561)
Deferred Tax effect on actuarial gains /(losses) on defined benefit plans	-	-	79
Other comprehensive income / (Expenses) to be reclassified to profit or loss in subsequent periods	-	-	-
Other comprehensive income for the period	-	-	(482)
Total comprehensive income for the period	70,345	149,870	373,336

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 2017	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)
Balance as at 30th June 2017	220,262	219,250	538,976	73,038	548,176	1,599,702
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

	Stated Capital Rs. '000	Revenue Reserves		Total Rs. '000
		General Reserves Rs. '000	Accumulated Profit Rs. '000	
Company				
Balance as at 31st March 2017	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
Balance as at 30th June 2017	220,262	219,250	695,108	1,134,620
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

Consolidated Segmental Information

	Turnover		Profit / (Loss) from operations		Net Assets	
	For the 3 months period ended		For the 3 months period ended		As at 30th June	As at 30th June
	30th June 2018	30th June 2017	30th June 2018	30th June 2017	2018	2017
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Mineral Segment	12,019	11,195	(985)	(573)	32,944	32,877
Latex Based Segment	883,299	773,136	159,028	152,979	1,038,111	717,116
Hard Rubber Segment	337,790	282,766	73,870	159,671	1,249,811	1,134,620
	1,233,108	1,067,097	231,913	312,077	2,320,866	1,884,613
Adjustment for Inter Group Transactions	(5,664)	(4,058)	-	(77,637)	(1,014,937)	(833,087)
	1,227,444	1,063,039	231,913	234,440	1,305,929	1,051,526

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 2018	30th June 2017	30th June 2018	30th June 2017
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Cash Flows from Operating Activities				
Group Profit before Tax and Non-Controlling Interest				
From Continuing Operations	251,973	239,126	81,375	161,559
Loss from discontinued Operations	(15)	(15)	-	-
Adjustment to reconcile profit before tax to net cash flows	18,611	12,392	(1,774)	3,196
Operating profit before working capital changes	270,569	251,503	79,601	164,755
Changes in Working Capital adjustments	12,964	(12,085)	(80,784)	(156,737)
Cash generated from/(used in) operations	283,533	239,418	(1,183)	8,018
Interest Paid	(4,435)	(4,548)	(686)	(2,618)
Income Tax Paid	(12,868)	(19,213)	(8,677)	(8,324)
Defined Benefit plan costs paid	(1,983)	(1,449)	(1,983)	(1,449)
Net cash flows from / (used in) Operating activities	264,247	214,208	(12,529)	(4,373)
Net cash used in investing activities	(87,153)	(61,151)	(73,194)	(1,367)
Net cash inflow / (Out flow) before financing	177,094	153,057	(85,723)	(5,740)
Net cash flows from / (used in) financing activities	19,135	(137,812)	-	(10,032)
Net Increase / (Decrease) in cash and cash equivalents	196,229	15,243	(85,723)	(15,772)
Cash and cash equivalents at the beginning of the period	(217,187)	64,380	215,659	187,359
Cash and cash equivalents at the end of the period	(20,958)	79,623	129,936	171,587
Analysis of Cash and Cash Equivalents				
Cash at Bank & in Hand				
From Continuing operations	197,334	245,513	134,549	171,587
From Discontinuing operations	108	162	-	-
	197,442	245,675	134,549	171,587
Bank Overdraft	(218,400)	(166,052)	(4,613)	-
	(20,958)	79,623	129,936	171,587

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 2018 and 30th June 2017 are subject to audit.

The Interim Financial Statements of Richard Pieris Exports PLC for the three months ended 30th June 2018 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 2018. 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 30.06.2018	As at 31.03.2018
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 30.06.2018	As at 31.03.2018
Market Capitalization (Rs '000')	1,790,665	1,876,626
Float adjusted Market Capitalization (Rs '000')	288,297	302,137
Pirce Earnings Ratio (times)	25.46	5.02

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 2018.

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 30.06.2018, approved by the board are as follows.

	Group		Company	
	2018 Rs.'000	2017 Rs.'000	2018 Rs.'000	2017 Rs.'000
Contracted but not provided for	-	188,863	-	-
Approved but not contracted for	-	339,624	-	-
	<u>-</u>	<u>528,487</u>	<u>-</u>	<u>-</u>

Lease Commitments

	Group		Group	
	2018 Rs.'000	2018 USD	2017 Rs.'000	2017 USD
Within one year	4,656	29,403	4,596	29,910
After one year but not more than five years	18,626	117,625	18,383	119,640
More than five years	281,688	1,778,894	282,610	1,839,313
	<u>304,970</u>	<u>1,925,922</u>	<u>305,589</u>	<u>1,988,863</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 2018 Rs.	30th June 2017 Rs.	31st March 2018 Rs.
Consolidated (in Rs.)	116.98	94.19	104.74
Company (in Rs.)	111.95	101.63	105.65

10 Market Price Per Share

	30th June 2018 Rs	30th June 2017 Rs	31st March 2018 Rs.
Highest for the Quarter / Year (in Rs.)	174.00	229.00	240.00
Lowest for the Quarter / Year (in Rs.)	160.00	206.00	168.00
Last Traded Price for the Quarter / Year (in Rs.)	160.40	225.00	168.10

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 2018

	As at 3th June 2018		As at 31st March 2018		Change
	No of Shares	Holding %	No of Shares	Holding %	
1 Richard Pieris & Company Plc.	9,366,027	83.90%	8,959,997	80.26%	406,030
2 Mr.D.F.G.Dalpethado	164,983	1.48%	32,671	0.29%	132,312
3 Mr. T.T.T.Al-Nakib	110,150	0.99%	125,000	1.12%	(14,850)
4 Mr. P.Vijendran	60,000	0.54%	60,000	0.54%	-
5 First Capital Markets Limited	57,500	0.52%	-	-	57,500
6 Kalday Private Limited	53,399	0.48%	53,399	0.48%	-
7 Mr.K.A.S.R.Nissanka	52,897	0.47%	53,397	0.48%	(500)
8 Mr. A.A.A.Noorudin	50,000	0.45%	50,000	0.45%	-
9 Ransiri Enterprises (Pvt) Ltd	42,100	0.38%	41,572	0.37%	528
10 Union Investments (Pvt) Ltd	40,600	0.36%	40,600	0.36%	-
11 Mr. Sithampalam	35,000	0.31%	35,000	0.31%	-
12 Corporate Holdings (Pvt) Ltd	30,000	0.27%	30,000	0.27%	-
13 Mr. M.S.P.Fernando	28,008	0.25%	28,008	0.25%	-
14 Mr. N.A.Withana	25,000	0.22%	25,000	0.22%	-
15 Sen Saal (Pvt) Ltd	23,800	0.21%	-	-	23,800
16 Mrs M. Y. Amerasinghe	21,998	0.20%	26,000	0.23%	(4,002)
17 Mr.H.A. Pieris	20,931	0.19%	20,932	0.19%	(1)
18 Mr P.T.S.De Silva	19,784	0.18%	17,873	0.16%	1,911
19 Mr G.H.A.Wimalasena	19,500	0.17%	-	-	19,500
20 Mr.W.P.Gunasena	16,502	0.15%	17,240	0.15%	(738)
Total	10,238,179	91.71%	9,616,689	86.14%	621,490

2. Public & Parent Shareholding

As at 30th June 2018, the public held 16.10% (2017: 19.74%) of the stated capital of the company. The share holding of the parent company, Richard Pieris & Company PLC, was 83.90%. (2017-80.26%).

As at 30th June 2018 no of public holders are 1,565 (2017 : 1,522)

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 2018	No of Shares as at 31st March 2018
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 Abeyesirigunawardena

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