

**MADULSIMA PLANTATIONS PLC**  
**833, Sirimavo Bandaranaike Mawatha - Colombo -14**

**Company Reg. No : PQ 184**

**INTERIM FINANCIAL STATEMENTS**  
**QUARTER ENDED 31ST DECEMBER, 2021**



***OUR VISION***

- ◆ *To be a trend setter to the Plantation industry by being a result oriented innovative Tea Company.*

***OUR MISSION***

- ◆ *To manage the Plantations as economically viable units and ensure the enhancement of their agro economic value.*
- ◆ *To improve the Socio Economic Conditions of the Workers.*
- ◆ *To enhance returns to the Shareholders.*
- ◆ *To become the best managed world class Tea Company reputed for quality.*

# MADULSIMA PLANTATIONS PLC

833, Sirimavo Bandaranaike Mawatha - Colombo -14

Interim Financial Statement for 12 months ended 31st December 2021

## CORPORATE INFORMATION

**Company Name**

Madulsima Plantations PLC

**Legal Form of the Company**

Public Quoted

**Registration No.**

P Q 184

**Parent Company**

Melsta Corp PLC

#110, Norris Canal Road, Colombo 10

Sri Lanka

**Registered Office**

833, Sirimavo Bandaranayke Mawatha,

Colombo 14.

**Board of Directors**

Mr. D. H. S. Jayawardena

-Chairman / MD

Dr. N. M. Abdul Gaffar

-Non Ex Director

Mr. D. Hasitha S Jayawardena

-Non Ex Director

Dr. A. Shakthevale

-Ind. Director

Mr. D. S. K. Amarasekera

-Ind. Director

**Company Secretary**

Mr. P. A. Jayatunga

**Auditors**

Messrs KPMG

(Chartered Accountants)

32A, Sir Mohamed Macan Marker Mawatha

Colombo 03,

Sri Lanka.

**Registrars**

Messrs P W Corporate Secretarial (Pvt) Ltd

#3/17, Kensey Road,

Colombo 08,

Sri Lanka.

**Bankers**

Hatton National Bank PLC

#16, City Office,

Janadhipathi Mawatha,

Colombo 01,

Sri Lanka.

Standard Chartered Bank – Fort Branch

P O Box 112,

Colombo 01,

Sri Lanka.

Bank of Ceylon

Bank Road,

Badulla,

Sri Lanka.

Commercial Bank of Ceylon PLC-Foreign Branch

# 21, Sir Razik Fareed Mawatha

P O Box 856,

Colombo 01,

Sri Lanka.

# MADULSIMA PLANTATIONS PLC

833, Sirimavo Bandaranaike Mawatha - Colombo -14

Interim Financial Statement for 12 months ended 31st December 2021

## STATEMENT OF INCOME

	03 Months ended 31/12/2021 Rs. 000	03 Months ended 31/12/2020 Rs. 000	12 Months ended 31/12/2021 Rs. 000	12 Months ended 31/12/2020 Rs. 000	Increase/ (Decrease) %	Audited Year ended 31/12/2020 Rs. 000
Revenue	705,914	718,857	3,099,229	2,828,714	10	2,832,067
Cost of Sales	(799,215)	(675,373)	(3,178,889)	(2,658,075)	20	(2,761,276)
Gross Profit/(Loss)	(93,301)	43,484	(79,660)	170,639	(147)	70,791
Other operating income	18,681	7,072	99,264	49,202	102	46,085
Administration and operating activities	(15,091)	(26,107)	(109,072)	(92,786)	18	(150,806)
Profit/(Loss) from operating activities	(89,710)	24,449	(89,467)	127,055	(170)	(33,930)
Gain on change in fair value of biological asset	54,355	47,417	217,420	182,743	19	220,039
Net finance cost	(88,908)	(63,084)	(280,318)	(316,947)	(12)	(318,186)
Profit/(Loss) before taxation	(124,263)	8,782	(152,365)	(7,149)	2,031	(132,077)
Income tax expenses	-	-	-	-	-	(68,818)
Profit/(Loss) for the period	(124,263)	8,782	(152,365)	(7,149)	2,031	(200,895)

## STATEMENT OF OTHER COMPREHENSIVE INCOME

	03 Months ended 31/12/2021 Rs. 000	03 Months ended 31/12/2020 Rs. 000	12 Months ended 31/12/2021 Rs. 000	12 Months ended 31/12/2020 Rs. 000	Increase/ (Decrease) %	Audited Year ended 31/12/2020 Rs. 000
<b>Profit/ (Loss) for the period</b>	(124,263)	8,782	(152,365)	(7,149)	2,031	(200,895)
Items that will not be reclassified to profit or loss						
Actual gains/ (Loss) on retirement benefit obligations	-	-	-	-	-	40,375
Deferred tax on actuarial loss			-	-		(5,653)
Net change in fair value through OCI finance assets	-	-	-	-	-	(343)
Revaluation Gain						767,310
Tax effect on Revaluation Gain						(107,423)
Total other comprehensive expenses for the period (net of tax)	-	-	-	-	-	694,266
<b>Total comprehensive income /(expenses) for the period</b>	(124,263)	8,782	(152,365)	(7,149)	2,031	493,371
Basic earning per share	(0.73)	0.05	(0.90)	(0.04)		(1.19)

Figures in brackets indicate deductions.

The above figures are not audited

# MADULSIMA PLANTATIONS PLC

833, Sirimavo Bandaranaike Mawatha - Colombo -14

Interim Financial Statement for 12 months ended 31st December 2021

## STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs. '000	Available For Sales Reserves Rs. '000	Timber Reserve Rs. '000	Retained Profit Rs. '000	Revaluation Reserve Rs. '000	Total Equity Rs. '000
Balance as at 1st January 2020	1,624,761	2,959	3,376,701	(4,693,769)	637,258	947,909
Transferred to timber reserve		-	180,125	(180,125)		-
Net Profit/(Loss) for the period				(7,149)		(7,149)
Other comprehensive income / (loss)		(343)		-		(343)
Balance as at 31st December 2020	1,624,761	2,616	3,556,826	(4,881,042)	637,258	940,419
Balance as at 1st January 2021	1,624,761	2,616	3,594,121	(5,077,361)	1,297,144	1,441,280
Transferred to timber reserve			217,420	(217,420)		-
Transferred from timber reserve			(11,462)	11,462		-
Net Profit/(Loss) for the period				(152,365)		(152,365)
Other comprehensive income / (loss)		-		-		-
Balance as at 30st December 2021	1,624,761	2,616	3,800,079	(5,435,684)	1,297,144	1,288,915

*Figures in brackets indicate deductions.*

*The above figures are not audited*



# MADULSIMA PLANTATIONS PLC

833, Sirimavo Bandaranaike Mawatha - Colombo -14

Interim Financial Statement for 12 months ended 31st December 2021

## STATEMENT OF FINANCIAL POSITION

	Unaudited 31/12/2021 Rs. 000	Unaudited 31/12/2020 Rs. 000	Audited 31/12/2020 Rs. 000
<b>Assets</b>			
<b>Non-current assets</b>			
Right to use of land	102,259	104,503	106,590
Immovable estate assets on finance lease (other than bare Land)	359,919	298,440	392,394
Tangible assets other than biological assets	1,441,094	840,267	1,506,960
Bearer biological assets	905,239	822,786	777,912
Consumable biological assets	4,012,311	3,746,955	3,784,250
Investment in Equity Securities-FVOCI	3,832	3,832	3,832
<b>Total non-current assets</b>	<b>6,824,654</b>	<b>5,816,783</b>	<b>6,571,938</b>
<b>Current Assets</b>			
Produce bearer biological assets	4,671	4,672	4,672
Inventories	296,326	362,565	363,450
Trade and other receivables	120,049	165,554	155,520
Amounts due from related companies	20	2,567	296
Cash and cash equivalents	5,152	26,112	27,432
<b>Total current assets</b>	<b>426,218</b>	<b>561,470</b>	<b>551,370</b>
<b>TOTAL ASSETS</b>	<b>7,250,871</b>	<b>6,378,253</b>	<b>7,123,308</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Stated capital	1,624,761	1,624,761	1,624,761
Timber reserve	3,800,079	3,556,826	3,594,121
Revaluation reserve	1,297,144	637,258	1,297,144
Fair value through OCI reserve	2,616	2,616	2,616
Retained earnings	(5,435,684)	(4,881,042)	(5,077,361)
<b>Total equity</b>	<b>1,288,915</b>	<b>940,419</b>	<b>1,441,281</b>
<b>Non-current liabilities</b>			
Interest bearing borrowings	2,991,860	2,909,219	2,909,107
Retirement benefit obligations	903,229	932,012	992,866
Deferred tax liability	460,146	278,253	460,146
Deferred income and capital grants	130,132	132,710	132,710
Lease liability to-SLSPC and JEDB	92,479	89,943	91,775
<b>Total non-current liabilities</b>	<b>4,577,845</b>	<b>4,342,137</b>	<b>4,586,604</b>
<b>Current liabilities</b>			
Trade and other payable	384,900	382,432	384,327
Lease liability to-SLSPC and JEDB	569	539	569
Amounts due to related companies	66,205	63,354	61,794
Interest bearing borrowings	773,361	546,976	547,055
Bank overdraft	159,076	102,396	101,678
<b>Total current liabilities</b>	<b>1,384,111</b>	<b>1,095,697</b>	<b>1,095,423</b>
<b>Total liabilities</b>	<b>5,961,956</b>	<b>5,437,834</b>	<b>5,682,027</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7,250,871</b>	<b>6,378,253</b>	<b>7,123,308</b>
<b>Net Assets per share</b>	<b>7.60</b>	<b>5.55</b>	<b>8.50</b>

*Figures in brackets indicate deductions.*

*The above figures are not audited*

It is certified that these financial statements have been prepared in accordance with the requirements of the Company Act No 07 of 2007.

**D.M.Samantha K Dissanayaka**

Financial Controller

The Board of Directors is responsible for the preparation and presentation of these financial statements. Approved and signed for and behalf of Directors of Madulsima Plantations PLC

**C.R. Jansz**

Non Executive Director

**D. Hasitha S. Jayawardena**

Non Executive Director

**MADULSIMA PLANTATIONS PLC**  
**833, Sirimavo Bandaranaike Mawatha - Colombo -14**  
**Interim Financial Statement for 12 months ended 31st December 2021**

**STATEMENT OF CASH FLOWS**

	<b>12 Months ended 31/12/2021 Rs. 000</b>	<b>12 Months ended 31/12/2020 Rs. 000</b>	<b>Year ended 31/12/2020 Rs. 000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit/(Loss) before taxation	(152,365)	(7,149)	(132,077)
<b>Adjustments for:</b>			
Depreciation	157,356	98,118	102,464
Interest income	-	(67)	(67)
Interest expenses	280,318	316,947	318,253
Provision for retirement benefit obligations	42,887	43,097	147,655
Gain on fair valuation of timber plantations	(217,420)	(182,743)	(220,039)
Amortization of capital grants	(2,578)	(5,363)	(5,363)
Share of Associate Companies Loss	-	343	-
ESC Write off	-	-	8,763
Dividend income	-	-	(350)
Provision for impairment of bearer biological assets	-	-	43,937
Write off of slow moving inventories	-	-	4
Profit on sale of timber trees	(34,365)	-	-
<b>Operating profit /(loss) before working capital changes</b>	<b>73,832</b>	<b>263,183</b>	<b>263,181</b>
(Increase)/decrease in inventories	67,583	(109,008)	(109,896)
(Increase)/decrease in trade and other receivables	34,998	(20,038)	(18,737)
(Increase)/decrease in amounts due from related companies	277	(356)	1,882
Increase/(decrease) in trade and other payable	588	111,040	112,935
Increase/(decrease) in amount due to related companies	4,411	5,768	4,208
<b>Cash generated from operating activities</b>	<b>181,689</b>	<b>250,589</b>	<b>253,573</b>
Finance cost paid	(16,075)	(55,299)	(56,140)
Retirement benefit obligation paid	(134,711)	(96,220)	(99,547)
Income tax paid	-	-	-
<b>Net cash flows from operating activities</b>	<b>30,903</b>	<b>99,070</b>	<b>97,886</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property, plant and equipment	(39,728)	(18,566)	(15,404)
Investments in immature plantations	(142,285)	(109,435)	(109,435)
Investments in timber plantations	(22,102)	(10,678)	(10,679)
Proceeds from timber sales	45,698	-	-
Dividend Received	-	-	350
Interest received	-	67	67
<b>Net cash flows from investing activities</b>	<b>(158,417)</b>	<b>(138,612)</b>	<b>(135,100)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of government lease rentals	(13,021)	(12,629)	(12,629)
Inter company and bank loan obtained	548,000	38,045	38,045
Loans repayment	(487,143)	(81,759)	(82,048)
<b>Net cash flows from financing activities</b>	<b>47,836</b>	<b>(56,343)</b>	<b>(56,633)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(79,678)</b>	<b>(95,885)</b>	<b>(93,847)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>(74,245)</b>	<b>19,601</b>	<b>19,601</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>(153,924)</b>	<b>(76,284)</b>	<b>(74,245)</b>

*Figures in brackets indicate deductions.*

*The above figures are not audited*



# MADULSIMA PLANTATIONS PLC

833,Sirimavo Bandaranaike Mawatha - Colombo -14

Interim Financial Statement for 12 months ended 31st December 2021

## SEGMENTAL INFORMATION

### 3.0 REVENUE

31/12/2021 31/12/2020  
Rs. 000 Rs. 000

#### 3.1 Sale of goods

Sale of produce tea

3,099,229 2,828,714

#### 3.2 Segmental information

Geographical segment

Madulsima Region				Bogawantalawa Region		TOTAL	
Uva High		Uva Medium		Western High			
31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Rs.000	Rs. 000	Rs.000	Rs. 000	Rs.000	Rs.000	Rs.000	Rs.000
1,251,135	1,266,030	740,566	725,069	1,107,528	837,615	3,099,229	2,828,714
(1,200,609)	(1,130,224)	(729,692)	(626,382)	(1,248,588)	(901,468)	(3,178,889)	(2,658,074)
50,526	135,806	10,874	98,687	(141,060)	(63,853)	(79,660)	170,640
9,181	13,083	10,537	7,184	6,142	5,446	25,860	25,713
(41,496)	(34,082)	(21,955)	(19,970)	(44,936)	(38,187)	(108,386)	(92,239)
18,212	114,807	(544)	85,901	(179,854)	(96,594)	(162,186)	104,114
ties						73,404	23,488
						(686)	(547)
						(89,467)	127,055
						(280,318)	(316,947)
pense						217,420	182,743
						(152,365)	(7,149)
61,444	3,062,093	40,592	1,436,262	100,858	1,260,686	202,894	5,759,041
145,560	166,939	73,163	98,056	148,704	190,881	367,427	455,876
207,004	3,229,032	113,755	1,534,318	249,562	1,451,567	570,321	6,214,917
						6,621,759	57,742
						58,792	105,594
						7,250,871	6,378,253
402,510	362,659	219,454	216,741	436,329	505,985	1,058,292	1,085,385
96,791	151,080	73,194	72,808	182,862	143,655	352,848	367,543
499,301	513,739	292,648	289,549	619,191	649,640	1,411,140	1,452,928
						3,519,553	3,256,751
						1,031,264	728,154
						5,961,956	5,437,833
60,980	41,181	40,592	27,035	100,858	66,878	202,430	135,094
						1,685	3,585
						204,115	138,679
29,364	37,194	20,304	21,960	25,882	32,085	75,549	91,239
						81,807	6,879
						157,356	98,118

Figures in brackets indicate deductions.

The above figures are not audited

**MADULSIMA PLANTATIONS PLC**  
**833, Sirimavo Bandaranaike Mawatha - Colombo -14**  
**Interim Financial Statement for 12 months ended 31st December 2021**

**Notes to the Interim Financial Statements**

**01. Approval of the financial statement**

The interim financial statements of the company for the period ended 31st December 2021 were authorised to be published by the Board of Directors on 25th February 2022.

**02 Basis of preparation**

The Interim Financial Statements of the Company have been prepared in accordance with Sri Lanka Accounting Standard (SLFRS/ LKAS) and provide the information required by the Colombo Stock Exchange and LKAS 34 on Interim financial reporting.

The accounting policies adopted in preparation of the interim financial statements are consistent with those followed in the preparation of the annual financial statements for the year ended 31st December 2020.

The interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statement for the year ended 31st December 2020.

**03** There has not been a significant change in the nature of contingent assets and contingent liabilities.

**04.** No circumstances have arisen since the Statement of Financial Position date, which would require adjustment to or disclosure in the interim Financial Statements.

**05.** The presentation and classification of the Financial Statements of the previous periods have been amended, where relevant, for better presentation and to be comparable with those of the current period.

**06.** The Financial Statements do not include/classify actuarial gain/loss on retirement benefit obligation at the valuation is done at the end of the year 2020.

**07.** The Company has adopted SLFRS 16 using modified retrospective method from 1st January 2019, without restating comparative information. Instead, it has recognized the cumulative effect of initially applying this standard as an adjustment to the opening balance of retaining earning at the date of initial application, as permitted under the specific transitional provisions in the standard.

**08** Buildings of company were revalued during the financial year ended 31 December 2020 and the carrying value amounted to LKR. 778 Mn.

**09** The Interim Financial Statements are not audited.



# MADULSIMA PLANTATIONS PLC

833, Sirimavo Bandaranaike Mawatha - Colombo -14

Interim Financial Statement for 12 months ended 31st December 2021

## Shareholder details for the period ended 31st December 2021

### 01.Twenty (20) Largest Shareholders as at 31st December 2021

No	Name of Shareholder	No. of Shares	% of issued capital
1	Melstacorp Plc	94,767,483	55.91
2	Stassen Exports (Pvt) Limited	63,696,701	37.58
3	Secretary To The Treasury	3,800,000	2.24
4	Mr T.D.P. Maduranga	328,439	0.19
5	Mrs J.K.P. Singh	260,851	0.15
6	Deutsche Bank Ag Singapore A/C 2 (Dcs Clt Acc For Deutsche Bank Ag Singapore- Pwm Wm Client)	149,090	0.09
7	Hatton National Bank Plc/Hennasy Geeth Balasuriya	131,038	0.08
8	Dr M.K.S. Hapuarachchi	122,476	0.07
9	Merchant Bank Of Sri Lanka & Finance Plc/W B R Somaweera	85,500	0.05
10	Mr K.I. Sandaruwan & Mrs P.S.S. Waydyarathna	82,455	0.05
11	Citizens Development Business Finance Plc/Mohamed Uwais Fareeha Hashim	72,116	0.04
12	Mr K.D. Somadasa	70,448	0.04
13	Mrs M. De Zoysa	67,101	0.04
14	Mr G.V. Sanjaya	59,824	0.04
15	Mr R.E. Rambukwelle	58,600	0.03
16	Dr G.S. Perera	50,343	0.03
17	Citizens Development Business Finance Plc/Buddhika Vishwajith Amarasinghe	50,000	0.03
18	Hatton National Bank Plc/Ramaraj Kuhan	50,000	0.03
19	Mr Z.G. Carimjee	50,000	0.03
20	Mr D.C. Hemapala	50,000	0.03
	<b>Sub Total</b>	<b>164,002,465</b>	<b>96.76</b>
	Other Shareholders	5,498,632	3.24
	<b>Grand Total</b>	<b>169,501,097</b>	<b>100</b>

### 02.Director's Shareholdings as at 31st December 2021

Name	Non CDS	CDS	
Mr. D. H. S. Jayawardena -Chairman / Managing Director	Nil	Nil	Nil
Dr.N M Abdul Gaffar – Non Executive Director	Nil	Nil	Nil
Mr. D Hasitha S Jayawardena – Non Executive Director	Nil	Nil	Nil
Dr.A Shakthevale – Independent Director	Nil	Nil	Nil
Mr.D S Kamantha Amarasekera – Independent Director	Nil	Nil	Nil
Number of shares representing the Entity's stated Capital 169,501,097			
Chief Executive Officer's holding in shares as at 31st December 2021			
Mr. M.A.Fernando	Nil	Nil	Nil

# MADULSIMA PLANTATIONS PLC

833, Sirimavo Bandaranaike Mawatha - Colombo -14

Interim Financial Statement for 12 months ended 31st December 2021

## Shareholder details for the period ended 31st December 2021

### 03. Public Shareholdings as at 31st December 2021

The percentage of shares held by the public	6.51%
Number of Shareholders representing public shareholdings	19,093
The float adjusted market capital as at 31st December 2021	Rs. 139,047,187

#### Minimum public holding requirement

The float adjusted market capitalization of the Company was not in complied in rules 7.13.1 (a) of the Listing Rules of the Colombo Stock Exchange.

### 04. Stated Capital

	As at 31/12/2021	As at 31/12/2020
Stated capital represented by share in issue as given below	169,501,097	169,501,097
No of ordinary Shares Including one Golden Share held by the Treasury which has Special right		

### 05. Market Price & Trading Information

	01/10/2021 To 31/12/2021	01/10/2020 To 31/12/2020
Highest during the period (LKR)	17.10	13.20
Lowest during the period (LKR)	8.70	7.90
Closing price (LKR)	12.60	10.00

  

	01/01/2021 To 31/12/2021	01/01/2020 To 31/12/2020
Highest during the period (LKR)	17.10	13.20
Lowest during the period (LKR)	7.40	3.70
Closing price (LKR)	12.60	10.00