



TEEJAY LANKA PLC

Condensed Interim Financial Statements

Period Ended 30 September 2019



TEEJAY LANKA PLC

Chairman's Review

I am pleased to report to you that your company Teejay has been able to complete yet another successful quarter, accomplishing 22% growth in Revenue recording LKR 9.3Bn in comparison to LKR 7.7Bn achieved last year. This resulted in 84% growth in Net Profits recording LKR 783Mn vs LKR 426Mn recorded last year. This is the 8th consecutive quarter Teejay Group has grown in Net Profit. For the first six months the Group has recorded a 20% growth in Revenue achieving LKR 17.4Bn vs LKR 14.5Bn recorded the previous year. The Net Profit grew by 75% to LKR 1.2Bn vs LKR 705Mn recorded in the previous year.

Gross Profit grew by 51%, significantly higher than the Revenue growth of 22% during the second Quarter resulting in an increase in Gross margin by 2.8% to 14.4% vs 11.6% achieved in the previous year during the Quarter. The overall growth in Gross profits is attributed to improved product mix, internal efficiencies resulting from Operational Excellence initiatives and stabilisation of Cotton prices.

The Operational Excellence initiatives launched throughout the company have resulted in improved processes and better efficiencies. This has also enabled seamless integration of our Supply Chain, planning and production functions which has led to reduction in wastage and overall reduction in overheads. Despite the increased capacity utilization and strong order book, the Group maintained the Administration and Distribution to a cost constant framework whilst the rupee depreciation also contributed to keeping the expenses lower than the sales growth.

Sticking to our strategy of evolving and adapting to the changing environments, Teejay have ventured in to new and exciting Lace fabric business by signing a memorandum of understanding with Luen Fung Textiles. This collaboration will significantly enhance our product portfolio, flexibility to customers and enable us to offer a versatile product range which brings Teejay one step closer to becoming a one stop manufacturing destination for fabric and lace.

Teejay is continuing with a strong Balance Sheet and a Net Cash Balance of LKR 5.4Bn, whilst continuing our focus on modernization of our plants by investing on state-of-the-art machinery, which will increase yield and reduce our footprint on the environment. During this financial year we have invested LKR 640Mn in machineries in line with our long-range plans of achieving sustainable profitable growth.

During these times of intense competition resulting in the global trade wars which continue and will continue to pose challenges on our selling prices, margins and volume in the coming quarters. Your company will continue its journey of growth where the group has deployed strategies successfully to improve capacity which will be harnessed during the next two quarters. To withstand these challenges, we will continuously enhance our capabilities and sharpen our strategies on our journey to our Revenue goal of USD 300Mn in the coming years.

Sgd
Bill Lam

Chairman

TEEJAY LANKA PLC

INCOME STATEMENT

(all amounts in Sri Lanka Rupees Thousands)

	Group						
	Quarter Ended 30 September			Period Ended 30 September			Year Ended 31 March
	2019 Unaudited	2018 Unaudited	Variance	2019 Unaudited	2018 Unaudited	Variance	2019 Audited
Revenue	9,316,857	7,660,718	22%	17,442,148	14,479,907	20%	31,746,592
Cost of sales	(7,977,508)	(6,771,759)	18%	(15,137,406)	(12,878,277)	18%	(28,060,534)
Gross profit	1,339,349	888,959	51%	2,304,742	1,601,630	44%	3,686,058
Other income	55,494	41,819	33%	101,484	87,584	16%	246,073
Distribution expenses	(45,377)	(39,724)	14%	(83,667)	(77,379)	8%	(168,321)
Administrative expenses	(412,786)	(358,114)	15%	(809,054)	(712,679)	14%	(1,419,161)
Results from operating activities	936,680	532,940	76%	1,513,505	899,156	68%	2,344,649
Finance income	26,890	14,919	80%	61,811	35,342	75%	101,899
Finance costs	(27,576)	(33,634)	-18%	(57,698)	(59,403)	-3%	(189,486)
Net finance income	(686)	(18,715)	-96%	4,113	(24,061)	-117%	(87,587)
Profit before tax	935,994	514,225	82%	1,517,618	875,095	73%	2,257,062
Income tax	(152,844)	(88,725)	72%	(280,814)	(170,247)	65%	(398,345)
Profit for the period	783,150	425,500	84%	1,236,804	704,848	75%	1,858,717
Attributable to:							
Equity holders of the parent	783,150	425,500	84%	1,236,804	704,848	75%	1,858,717
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	783,150	425,500	84%	1,236,804	704,848	75%	1,858,717
Basic earnings per share (LKR)	1.12	0.61		1.76	1.00		2.65

TEEJAY LANKA PLC

STATEMENT OF COMPREHENSIVE INCOME

(all amounts in Sri Lanka Rupees Thousands)

	Group						
	Quarter Ended 30 September			Period Ended 30 September			Year Ended 31 March
	2019 Unaudited	2018 Unaudited	Variance	2019 Unaudited	2018 Unaudited	Variance	2019 Audited
Profit for the period	783,150	425,500	84%	1,236,804	704,848	75%	1,858,717
Other comprehensive income							
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	(7,016)
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	4,869
Net movement on cash flow hedges	Nil	Nil	0%	Nil	Nil	0%	(9,673)
Currency translation differences	431,203	792,546	-46%	467,736	1,019,803	-54%	1,594,105
Total other comprehensive income for the period	431,203	792,546	-46%	467,736	1,019,803	-54%	1,582,285
Total comprehensive income for the period	1,214,353	1,218,046	0%	1,704,540	1,724,651	-1%	3,441,002
Attributable to:							
Equity holders of the parent	1,214,353	1,218,046	0%	1,704,540	1,724,651	-1%	3,441,002
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	1,214,353	1,218,046	0%	1,704,540	1,724,651	-1%	3,441,002

TEEJAY LANKA PLC

INCOME STATEMENT

(all amounts in Sri Lanka Rupees Thousands)

	Company						Year Ended 31 March 2019 Audited
	Quarter Ended 30 September			Period Ended 30 September			
	2019 Unaudited	2018 Unaudited	Variance	2019 Unaudited	2018 Unaudited	Variance	
Revenue	5,705,490	4,321,416	32%	10,075,679	8,400,701	20%	18,038,820
Cost of sales	(4,876,864)	(3,797,191)	28%	(8,731,818)	(7,521,035)	16%	(16,140,244)
Gross profit	828,626	524,225	58%	1,343,861	879,666	53%	1,898,576
Other income	160,444	127,781	26%	309,467	257,997	20%	652,736
Distribution expenses	(34,988)	(29,292)	19%	(65,263)	(57,987)	13%	(109,988)
Administrative expenses	(233,030)	(201,848)	15%	(452,686)	(394,997)	15%	(758,939)
Results from operating activities	721,052	420,866	71%	1,135,379	684,679	66%	1,682,385
Finance income	25,131	16,177	55%	56,825	38,234	49%	96,381
Finance costs	(15)	(256)	-94%	(15)	(330)	-95%	(32,812)
Net finance income	25,116	15,921	58%	56,810	37,904	50%	63,569
Profit before tax	746,168	436,787	71%	1,192,189	722,583	65%	1,745,954
Income tax	(81,634)	(42,744)	91%	(151,109)	(77,155)	96%	(229,776)
Profit for the period	664,534	394,043	69%	1,041,080	645,428	61%	1,516,178
Attributable to:							
Equity holders of the parent	664,534	394,043	69%	1,041,080	645,428	61%	1,516,178
Non-controlling interest	Nil	Nil		Nil	Nil		Nil
	664,534	394,043	69%	1,041,080	645,428	61%	1,516,178
Basic earnings per share (LKR)	0.95	0.56		1.48	0.92		2.16

TEEJAY LANKA PLC

STATEMENT OF COMPREHENSIVE INCOME
(all amounts in Sri Lanka Rupees Thousands)

	Company						
	Quarter Ended 30 September			Period Ended 30 September			Year Ended 31 March
	2019 Unaudited	2018 Unaudited	Variance	2019 Unaudited	2018 Unaudited	Variance	2019 Audited
Profit for the period	664,534	394,043	69%	1,041,080	645,428	61%	1,516,178
Other comprehensive income							
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	11,708
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	(1,639)
Net movement on cash flow hedges	Nil	Nil	0%	Nil	Nil	0%	(9,673)
Currency translation differences	370,892	701,984	-47%	402,601	904,103	-55%	1,405,557
Total other comprehensive income for the period	370,892	701,984	-47%	402,601	904,103	-55%	1,405,953
Total comprehensive income for the period	1,035,426	1,096,027	-6%	1,443,681	1,549,531	-7%	2,922,131
Attributable to:							
Equity holders of the parent	1,035,426	1,096,027	-6%	1,443,681	1,549,531	-7%	2,922,131
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	1,035,426	1,096,027	-6%	1,443,681	1,549,531	-7%	2,922,131

TEEJAY LANKA PLC

STATEMENT OF FINANCIAL POSITION

(all amounts in Sri Lanka Rupees Thousands)

	Group			Company		
	As at 30 September		As at 31 March	As at 30 September		As at 31 March
	2019	2018	2019	2019	2018	2019
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
ASSETS						
Non - current assets						
Property, plant & equipment	8,222,686	8,362,970	8,408,235	4,163,272	4,094,924	4,219,003
Capital work-in-progress	724,974	262,502	119,098	423,115	149,884	63,327
Intangible assets	87,364	53,602	94,321	30,010	33,172	35,979
Goodwill	59,814	55,521	57,912	Nil	Nil	Nil
Investment in Subsidiaries	Nil	Nil	Nil	3,120,123	2,896,204	3,020,911
Lease rentals paid in advance	239,697	239,088	235,887	99,211	96,794	93,587
Deferred tax assets	59,460	77,681	111,021	Nil	Nil	Nil
	9,393,995	9,051,364	9,026,474	7,835,731	7,270,978	7,432,807
Current assets						
Inventories	4,861,248	4,762,933	4,494,420	3,129,132	3,055,548	2,778,251
Trade and other receivables	4,651,945	4,164,443	4,012,653	3,749,835	2,652,586	2,721,113
Current Tax receivables	Nil	Nil	8,766	Nil	Nil	Nil
Other financial assets	564,746	1,839,936	553,370	366,782	1,247,250	361,701
Derivative financial instruments	Nil	10,664	Nil	Nil	10,664	Nil
Cash and cash equivalents	4,822,625	1,562,031	4,290,248	3,257,800	1,311,767	3,098,321
	14,900,564	12,340,007	13,359,457	10,503,549	8,277,815	8,959,386
Total assets	24,294,559	21,391,371	22,385,931	18,339,280	15,548,793	16,392,193
EQUITY AND LIABILITIES						
Capital and reserves						
Stated capital	4,056,683	4,056,683	4,056,683	4,056,683	4,056,683	4,056,683
Share option scheme	96,760	85,505	96,760	96,760	85,505	96,760
Exchange equalisation reserve	4,639,520	3,597,482	4,171,784	4,291,771	3,387,716	3,889,170
Retained earnings	6,066,431	5,044,969	5,600,028	4,338,899	3,784,064	4,068,220
Hedging reserve	Nil	9,673	Nil	Nil	9,673	Nil
	14,859,394	12,794,312	13,925,255	12,784,113	11,323,641	12,110,833
Non - current liabilities						
Borrowings	647,798	1,001,880	801,182	Nil	Nil	Nil
Deferred tax liabilities	586,856	354,498	538,266	340,633	308,985	335,543
Retirement benefit obligations	273,217	251,389	251,932	190,921	206,443	181,065
	1,507,871	1,607,767	1,591,380	531,554	515,428	516,608
Current liabilities						
Trade and other payables	4,644,295	4,442,726	4,702,611	3,146,468	2,771,902	2,869,519
Current tax liabilities	71,507	117,440	Nil	66,097	73,202	Nil
Borrowings	3,211,492	2,429,126	2,166,685	1,811,048	864,620	895,233
	7,927,294	6,989,292	6,869,296	5,023,613	3,709,724	3,764,752
Total liabilities	9,435,165	8,597,059	8,460,676	5,555,167	4,225,152	4,281,360
Total equity and liabilities	24,294,559	21,391,371	22,385,931	18,339,280	15,548,793	16,392,193
Net asset per share	21.17	18.23	19.84	18.21	16.13	17.25

I certify that financial statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgd

Salman Nishtar

Chief Financial Officer

Sgd

Shrihan Perera

Chief Executive Officer

The Board of Directors is responsible for the preparation and presentation of these financial statements.

Sgd

Ashroff Omar

Director

Sgd

Hasitha Premaratne

Director

30-Oct-2019

TEEJAY LANKA PLC

STATEMENT OF CHANGES IN EQUITY - GROUP

(all amounts in Sri Lanka Rupees Thousands)

	Stated capital	Share option scheme	Exchange equalisation reserve	Retained earnings	Hedging reserve	Total
Balance as at 1 April 2018	4,056,683	85,505	2,577,679	4,971,882	9,673	11,701,422
Profit for the period	Nil	Nil	Nil	1,858,717	Nil	1,858,717
Other comprehensive income	Nil	Nil	1,594,105	(2,147)	(9,673)	1,582,285
Total comprehensive income	Nil	Nil	1,594,105	1,856,570	(9,673)	3,441,002
Transactions with owners						
Final dividend paid - 2017/18	Nil	Nil	Nil	(631,761)	Nil	(631,761)
Interim dividend paid - 2018/19	Nil	Nil	Nil	(596,663)	Nil	(596,663)
Share option scheme	Nil	11,255	Nil	Nil	Nil	11,255
Balance as at 31 March 2019	4,056,683	96,760	4,171,784	5,600,028	Nil	13,925,255
Balance as at 1 April 2019	4,056,683	96,760	4,171,784	5,600,028	Nil	13,925,255
Profit for the period	Nil	Nil	Nil	1,236,804	Nil	1,236,804
Other comprehensive income	Nil	Nil	467,736	Nil	Nil	467,736
Total comprehensive income	Nil	Nil	467,736	1,236,804	Nil	1,704,540
Transactions with owners						
Final dividend paid - 2018/19	Nil	Nil	Nil	(770,401)	Nil	(770,401)
Balance as at 30 September 2019	4,056,683	96,760	4,639,520	6,066,431	Nil	14,859,394
Balance as at 1 April 2018	4,056,683	85,505	2,577,679	4,971,882	9,673	11,701,422
Profit for the period	Nil	Nil	Nil	704,848	Nil	704,848
Other comprehensive income	Nil	Nil	1,019,803	Nil	Nil	1,019,803
Total comprehensive income	Nil	Nil	1,019,803	704,848	Nil	1,724,651
Transactions with owners						
Final dividend paid - 2017/18	Nil	Nil	Nil	(631,761)	Nil	(631,761)
Balance as at 30 September 2018	4,056,683	85,505	3,597,482	5,044,969	9,673	12,794,312

TEEJAY LANKA PLC

STATEMENT OF CHANGES IN EQUITY - COMPANY

(all amounts in Sri Lanka Rupees Thousands)

	Stated capital	Share option scheme	Exchange equalisation reserve	Retained earnings	Hedging reserve	Total
Balance as at 1 April 2018	4,056,683	85,505	2,483,613	3,770,397	9,673	10,405,871
Profit for the period	Nil	Nil	Nil	1,516,178	Nil	1,516,178
Other comprehensive income	Nil	Nil	1,405,557	10,069	(9,673)	1,405,953
Total comprehensive income	Nil	Nil	1,405,557	1,526,247	(9,673)	2,922,131
Issue of shares under Employee Share Option Scheme	Nil	Nil	Nil	Nil	Nil	Nil
Transactions with owners						
Final dividend paid - 2017/18	Nil	Nil	Nil	(631,761)	Nil	(631,761)
Interim dividend paid - 2018/19	Nil	Nil	Nil	(596,663)	Nil	(596,663)
Share option scheme	Nil	11,255	Nil	Nil	Nil	11,255
Balance as at 31 March 2019	4,056,683	96,760	3,889,170	4,068,220	Nil	12,110,833
Balance as at 1 April 2019	4,056,683	96,760	3,889,170	4,068,220	Nil	12,110,833
Profit for the period	Nil	Nil	Nil	1,041,080	Nil	1,041,080
Other comprehensive income	Nil	Nil	402,601	Nil	Nil	402,601
Total comprehensive income	Nil	Nil	402,601	1,041,080	Nil	1,443,681
Transactions with Owners						
Final dividend paid - 2018/19	Nil	Nil	Nil	(770,401)	Nil	(770,401)
Balance as at 30 September 2019	4,056,683	96,760	4,291,771	4,338,899	Nil	12,784,113
Balance as at 1 April 2018	4,056,683	85,505	2,483,613	3,770,397	9,673	10,405,871
Profit for the period	Nil	Nil	Nil	645,428	Nil	645,428
Other comprehensive income	Nil	Nil	904,103	Nil	Nil	904,103
Total comprehensive income	Nil	Nil	904,103	645,428	Nil	1,549,531
Transactions with owners						
Final dividend paid - 2017/18	Nil	Nil	Nil	(631,761)	Nil	(631,761)
Balance as at 30 September 2018	4,056,683	85,505	3,387,716	3,784,064	9,673	11,323,641

TEEJAY LANKA PLC

STATEMENT OF CASH FLOWS

(all amounts in Sri Lanka Rupees Thousands)

	Group		Company	
	Quarter Ended 30 September		Quarter Ended 30 September	
	2019	2018	2019	2018
	Unaudited	Unaudited	Unaudited	Unaudited
Cash flows from operating activities				
Cash generated from operations	1,344,826	632,466	449,771	569,100
Finance income received	61,812	35,341	56,826	38,233
Finance cost paid	(57,699)	(59,401)	(15)	(330)
Retirement benefit obligations paid	(30,293)	(11,114)	(25,064)	(4,219)
Tax paid	(30,424)	(17,252)	Nil	Nil
Net cash generated/(used) from operating activities	1,288,222	580,040	481,518	602,784
Cash flows from investing activities				
Additions to capital work - in - progress	(764,618)	(543,159)	(420,731)	(271,544)
Investment in financial assets	6,610	(921,422)	6,610	(537,900)
Net cash used in investing activities	(758,008)	(1,464,581)	(414,121)	(809,444)
Cash flows from financing activities				
Issue of shares under Employee Share Option Scheme	Nil	Nil	Nil	Nil
Dividend paid	(770,401)	(631,761)	(770,401)	(631,761)
Proceeds from / (settlement of) borrowings	784,809	229,670	874,717	Nil
Net cash used in financing activities	14,408	(402,091)	104,316	(631,761)
Net increase/(decrease) in cash and cash equivalents	544,622	(1,286,632)	171,713	(838,421)
Cash and cash equivalents at the beginning of the period	4,265,854	2,736,638	3,073,938	2,120,468
Cash and cash equivalents at the end of the period	4,810,476	1,450,006	3,245,651	1,282,047

TEEJAY LANKA PLC

NOTES TO THE FINANCIAL STATEMENTS

(In the notes all amounts are shown in Sri Lankan Rupees Thousands unless otherwise stated)

1. Corporate Information

Teejay Lanka PLC is a public limited company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The address of its registered office is Block D8 - D14, Seethawaka Export Processing Zone, Avissawella.

2. Condensed Interim Financial Statements

The financial statements for the period ended 30 September 2019, includes "the Company" referring to Teejay Lanka PLC.

The Company has also presented the statement of comprehensive income and the statement of financial position in United States Dollars (USD) since the functional currency of the enterprise is USD.

3. Approval of Financial Statements

The condensed interim financial statements of the Company for the 06 months ended 30 September 2019 were authorised for issue by the Board of Directors on 30 October 2019

4. Basis of Preparation

The condensed interim financial statements of the Company have been prepared in accordance with Sri Lanka Accounting Standard - LKAS 34 Interim Financial Reporting . The

condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2019.

The condensed interim financial statements have been prepared on a historical cost basis.

5. Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year.

6. Other Financial Assets

Short term deposits with original maturity of more than 3 months but less than one year which previously reported under cash and cash equivalents are now shown under other financial assets.

7. Contingencies, Capital and Other Commitments

There has been no significant change in the nature of the contingencies and other commitments, which were disclosed in the annual report for the year ended 31 March 2019.

8. Key Ratios of the Group and the Company

	Group		Company	
	Quarter Ended 30 September 2019	2018	Quarter Ended 30 September 2019	2018
Profitability Ratios				
Net Profit Margin	8.41%	5.55%	11.65%	9.12%
Asset to Turnover	1.49	1.49	1.31	1.15
Debt : Equity	0.26	0.27	0.14	0.08
Return on Assets (ROA)	10.25%	8.31%	15.31%	10.52%
Return on Equity (ROE)	16.63%	13.90%	21.35%	14.51%

Investor Ratios

Earnings per Share (EPS) - LKR	1.12	0.61	0.95	0.56
Net Asset Value per Share - LKR	21.17	18.23	18.21	16.13
Price / Earnings Ratio (PE Ratio)	10.41	11.84	13.02	12.20
Price to Book Value Ratio (PBV Ratio)	1.68	1.58	1.95	1.79

(PE and PBV Ratios are based on a market price of LKR 35.50 per share closed 30 September 2019)

9. Number of shares representing the entity's Stated Capital - 701,956,580 Shares

10. Directors' Interest in Shares of the Company (As at 30 September 2019).

	No. of Shares	%
Hasitha Premaratne	40,000	0.01

TEEJAY LANKA PLC

NOTES TO THE FINANCIAL STATEMENTS

(In the notes all amounts are shown in Sri Lankan Rupees Thousands unless otherwise stated)

11. Market Price per Share

	Highest (LKR)	Lowest (LKR)
Quarter ended 30 September 2019	39.00	32.00
Last traded price (on 30 September 2019)	35.50	

12. Public Shareholding 272,922,155 shares - 38.88%

The percentage of shares held by the public as at 30 September 2019 was 38.88% (272,922,155 number of shares).

The number of public shareholders as at 30 September 2019 was 7,888 and a float adjusted market capitalisation of LKR 9,688,685,500.

In terms of the rule 7.13.1(a) of the Listing Rules of the Colombo Stock Exchange, the Company Qualifies under option Five of the minimum public holding requirement.

13. List of the 20 Largest Shareholders

	No. of Shares	%
Brandix Lanka Ltd-Number 1 Account	232,198,344	33.08
Pacific Textured Jersey Holdings Limited	195,926,217	27.91
HSBC Intl Nom Ltd - BBH - Fidelity Funds	35,865,673	5.11
HSBC Intl Nom Ltd-BBH-Matthews Emerging Asia Fund	29,116,858	4.15
Citibank Newyork S/A Norges Bank Account 2	21,003,973	2.99
Bnynsanv RE-LF Ruffer Investment Funds : LF Ruffer Pacific And Emerging Markets Fund	19,000,000	2.71
JPCMB NA-Fidelity Asian Values PLC	14,601,214	2.08
Melstacorp PLC	12,622,428	1.80
Mr. L.K.M.Fernando	5,119,300	0.73
State Street Luxembourg C/O SSBT - Alliance bernstein Next 50 Emerging Markets (Master) Fund Sicav-Sif S.C.Sp.	5,104,720	0.73
Deutsche Bank AG-National Equity Fund	4,995,979	0.71
JPMBL SA-KAPITALFORENINGEN INSTITUTIONEL INVESTOR,ASIATISKE SMID CAP AKTIER	4,625,133	0.66
East India Holding (Pvt) Ltd	3,955,425	0.56
Sri Lanka Insurance Corporation Ltd-Life Fund	3,455,238	0.49
Union Assurance PLC/Account No. 05 (Unit-Linked Life Insurance Fund-Equity Fund)	3,264,806	0.47
J.B. Cocoshell (Pvt) Ltd	3,178,794	0.45
Periceyl (Private) Limited A/C No. 03	2,694,100	0.38
Nuwara Eliya Property Developers (Pvt) Ltd	2,285,200	0.33
Mcsen Range (Pvt) Ltd	2,031,400	0.29
South Asian Investment (Pvt) Ltd	2,026,000	0.29

14. Material events that occurred subsequent to the interim period

No events have occurred since the date of the statement of financial position which would require adjustments to, or disclosure in, the financial statements.

TEEJAY LANKA PLC

INCOME STATEMENT

(all amounts in United States Dollars)

	Group						
	Quarter Ended 30 September			Period Ended 30 September			Year Ended 31 March
	2019 Unaudited	2018 Unaudited	Variance	2019 Unaudited	2018 Unaudited	Variance	2019 Audited
Revenue	53,030,668	48,511,817	9%	99,703,604	92,458,377	8%	191,209,976
Cost of sales	(45,401,562)	(42,877,782)	6%	(86,529,128)	(82,231,512)	5%	(169,008,817)
Gross profit	7,629,106	5,634,035	35%	13,174,476	10,226,865	29%	22,201,159
Other income	315,935	264,310	20%	580,107	559,253	4%	1,482,099
Distribution expenses	(258,321)	(251,420)	3%	(478,263)	(494,089)	-3%	(1,013,797)
Administrative expenses	(2,348,521)	(2,265,649)	4%	(4,624,746)	(4,550,662)	2%	(8,547,620)
Results from operating activities	5,338,199	3,381,276	58%	8,651,574	5,741,367	51%	14,121,841
Finance income	152,735	94,510	62%	353,325	225,671	57%	613,737
Finance costs	(156,795)	(213,689)	-27%	(329,818)	(379,305)	-13%	(1,141,276)
Net finance income	(4,060)	(119,179)	-97%	23,507	(153,634)	-115%	(527,539)
Profit before tax	5,334,139	3,262,097	64%	8,675,081	5,587,733	55%	13,594,302
Income tax	(870,122)	(561,708)	55%	(1,605,204)	(1,087,077)	48%	(2,399,233)
Profit for the period	4,464,017	2,700,389	65%	7,069,877	4,500,656	57%	11,195,069
Attributable to:							
Equity holders of the parent	4,464,017	2,700,389	65%	7,069,877	4,500,656	57%	11,195,069
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	4,464,017	2,700,389	65%	7,069,877	4,500,656	57%	11,195,069

TEEJAY LANKA PLC

STATEMENT OF FINANCIAL POSITION

(all amounts in United States Dollars)

	Group						
	Quarter Ended 30 September			Period Ended 30 September			Year Ended 31 March
	2019 Unaudited	2018 Unaudited	Variance	2019 Unaudited	2018 Unaudited	Variance	2019 Audited
Profit for the period	4,464,017	2,700,389	65%	7,069,877	4,500,656	57%	11,195,069
Other comprehensive income							
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	(42,259)
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	29,329
Net movement on cash flow hedges	Nil	Nil	0%	Nil	Nil	0%	(63,862)
Total other comprehensive income for the period	Nil	Nil	0%	Nil	Nil	0%	(76,792)
Total comprehensive income for the period	4,464,017	2,700,389	65%	7,069,877	4,500,656	57%	11,118,277
Attributable to:							
Equity holders of the parent	4,464,017	2,700,389	65%	7,069,877	4,500,656	57%	11,118,277
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	4,464,017	2,700,389	65%	7,069,877	4,500,656	57%	11,118,277

TEEJAY LANKA PLC

INCOME STATEMENT

(all amounts in United States Dollars)

	Company						
	Quarter Ended 30 September			Period Ended 30 September			Year Ended 31 March
	2019 Unaudited	2018 Unaudited	Variance	2019 Unaudited	2018 Unaudited	Variance	2019 Audited
Revenue	32,492,008	27,351,763	19%	57,595,054	53,640,898	7%	108,647,953
Cost of sales	(27,769,762)	(24,025,499)	16%	(49,913,214)	(48,023,977)	4%	(97,212,818)
Gross profit	4,722,246	3,326,264	42%	7,681,840	5,616,921	37%	11,435,135
Other income	912,973	808,194	13%	1,768,986	1,647,380	7%	3,931,439
Distribution expenses	(199,145)	(185,337)	7%	(373,059)	(370,261)	1%	(662,458)
Administrative expenses	(1,325,918)	(1,277,409)	4%	(2,587,654)	(2,522,169)	3%	(4,571,097)
Results from operating activities	4,110,156	2,671,712	54%	6,490,113	4,371,871	48%	10,133,019
Finance income	142,767	101,990	40%	324,823	244,136	33%	580,499
Finance costs	(87)	(1,630)	-95%	(87)	(2,110)	-96%	(197,627)
Net finance income	142,680	100,360	42%	324,736	242,026	34%	382,872
Profit before tax	4,252,836	2,772,072	53%	6,814,849	4,613,897	48%	10,515,891
Income tax	(464,704)	(270,893)	72%	(863,778)	(492,659)	75%	(1,383,943)
Profit for the period	3,788,132	2,501,179	51%	5,951,071	4,121,238	44%	9,131,948

TEEJAY LANKA PLC

STATEMENT OF COMPREHENSIVE INCOME
(all amounts in United States Dollars)

	Company						
	Quarter Ended 30 September			Period Ended 30 September			Year Ended 31 March
	2019 Unaudited	2018 Unaudited	Variance	2019 Unaudited	2018 Unaudited	Variance	2019 Audited
Profit for the period	3,788,132	2,501,179	51%	5,951,071	4,121,238	44%	9,131,948
Other comprehensive income							
Effect on remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	70,520
Deferred tax attributable to remeasurement of retirement benefit obligations	Nil	Nil	0%	Nil	Nil	0%	(9,873)
Net movement on cash flow hedges	Nil	Nil	0%	Nil	Nil	0%	(63,862)
Total other comprehensive income for the period	Nil	Nil	0%	Nil	Nil	0%	(3,215)
Total comprehensive income for the period	3,788,132	2,501,179	51%	5,951,071	4,121,238	44%	9,128,733

TEEJAY LANKA PLC

STATEMENT OF FINANCIAL POSITION

(all amounts in United States Dollars)

	Group			Company		
	As at 30 September		As at 31 March	As at 30 September		As at 31 March
	2019	2018	2019	2019	2018	2019
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
ASSETS						
Non - current assets						
Property, plant & equipment	45,709,523	50,083,662	48,276,027	23,143,434	24,523,439	24,223,478
Capital work-in-progress	4,030,097	1,572,056	683,803	2,352,077	897,616	363,592
Intangible assets	485,652	321,007	541,545	166,825	198,656	206,576
Goodwill	332,502	332,502	332,502	Nil	Nil	Nil
Investment in Subsidiaries	Nil	Nil	Nil	17,344,614	17,344,614	17,344,614
Lease rentals paid in advance	1,332,463	1,431,834	1,354,352	551,511	579,676	537,333
Deferred tax Assets	330,538	465,209	637,430	Nil	Nil	Nil
	52,220,775	54,206,270	51,825,659	43,558,461	43,544,001	42,675,593
Current assets						
Inventories	27,023,450	28,523,971	25,804,787	17,394,697	18,298,889	15,951,375
Trade and other receivables	25,859,942	24,939,771	23,038,715	20,845,155	15,885,650	15,623,310
Current tax receivables	Nil	Nil	50,332	Nil	Nil	Nil
Other financial assets	3,139,398	11,018,900	3,177,184	2,038,926	7,469,455	2,076,712
Derivative financial instruments	Nil	63,862	Nil	Nil	63,862	Nil
Cash and cash equivalents	26,808,744	9,354,601	24,632,530	18,109,956	7,855,834	17,789,063
	82,831,534	73,901,105	76,703,548	58,388,734	49,573,690	51,440,460
Total assets	135,052,309	128,107,375	128,529,207	101,947,195	93,117,691	94,116,053
EQUITY AND LIABILITIES						
Capital and reserves						
Stated capital	37,571,594	37,571,594	37,571,594	37,571,594	37,571,594	37,571,594
Share option scheme	675,319	599,657	675,319	675,319	599,657	675,319
Retained earnings	44,355,763	38,386,709	41,705,177	32,819,360	29,579,237	31,287,635
Hedging reserve	Nil	63,862	Nil	Nil	63,862	Nil
	82,602,676	76,621,822	79,952,090	71,066,273	67,814,350	69,534,548
Non - current liabilities						
Borrowings	3,601,080	6,000,000	4,600,000	Nil	Nil	Nil
Deferred tax liabilities	3,262,303	2,122,994	3,090,466	1,893,562	1,850,434	1,926,524
Retirement benefit obligations	1,518,798	1,505,501	1,446,472	1,061,321	1,236,332	1,039,589
	8,382,181	9,628,495	9,136,938	2,954,883	3,086,766	2,966,113
Current liabilities						
Trade and other payables	25,817,412	26,606,330	27,000,121	17,491,070	16,600,207	16,475,399
Current Tax Liabilities	397,506	703,318	Nil	367,433	438,385	Nil
Borrowings	17,852,534	14,547,410	12,440,058	10,067,536	5,177,983	5,139,993
	44,067,452	41,857,058	39,440,179	27,926,039	22,216,575	21,615,392
Total liabilities	52,449,633	51,485,553	48,577,117	30,880,922	25,303,341	24,581,505
Total equity and liabilities	135,052,309	128,107,375	128,529,207	101,947,195	93,117,691	94,116,053

I certify that financial statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgd

Salman Nishtar

Chief Financial Officer

Sgd

Shrihan Perera

Chief Executive Officer

The Board of Directors is responsible for the preparation and presentation of these financial statements.

Sgd

Ashroff Omar

Director

Sgd

Hasitha Premaratne

Director

30-Oct-2019

CORPORATE INFORMATION

Name

Teejay Lanka PLC

Legal Form

A public quoted Company with limited liability, incorporated on 12 July 2000.

Company Registration No.

PV 7617 PB/PQ

Stock Exchange Listing

The issued Ordinary Shares of the Company was listed on the Main Board of the Colombo Stock Exchange of Sri Lanka on 9 August 2011.

Registered Office

Block D8 – D14, Seethawaka
Export Processing Zone,
Avissawella

Directors

Mr. Wing Tak Bill Lam – Chairman
Mr. Mohamed Ashroff Omar
Mr. Hasitha Premaratne
Mr. Amitha Lal Gooneratne
Prof. Malik Kumar Ranasinghe
Mr. Wai Loi Wan
Mr. Kit Vai Tou

Secretaries

Corporate Services (Private) Limited
216, de Saram Place,
Colombo 10.
Sri Lanka.

Auditors

PricewaterhouseCoopers,
Chartered Accountants

Attorneys

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Attorneys-at-Law
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Colombo 10.
Sri Lanka

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Commercial Bank of Ceylon PLC
The Hongkong and Shanghai Banking
Corporation Limited
Standard Chartered Bank
People's Bank
Deutsche Bank AG
DFCC Bank PLC

Investor Relations

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