



**TEEJAY LANKA PLC**  
**Condensed Interim Financial Statements**  
**Year Ended 31 March 2020**



## TEEJAY LANKA PLC

### Chairman's Review

As the situation around the world continues to evolve with COVID-19, Teejay faced significant challenges commencing from the latter part of the 4th Quarter. During the month of March, the Group decided to close all 3 factories in Sri Lanka and India in line with Government regulations. The consequence of this decision is reflected in our 4th Quarter performance as the Company was not able to carry out production or conduct Sales to customers during the closing month of the financial year ending 2019/20.

With the customer requests to push back orders the Group saw a 21% decline in Revenue resulting in LKR 7 Bn in comparison to LKR 8.8 Bn recorded last year. Gross Profit saw a 0.8% drop this Quarter achieving LKR 778 Mn in comparison to LKR 1,059 Mn achieved last year. Net Profit dropped by 30% to record LKR 422 Mn for this Quarter in comparison to LKR 606 Mn achieved last year. This unexpected decline in numbers were unfortunate as Teejay Group was well in line to achieving its 10th consecutive YOY growth in Revenue and Net Profit had the Group not faced this unforeseen circumstance.

However, Teejay Group had a very successful financial year achieving remarkable milestones. The Group recorded its highest Revenue, Gross Profit and Net Profit so far this year. Revenue grew by 5% this year to achieve LKR 33.3 Bn in comparison to LKR 31.7 Bn achieved last year. Gross Profit improved by 17% to hit LKR 4.3 Bn which resulted in a Net Profit growth of 28% to achieve LKR 2.4 Mn in comparison to LKR 1.9 Mn achieved the previous year. Had the financial year concluded without the pandemic situation your Group would have reached a Revenue of LKR 35 Bn and a Net Profits of LKR 2.7 Bn to surpass all previous results. The overall growth in Gross Profits can be mainly attributed to stabilization of cotton prices, improved product mix through a very strong order book and better utilization of capacity.

Teejay Group was able to achieve these remarkable milestones through the implementation of key strategic initiatives and improving processes to achieve better efficiencies. The narrow & deep strategy adapted by Teejay Group for its strategic customers have borne fruit with Nike and Uniqlo generating considerable volume of orders for the year establishing their footprint on the orderbook. The projects initiated through our Operational Excellence Journey have contributed to curb all non-strategic cost and reduce wastage while the rupee depreciation and economies of scale contributed to keep the expenses in line with previous year.

Teejay is continuing with a strong Balance Sheet and a Cash Balance of LKR 6.2 Bn, in line with the Groups strategy of keeping the Company "Net debt free". In these turbulent times having a strong Balance Sheet has placed Teejay Group on a strong footing to weather this storm and take advantage in the new norm of the world and its way of doing business.

I am happy to inform you that Teejay Group participated in a CSR project in partnership with the Government of Sri Lanka, to donate fabric with its existing capabilities for the production of 2Mn face masks to protect the medical staff and armed forces in Sri Lanka with the rise of COVID-19. The pandemic will also challenge the business in the coming months as most of the Brands we produce fabric have had to shut their retail stores in US and EU. Some of our main customers have requested for extended credit as well as order push backs to which Teejay has accommodated and gained support from its suppliers to mitigate the impact on the cash flow.

Adapting to the changing environments, Teejay has ventured into a new endeavour of producing Personal Protection Equipment (PPE) to cater to local and International markets. Some of our key retailers and new customers have placed orders for PPE products and we expect the demand to increase with time. The production of masks is underway with a small team of employees and the safety of these employees are our highest priority.

As the manufacture of fabric is a mechanised process and the facilities span close to 1.1Mn Square feet, all 3 facilities are capable of manufacturing with its full work force amidst a COVID-19 environment. The management have taken all necessary precautions in line with the Government regulations to make sure our employees are working in a safe environment. The rationalisation of the supply chain for major brands that depend on a single destination would also be a key change in a post COVID-19 environment and Teejay's strength in the South Asian region would be an advantage amidst the navigation through this storm.

As rightly quoted by Mahatma Gandhi "Adversity is the mother of progress". Therefore, while this pandemic has forced us all into a challenging period, Teejay Group is placed at a strong position. With the team's ability to innovate and create products, the Group's new venture into the PPE market exploiting the years of experience in creating sophisticated fabric, its strength in the South Asian region together with its strong Balance sheet will enable Teejay to withstand this turbulent period and achieve greater heights.

Sgd  
Bill Lam

Chairman

## TEEJAY LANKA PLC

### INCOME STATEMENT

(all amounts in Sri Lanka Rupees Thousands)

#### Group

	Quarter Ended 31 March			Year Ended 31 March		
	2020 Unaudited	2019 Unaudited	Variance	2020 Unaudited	2019 Audited	Variance
Revenue from contracts with customers	6,973,380	8,822,105	-21%	33,304,121	31,746,592	5%
Cost of sales	(6,195,157)	(7,762,699)	-20%	(29,005,460)	(28,060,534)	3%
<b>Gross profit</b>	<b>778,223</b>	<b>1,059,406</b>	<b>-27%</b>	<b>4,298,661</b>	<b>3,686,058</b>	<b>17%</b>
Other income	55,237	78,255	-29%	188,771	246,073	-23%
Distribution expenses	(51,916)	(38,216)	36%	(183,318)	(168,321)	9%
Administrative expenses	(331,845)	(370,110)	-10%	(1,516,161)	(1,419,161)	7%
<b>Results from operating activities</b>	<b>449,699</b>	<b>729,335</b>	<b>-38%</b>	<b>2,787,953</b>	<b>2,344,649</b>	<b>19%</b>
Non Operating Income	Nil	Nil	Nil	Nil	Nil	Nil
Finance income	117,910	24,093	389%	225,058	101,899	121%
Finance costs	(25,532)	(41,482)	-38%	(106,872)	(189,486)	-44%
<b>Net finance income</b>	<b>92,378</b>	<b>(17,389)</b>	<b>-631%</b>	<b>118,186</b>	<b>(87,587)</b>	<b>-235%</b>
<b>Profit before tax</b>	<b>542,077</b>	<b>711,946</b>	<b>-24%</b>	<b>2,906,139</b>	<b>2,257,062</b>	<b>29%</b>
Income tax	(120,377)	(106,194)	13%	(528,668)	(398,345)	33%
<b>Profit for the period</b>	<b>421,700</b>	<b>605,752</b>	<b>-30%</b>	<b>2,377,471</b>	<b>1,858,717</b>	<b>28%</b>
<b>Attributable to:</b>						
Equity holders of the parent	421,700	605,752	-30%	2,377,471	1,858,717	28%
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil
	<b>421,700</b>	<b>605,752</b>	<b>-30%</b>	<b>2,377,471</b>	<b>1,858,717</b>	<b>28%</b>
<b>Basic earnings per share (LKR)</b>	<b>0.60</b>	<b>0.86</b>		<b>3.39</b>	<b>2.65</b>	

**TEEJAY LANKA PLC**

**STATEMENT OF COMPREHENSIVE INCOME**

(all amounts in Sri Lanka Rupees Thousands)

**Group**

	Quarter Ended 31 March			Year Ended 31 March		
	2020 Unaudited	2019 Unaudited	Variance	2020 Unaudited	2019 Audited	Variance
<b>Profit for the period</b>	<b>421,700</b>	<b>605,752</b>	<b>-30%</b>	<b>2,377,471</b>	<b>1,858,717</b>	<b>28%</b>
<b>Other comprehensive income</b>						
Effect on remeasurement of retirement benefit obligations	(93,029)	(33,739)	176%	(93,029)	(7,016)	1226%
Deferred tax attributable to remeasurement of retirement benefit obligations	25,696	11,790	118%	25,696	4,869	428%
Net movement on cash flow hedges	Nil	(9,673)	-100%	Nil	(9,673)	-100%
Currency translation differences	638,058	(520,606)	-223%	1,089,232	1,594,105	-32%
<b>Total other comprehensive income for the period</b>	<b>570,725</b>	<b>(552,228)</b>	<b>-203%</b>	<b>1,021,899</b>	<b>1,582,285</b>	<b>-35%</b>
<b>Total comprehensive income for the period</b>	<b>992,425</b>	<b>53,524</b>	<b>1754%</b>	<b>3,399,370</b>	<b>3,441,002</b>	<b>-1%</b>
<b>Attributable to:</b>						
Equity holders of the parent	992,425	53,524	1754%	3,399,370	3,441,002	-1%
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil
	<b>992,425</b>	<b>53,524</b>	<b>1754%</b>	<b>3,399,370</b>	<b>3,441,002</b>	<b>-1%</b>

## TEEJAY LANKA PLC

### INCOME STATEMENT

(all amounts in Sri Lanka Rupees Thousands)

	Company					
	Quarter Ended 31 March			Year Ended 31 March		
	2020 Unaudited	2019 Unaudited	Variance	2020 Unaudited	2019 Audited	Variance
Revenue from contracts with customers	4,027,855	4,998,801	-19%	19,364,894	18,038,820	7%
Cost of sales	(3,636,836)	(4,452,629)	-18%	(17,017,598)	(16,140,244)	5%
<b>Gross profit</b>	<b>391,019</b>	<b>546,172</b>	<b>-28%</b>	<b>2,347,296</b>	<b>1,898,576</b>	<b>24%</b>
Other income	130,193	160,540	-19%	714,105	652,736	9%
Distribution expenses	(42,496)	(27,062)	57%	(145,977)	(109,988)	33%
Administrative expenses	(187,313)	(211,512)	-11%	(834,540)	(758,939)	10%
<b>Results from operating activities</b>	<b>291,403</b>	<b>468,138</b>	<b>-38%</b>	<b>2,080,884</b>	<b>1,682,385</b>	<b>24%</b>
Finance income	103,519	24,898	316%	199,836	96,381	107%
Finance costs	(6)	(11)	-45%	(28)	(32,812)	-100%
Net finance income	103,513	24,887	316%	199,808	63,569	214%
<b>Profit before tax</b>	<b>394,916</b>	<b>493,025</b>	<b>-20%</b>	<b>2,280,692</b>	<b>1,745,954</b>	<b>31%</b>
Income tax	(46,417)	(44,331)	5%	(324,386)	(229,776)	41%
<b>Profit for the period</b>	<b>348,499</b>	<b>448,694</b>	<b>-22%</b>	<b>1,956,306</b>	<b>1,516,178</b>	<b>29%</b>
<b>Attributable to:</b>						
Equity holders of the parent	348,499	448,694	-22%	1,956,306	1,516,178	29%
Non-controlling interest	Nil	Nil		Nil	Nil	
	<b>348,499</b>	<b>448,694</b>	<b>-22%</b>	<b>1,956,306</b>	<b>1,516,178</b>	<b>29%</b>
<b>Basic earnings per share (LKR)</b>	<b>0.50</b>	<b>0.64</b>		<b>2.79</b>	<b>2.16</b>	

**TEEJAY LANKA PLC**

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

	<b>Company</b>					
	Quarter Ended 31 March			Year Ended 31 March		
	2020 Unaudited	2019 Unaudited	Variance	2020 Unaudited	2019 Audited	Variance
<b>Profit for the period</b>	348,499	448,694	-22%	1,956,306	1,516,178	29%
<b>Other comprehensive income</b>						
Effect on remeasurement of retirement benefit obligations	(29,787)	Nil	-100%	(29,787)	11,708	-354%
Deferred tax attributable to remeasurement of retirement benefit obligations	4,170	Nil	100%	4,170	(1,639)	-354%
Net movement on cash flow hedges	Nil	(9,673)	-100%	Nil	(9,673)	-100%
Currency translation differences	542,612	(458,913)	-218%	930,214	1,405,557	-34%
<b>Total other comprehensive income for the period</b>	<b>516,995</b>	<b>(468,586)</b>	<b>-210%</b>	<b>904,597</b>	<b>1,405,953</b>	<b>-36%</b>
<b>Total comprehensive income for the period</b>	<b>865,494</b>	<b>(19,892)</b>	<b>-4451%</b>	<b>2,860,903</b>	<b>2,922,131</b>	<b>-2%</b>
<b>Attributable to:</b>						
Equity holders of the parent	865,494	(19,892)	-4451%	2,860,903	2,922,131	-2%
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil
	<b>865,494</b>	<b>(19,892)</b>	<b>-4451%</b>	<b>2,860,903</b>	<b>2,922,131</b>	<b>-2%</b>

## TEEJAY LANKA PLC

### STATEMENT OF FINANCIAL POSITION

(all amounts in Sri Lanka Rupees Thousands)

	Group		Company	
	As at 31 March		As at 31 March	
	2020 Unaudited	2019 Audited	2020 Unaudited	2019 Audited
<b>ASSETS</b>				
<b>Non - current assets</b>				
Property, plant & equipment	8,777,249	8,408,235	4,479,082	4,219,003
Capital work-in-progress	409,620	119,098	391,058	63,327
Intangible assets	77,726	94,321	26,198	35,979
Goodwill	62,298	57,912	Nil	Nil
Investment in Subsidiaries	Nil	Nil	3,249,687	3,020,911
Right-of-use of assets	697,431	235,887	323,408	93,587
Deferred tax assets	122,384	111,021	Nil	Nil
	<b>10,146,708</b>	<b>9,026,474</b>	<b>8,469,433</b>	<b>7,432,807</b>
<b>Current assets</b>				
Inventories	5,925,246	4,494,420	3,694,916	2,778,251
Trade and other receivables	4,060,680	4,012,653	2,549,452	2,721,113
Current Tax receivable	Nil	8,766	Nil	Nil
Other financial assets	967,425	553,370	761,240	361,701
Derivative financial instruments	Nil	Nil	Nil	Nil
Cash and cash equivalents	5,263,026	4,290,248	3,807,121	3,098,321
	<b>16,216,377</b>	<b>13,359,457</b>	<b>10,812,729</b>	<b>8,959,386</b>
<b>Total assets</b>	<b>26,363,085</b>	<b>22,385,931</b>	<b>19,282,162</b>	<b>16,392,193</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and reserves</b>				
Stated capital	4,056,683	4,056,683	4,056,683	4,056,683
Share option scheme	96,760	96,760	96,760	96,760
Exchange equalisation reserve	5,261,016	4,171,784	4,819,384	3,889,170
Retained earnings	6,227,221	5,600,028	4,315,964	4,068,220
Hedging reserve	Nil	Nil	Nil	Nil
	<b>15,641,680</b>	<b>13,925,255</b>	<b>13,288,791</b>	<b>12,110,833</b>
<b>Non - current liabilities</b>				
Borrowings	449,664	801,182	Nil	Nil
Lease liabilities	522,956	Nil	243,960	Nil
Deferred tax liabilities	588,959	538,266	338,381	335,543
Retirement benefit obligations	377,584	251,932	216,868	181,065
	<b>1,939,163</b>	<b>1,591,380</b>	<b>799,209</b>	<b>516,608</b>
<b>Current liabilities</b>				
Trade and other payables	5,228,088	4,702,611	3,071,880	2,869,519
Current tax liability	89,536	Nil	89,536	Nil
Borrowings	3,464,618	2,166,685	2,032,746	895,233
	<b>8,782,242</b>	<b>6,869,296</b>	<b>5,194,162</b>	<b>3,764,752</b>
<b>Total liabilities</b>	<b>10,721,405</b>	<b>8,460,676</b>	<b>5,993,371</b>	<b>4,281,360</b>
<b>Total equity and liabilities</b>	<b>26,363,085</b>	<b>22,385,931</b>	<b>19,282,162</b>	<b>16,392,193</b>
<b>Net asset per share</b>	<b>22.28</b>	<b>19.84</b>	<b>18.93</b>	<b>17.25</b>

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

Sgd  
Salman Nishtar  
Chief Financial Officer

Sgd  
Pubudu De Silva  
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

14-May-2020





**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
<b>Balance as at 1 April 2018</b>	<b>4,056,683</b>	<b>85,505</b>	<b>2,577,679</b>	<b>4,971,882</b>	<b>9,673</b>	<b>11,701,422</b>
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
<b>Total comprehensive income</b>	<b>Nil</b>	<b>Nil</b>	<b>1,594,105</b>	<b>1,856,570</b>	<b>(9,673)</b>	<b>3,441,002</b>
<b>Transactions with owners</b>						
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
<b>Balance as at 31 March 2019</b>	<b>4,056,683</b>	<b>96,760</b>	<b>4,171,784</b>	<b>5,600,028</b>	<b>Nil</b>	<b>13,925,255</b>
<b>Balance as at 1 April 2019</b>	<b>4,056,683</b>	<b>96,760</b>	<b>4,171,784</b>	<b>5,600,028</b>	<b>Nil</b>	<b>13,925,255</b>
Profit for the period	Nil	Nil	Nil	2,377,471	Nil	2,377,471
Other comprehensive income	Nil	Nil	1,089,232	(67,333)	Nil	1,021,899
<b>Total comprehensive income</b>	<b>Nil</b>	<b>Nil</b>	<b>1,089,232</b>	<b>2,310,138</b>	<b>Nil</b>	<b>3,399,370</b>
<b>Transactions with owners</b>						
Final dividend paid - 2018/19	Nil	Nil	Nil	(770,401)	Nil	(770,401)
Interim dividend paid - 2019/20	Nil	Nil	Nil	(912,544)		(912,544)
<b>Balance as at 31 March 2020</b>	<b>4,056,683</b>	<b>96,760</b>	<b>5,261,016</b>	<b>6,227,221</b>	<b>Nil</b>	<b>15,641,680</b>

**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
<b>Balance as at 1 April 2018</b>	<b>4,056,683</b>	<b>85,505</b>	<b>2,483,613</b>	<b>3,770,397</b>	<b>9,673</b>	<b>10,405,871</b>
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
<b>Total comprehensive income</b>	<b>Nil</b>	<b>Nil</b>	<b>1,405,557</b>	<b>1,526,247</b>	<b>(9,673)</b>	<b>2,922,131</b>
Issue of shares under Employee Share Option Scheme	Nil	Nil	Nil	Nil	Nil	Nil
<b>Transactions with owners</b>						
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
<b>Balance as at 31 March 2019</b>	<b>4,056,683</b>	<b>96,760</b>	<b>3,889,170</b>	<b>4,068,220</b>	<b>Nil</b>	<b>12,110,833</b>
<b>Balance as at 1 April 2019</b>	<b>4,056,683</b>	<b>96,760</b>	<b>3,889,170</b>	<b>4,068,220</b>	<b>Nil</b>	<b>12,110,833</b>
Profit for the period	Nil	Nil	Nil	1,956,306	Nil	1,956,306
Other comprehensive income	Nil	Nil	930,214	(25,617)	Nil	904,597
<b>Total comprehensive income</b>	<b>Nil</b>	<b>Nil</b>	<b>930,214</b>	<b>1,930,689</b>	<b>Nil</b>	<b>2,860,903</b>
<b>Transactions with Owners</b>						
Final dividend paid - 2018/19	Nil	Nil	Nil	(770,401)	Nil	(770,401)
Interim dividend paid - 2019/20	Nil	Nil	Nil	(912,544)		(912,544)
<b>Balance as at 31 March 2020</b>	<b>4,056,683</b>	<b>96,760</b>	<b>4,819,384</b>	<b>4,315,964</b>	<b>Nil</b>	<b>13,288,791</b>

## TEEJAY LANKA PLC

### STATEMENT OF CASH FLOWS

(all amounts in Sri Lanka Rupees Thousands)

	Group		Company	
	Year Ended 31 March		Year Ended 31 March	
	2020 Unaudited	2019 Audited	2020 Unaudited	2019 Audited
<b>Cash flows from operating activities</b>				
Cash generated from operations	3,751,603	3,635,995	2,426,996	2,204,487
Finance income received	225,052	14,787	199,831	38,587
Finance cost paid	(106,869)	(128,445)	(28)	(419)
Retirement benefit obligations paid	(82,141)	(34,993)	(49,828)	(13,180)
Tax paid	(200,075)	(99,084)	(64,432)	Nil
<b>Net cash generated/(used) from operating activities</b>	<b>3,587,571</b>	<b>3,388,260</b>	<b>2,512,539</b>	<b>2,229,475</b>
<b>Cash flows from investing activities</b>				
Additions to capital work - in - progress	(1,271,600)	(795,381)	(789,787)	(437,933)
Investment in financial assets	(352,096)	(1,519,241)	(352,096)	(1,006,745)
<b>Net cash used in investing activities</b>	<b>(1,623,696)</b>	<b>(2,314,622)</b>	<b>(1,141,883)</b>	<b>(1,444,678)</b>
<b>Cash flows from financing activities</b>				
Issue of shares under Employee Share Option Scheme	Nil	Nil	Nil	Nil
Dividend paid	(1,682,945)	(1,228,424)	(1,682,945)	(1,228,424)
Proceeds from / (settlement of) borrowings	555,885	(250,706)	886,325	Nil
<b>Net cash used in financing activities</b>	<b>(1,127,059)</b>	<b>(1,479,130)</b>	<b>(796,620)</b>	<b>(1,228,424)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>836,816</b>	<b>(405,492)</b>	<b>574,037</b>	<b>(443,627)</b>
Cash and cash equivalents at the beginning of the period	4,265,854	2,736,638	3,073,938	2,120,468
<b>Cash and cash equivalents at the end of the period</b>	<b>5,102,670</b>	<b>2,331,146</b>	<b>3,647,975</b>	<b>1,676,841</b>

## 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 31 March 2020, 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 12 months ended 31 March 2020 were authorised for issue by the Board of Directors on 14 May 2020

#### 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	
	Year Ended 31 March 2020	Year Ended 31 March 2019	Year Ended 31 March 2020	Year Ended 31 March 2019
<b>Profitability Ratios</b>				
Net Profit Margin	6.05%	6.87%	8.65%	9.13%
Asset to Turnover	1.37	1.57	1.09	1.17
Debt : Equity	0.25	0.26	0.15	0.11
Return on Assets (ROA)	9.75%	10.22%	7.82%	10.67%
Return on Equity (ROE)	16.08%	16.86%	15.40%	14.67%
<b>Investor Ratios</b>				
Earnings per Share (EPS) - LKR	0.60	0.86	0.50	0.64
Net Asset Value per Share - LKR	22.28	19.84	18.93	17.25
Price / Earnings Ratio (PE Ratio)	6.88	11.11	8.36	13.54
Price to Book Value Ratio (PBV Ratio)	1.05	1.58	1.23	1.80
(PE and PBV Ratios are based on a market price of LKR 23.30 per share closed 20 March 2020)				

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

#### 10. Directors' Interest in Shares of the Company (As at 31 March 2020)

	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 31 March 2020	42.00	23.00
Last traded price (on 20 March 2020)	23.30	

#### 12. Public Shareholding 272,944,655 shares - 38.88%

The percentage of shares held by the public as at 31 March 2020 was 38.88% (272,944,655 number of shares).

The number of public shareholders as at 31 March 2020 was 7,893 and a float adjusted market capitalisation of LKR 6,359,052,736.

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
BBH - Fidelity Funds	36,690,030	5.23
BBH-Matthews Emerging Asia Fund	21,277,916	3.03
Bnymansv RE-LF Ruffer Investment Funds : LF Ruffer Pacific And Emerging Markets Fund	19,000,000	2.71
JPCMB NA-Fidelity Asian Values PLC	18,420,373	2.62
Citibank Newyork S/A Norges Bank Account 2	17,200,229	2.45
Melstacorp PLC	12,622,428	1.80
Employees' Provident Fund	6,979,333	0.99
JPMBL SA-KAPITALFORENINGEN INSTITUTIONEL INVESTOR,ASIATISKE SMID CAP AKTIER	5,948,284	0.85
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	4,195,979	0.60
STANDARD CHARTERED BANK DIFC BRANCH S/A EFG HERMES OMAN LLC	3,614,630	0.51
Sri Lanka Insurance Corporation Ltd-Life Fund	3,455,238	0.49
COMMERCIAL BANK OF CEYLON PLC/METROCORP (PVT) LTD	3,000,000	0.43
Periceyl (Private) Limited A/C No. 03	2,694,100	0.38
Nuwara Eliya Property Developers (Pvt) Ltd	2,285,200	0.33
East India Holding (Pvt) Ltd	2,145,813	0.31
South Asian Investment (Pvt) Ltd	2,085,134	0.30

#### 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			Year Ended		
	31 March			31 March		
	2020	2019	Variance	2020	2019	Variance
	Unaudited	Unaudited		Unaudited	Audited	
Revenue from contracts with customers	38,630,433	49,451,839	-22%	187,872,289	191,209,976	-2%
Cost of sales	(34,334,941)	(43,493,133)	-21%	(163,623,061)	(169,008,817)	-3%
<b>Gross profit</b>	<b>4,295,492</b>	<b>5,958,706</b>	<b>-28%</b>	<b>24,249,228</b>	<b>22,201,159</b>	<b>9%</b>
Other income	308,009	438,689	-30%	1,064,878	1,482,099	-28%
Distribution expenses	(289,334)	(211,780)	37%	(1,034,116)	(1,013,797)	2%
Administrative expenses	(1,840,166)	(2,052,258)	-10%	(8,552,834)	(8,547,620)	0%
<b>Results from operating activities</b>	<b>2,474,001</b>	<b>4,133,357</b>	<b>-40%</b>	<b>15,727,156</b>	<b>14,121,841</b>	<b>11%</b>
Finance income	662,269	137,825	381%	1,269,580	613,737	107%
Finance costs	(141,846)	(227,107)	-38%	(602,878)	(1,141,276)	-47%
Net finance income	520,423	(89,282)	-683%	666,702	(527,539)	-226%
<b>Profit before tax</b>	<b>2,994,424</b>	<b>4,044,075</b>	<b>-26%</b>	<b>16,393,858</b>	<b>13,594,302</b>	<b>21%</b>
<b>Income tax</b>	<b>(668,093)</b>	<b>(597,202)</b>	<b>12%</b>	<b>(2,982,276)</b>	<b>(2,399,233)</b>	<b>24%</b>
<b>Profit for the period</b>	<b>2,326,331</b>	<b>3,446,873</b>	<b>-33%</b>	<b>13,411,582</b>	<b>11,195,069</b>	<b>20%</b>
<b>Attributable to:</b>						
Equity holders of the parent	2,326,331	3,446,873	-33%	13,411,582	11,195,069	20%
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil
	<b>2,326,331</b>	<b>3,446,873</b>	<b>-33%</b>	<b>13,411,582</b>	<b>11,195,069</b>	<b>20%</b>

**TEEJAY LANKA PLC**

**STATEMENT OF FINANCIAL POSITION**

(all amounts in United States Dollars)

**Group**

	Quarter Ended			Year Ended		
	31 March			31 March		
	2020	2019	Variance	2020	2019	Variance
	Unaudited	Unaudited		Unaudited	Audited	
<b>Profit for the period</b>	2,326,331	3,446,873	-33%	13,411,582	11,195,069	20%
<b>Other comprehensive income</b>						
Effect on remeasurement of retirement benefit obligations	(524,788)	(203,212)	158%	(524,788)	(42,259)	1142%
Deferred tax attributable to remeasurement of retirement benefit obligations	144,953	71,010	104%	144,953	29,329	394%
Net movement on cash flow hedges	Nil	(63,862)	-100%	Nil	(63,862)	-100%
<b>Total other comprehensive income for the period</b>	<b>(379,835)</b>	<b>(196,064)</b>	<b>94%</b>	<b>(379,835)</b>	<b>(76,792)</b>	<b>395%</b>
<b>Total comprehensive income for the period</b>	<b>1,946,496</b>	<b>3,250,809</b>	<b>-40%</b>	<b>13,031,747</b>	<b>11,118,277</b>	<b>17%</b>
<b>Attributable to:</b>						
Equity holders of the parent	1,946,496	3,250,809	-40%	13,031,747	11,118,277	17%
Non-controlling interest	Nil	Nil	Nil	Nil	Nil	Nil
	<b>1,946,496</b>	<b>3,250,809</b>	<b>-40%</b>	<b>13,031,747</b>	<b>11,118,277</b>	<b>17%</b>

**TEEJAY LANKA PLC**

**INCOME STATEMENT**  
(all amounts in United States Dollars)

**Company**

	Quarter Ended			Year Ended		
	31 March			31 March		
	2020	2019	Variance	2020	2019	Variance
	Unaudited	Unaudited		Unaudited	Audited	
Revenue from contracts with customers	22,309,663	28,014,424	-20%	109,239,544	108,647,953	1%
Cost of sales	(20,156,424)	(24,949,169)	-19%	(95,998,185)	(97,212,818)	-1%
<b>Gross profit</b>	<b>2,153,239</b>	<b>3,065,255</b>	<b>-30%</b>	<b>13,241,359</b>	<b>11,435,135</b>	<b>16%</b>
Other income	718,751	891,606	-19%	4,028,347	3,931,439	2%
Distribution expenses	(236,945)	(149,067)	59%	(823,470)	(662,458)	24%
Administrative expenses	(1,039,270)	(1,176,711)	-12%	(4,707,739)	(4,571,097)	3%
<b>Results from operating activities</b>	<b>1,595,775</b>	<b>2,631,083</b>	<b>-39%</b>	<b>11,738,497</b>	<b>10,133,019</b>	<b>16%</b>
Finance income	581,375	147,762	293%	1,127,299	580,499	94%
Finance costs	(35)	Nil	-100%	(158)	(197,627)	-100%
Net finance income	581,340	147,762	293%	1,127,141	382,872	194%
<b>Profit before tax</b>	<b>2,177,115</b>	<b>2,778,845</b>	<b>-22%</b>	<b>12,865,638</b>	<b>10,515,891</b>	<b>22%</b>
Income tax	(254,381)	(247,997)	3%	(1,829,899)	(1,383,943)	32%
<b>Profit for the period</b>	<b>1,922,734</b>	<b>2,530,848</b>	<b>-24%</b>	<b>11,035,739</b>	<b>9,131,948</b>	<b>21%</b>



TEEJAY LANKA PLC

STATEMENT OF COMPREHENSIVE INCOME

(all amounts in United States Dollars)

Company

	Quarter Ended			Year Ended		
	31 March			31 March		
	2020	2019	Variance	2020	2019	Variance
	Unaudited	Unaudited		Unaudited	Audited	
<b>Profit for the period</b>	1,922,734	2,530,848	-24%	11,035,739	9,131,948	21%
<b>Other comprehensive income</b>						
Effect on remeasurement of retirement benefit obligations	(168,034)	Nil	-100%	(168,034)	70,520	-338%
Deferred tax attributable to remeasurement of retirement benefit obligations	23,525	Nil	100%	23,525	(9,873)	-338%
Net movement on cash flow hedges	Nil	(63,862)	-100%	Nil	(63,862)	-100%
<b>Total other comprehensive income for the period</b>	<b>(144,509)</b>	<b>(63,862)</b>	<b>126%</b>	<b>(144,509)</b>	<b>(3,215)</b>	<b>4395%</b>
<b>Total comprehensive income for the period</b>	<b>1,922,734</b>	<b>2,466,986</b>	<b>-22%</b>	<b>11,035,739</b>	<b>9,128,733</b>	<b>21%</b>

## TEEJAY LANKA PLC

### STATEMENT OF FINANCIAL POSITION

(all amounts in United States Dollars)

	Group		Company	
	As at 31 March		As at 31 March	
	2020	2019	2020	2019
	Unaudited	Audited	Unaudited	Audited
<b>ASSETS</b>				
<b>Non - current assets</b>				
Property, plant & equipment	46,846,975	48,276,027	23,906,285	24,223,478
Capital work-in-progress	2,186,271	683,803	2,087,201	363,592
Intangible assets	414,849	541,545	139,827	206,576
Goodwill	332,502	332,502	Nil	Nil
Investment in Subsidiaries	Nil	Nil	17,344,614	17,344,614
Right-of-use of assets	3,722,410	1,354,352	1,726,130	537,333
Deferred tax Assets	653,202	637,430	Nil	Nil
	54,156,209	51,825,659	45,204,057	42,675,593
<b>Current assets</b>				
Inventories	31,624,925	25,804,787	19,720,943	15,951,375
Trade and other receivables	21,673,142	23,038,715	13,607,235	15,623,310
Current tax receivables	Nil	50,332	Nil	Nil
Other financial assets	5,163,453	3,177,184	4,062,981	2,076,712
Derivative financial instruments	Nil	Nil	Nil	Nil
Cash and cash equivalents	28,090,445	24,632,530	20,319,815	17,789,063
	86,551,965	76,703,548	57,710,974	51,440,460
<b>Total assets</b>	<b>140,708,174</b>	<b>128,529,207</b>	<b>102,915,031</b>	<b>94,116,053</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and reserves</b>				
Stated capital	37,571,594	37,571,594	37,571,594	37,571,594
Share option scheme	675,319	675,319	675,319	675,319
Retained earnings	45,237,698	41,705,177	32,679,585	31,287,635
Hedging reserve	Nil	Nil	Nil	Nil
	83,484,611	79,952,090	70,926,498	69,534,548
<b>Non - current liabilities</b>				
Borrowings	2,400,000	4,600,000	Nil	Nil
Lease liabilities	2,791,185	Nil	1,302,092	Nil
Deferred tax liabilities	3,143,464	3,090,466	1,806,047	1,926,524
Retirement benefit obligations	2,015,285	1,446,472	1,157,496	1,039,589
	10,349,934	9,136,938	4,265,635	2,966,113
<b>Current liabilities</b>				
Trade and other payables	27,903,976	27,000,121	16,395,606	16,475,399
Current Tax Liabilities	477,880	Nil	477,880	Nil
Borrowings	18,491,773	12,440,058	10,849,412	5,139,993
	46,873,629	39,440,179	27,722,898	21,615,392
<b>Total liabilities</b>	<b>57,223,563</b>	<b>48,577,117</b>	<b>31,988,533</b>	<b>24,581,505</b>
<b>Total equity and liabilities</b>	<b>140,708,174</b>	<b>128,529,207</b>	<b>102,915,031</b>	<b>94,116,053</b>

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

Sgd  
**Salman Nishtar**  
 Chief Financial Officer

Sgd  
**Pubudu De Silva**  
 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

14-May-2020

## 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

F J & G de Saram  
Attorneys-at-Law  
216, de Saram Place,  
Colombo 10.  
Sri Lanka

### Bankers

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

### Investor Relations

Pubudu De Silva  
Salman Nishtar  
Teejay Lanka PLC



**Teejay Lanka PLC**

Block D8-D14,  
Seethawaka Export Processing Zone  
Avissawella, Sri Lanka  
[www.teejay.com](http://www.teejay.com)