

DISTILLERIES COMPANY OF SRI LANKA PLC



INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED

30th June 2022

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF COMPREHENSIVE INCOME

For the Quarter ended 30th June 2022

	2022	2021
	Rs.'000s	Rs.'000s
	Unaudited	Unaudited
Gross Revenue	32,398,896	21,719,967
Net Revenue	12,646,539	6,810,437
Cost of Sales	(5,794,319)	(4,068,176)
Gross Profit	6,852,220	2,742,261
Other Operating Income	23,967	22,930
Distribution Expenses	(237,988)	(168,809)
Administrative Expenses	(488,009)	(280,135)
Profit from Operations	6,150,190	2,316,248
Finance Income	217,362	139,566
Finance Cost	(52,899)	(2,131)
Net Finance Income/(Expense)	164,463	137,435
Profit before Tax from continued operations	6,314,653	2,453,683
Taxation	(2,574,787)	(987,019)
Profit after Tax from continued operations for the period	3,739,866	1,466,665
Items that are or may be reclassified to Profit or Loss		
Net Change in fair Value of Available for Sale Financial Assets	(366,778)	(143,974)
	(366,778)	(143,974)
Total Other Comprehensive Income/(Expense) for the Period	(366,778)	(143,974)
Total Comprehensive Income/(Expense) for the Period	3,373,087	1,322,691
Earnings Per Share (Rs.)		
Basic Earnings per Share	0.81	0.32

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF FINANCIAL POSITION

AS AT,	Unaudited 30-Jun-22 Rs.'000s	Unaudited 30-Jun-21 Rs.'000s	Unaudited 31-Mar-22 Rs.'000s
Non Current Assets			
Property, Plant and Equipment	4,743,757	5,130,729	4,839,134
Right-of-use Asset	1,026,063	1,470,982	1,115,048
Other Non Current Financial Investment	1,414,117	1,896,336	1,780,901
	7,183,937	8,498,047	7,735,083
Current Assets			
Inventories	3,197,772	4,801,652	2,852,433
Other Receivables	3,209,232	2,741,285	2,485,591
Trade Receivables	2,309,719	2,113,015	4,126,084
Net Investment in Sub Lease	46,883	-	50,310
Amounts Due from Related Companies	598,856	881,008	572,079
Other Current Financial Investment	17,449	56,327	21,214
Cash and Cash Equivalents	6,031,046	1,618,767	7,027,682
	15,410,958	12,212,053	17,135,393
Total Assets	22,594,895	20,710,100	24,870,476
EQUITY AND LIABILITIES			
Capital and Reserve			
Stated Capital	3,000,000	3,000,000	3,000,000
Capital Reserve	1,867,508	2,273,281	2,234,287
Revenue Reserve	1,917,248	1,689,624	1,254,671
	6,784,756	6,962,905	6,488,958
Non Current Liabilities			
Deferred Tax Liabilities	1,716,377	1,785,178	1,723,297
Employee Benefits	173,034	257,442	175,007
Lease Liability	1,105,165	1,655,621	1,228,748
	2,994,576	3,698,241	3,127,052
Current Liabilities			
Trade and Other Payables	4,431,999	4,222,241	7,383,363
Amounts Due to Related Companies	11,405	1,726	-
Taxes Payable	8,207,583	4,877,894	7,663,635
Interest Bearing Loans and Borrowings	-	-	10,000
Bank Overdrafts	164,576	947,093	197,468
	12,815,563	10,048,954	15,254,466
Total Equity and Liabilities	22,594,895	20,710,100	24,870,476
Net Assets per Share (Rs.)	1.47	1.51	1.41

The above unaudited figures are provisional and subject to audit.

I certify that the Financial Statements have been prepared & presented in compliance with the requirements of Companies Act No. 07 of 2007

sgd/-

N.N.Nagahawatte

Head of Finance

The Directors are responsible for the preparation and presentation of these Financial Statements.

Signed for and on behalf of the board

sgd/-

C.R Jansz

Director

sgd/-

Dr.A.N.Balasuriya

Director

12th August 2022

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF CHANGES IN EQUITY

	Stated capital <u>Rs.'000</u>	Revaluation reserve <u>Rs.'000</u>	Capital reserve <u>Rs.'000</u>	General reserve <u>Rs.'000</u>	Available for sale reserve <u>Rs.'000</u>	Retained earnings/(losses) <u>Rs.'000</u>	Total <u>Rs.'000</u>
Balance as at 1st April 2021	3,000,000	1,754,636	107,882	10,000	544,737	3,442,959	8,860,214
Total Comprehensive Income for the Period	3,000,000	1,754,636	107,882	10,000	544,737	3,442,959	8,860,214
Profit/(Loss) for the Period	-	-	-	-	-	1,466,665	1,466,665
Other Comprehensive Income							
Net Change in fair value of instruments measured at FVOCI	-	-	-	-	(143,974)	-	(143,974)
	-	-	-	-	(143,974)	1,466,665	1,322,691
Total Comprehensive Income for the Period	-	-					
Transactions with Owners directly recorded in the Equity							
Dividends paid during the Period	-	-	-	-	-	(3,220,000)	(3,220,000)
Total contributions by and distributions to owners	-	-	-	-	-	(3,220,000)	(3,220,000)
Balance as at 30th June 2021	3,000,000	1,754,636	107,882	10,000	400,763	1,689,623	6,962,905
Balance as at 01st April 2022	3,000,000	1,754,636	107,882	10,000	361,769	1,254,671	6,488,958
Total Comprehensive Income for the Period							
Profit for the Period	-	-	-	-	-	3,739,866	3,739,866
Other Comprehensive Income							
Net Changes to Reserve	-	-	-	-	(366,778)	-	(366,778)
Surcharge Tax	-	-	-	-	-	(3,077,288)	(3,077,288)
	-	-	-	-	(366,778)	662,578	295,800
Dividend Paid	-	-	-	-	-	-	-
Balance as at 30th June 2022	3,000,000	1,754,636	107,882	10,000	(5,009)	1,917,248	6,784,756

DISTILLERIES COMPANY OF SRI LANKA PLC

STATEMENTS OF CASH FLOWS

For the period ended 30th June 2022

	30-Jun-22	30-Jun-21
	Rs.'000	Rs.'000
Cash Generated from Operations		
Profit from operations	6,314,653	2,453,683
Adjustments for		
Depreciation and Amortization of PPE and Intangible Assets	123,847	119,194
Amortization of Right-of-Use Assets	88,984	-
(Gain) /Loss on Change in Fair Value of Financial Assets	3,773	1,859
Interest Income	(217,362)	(139,566)
Dividend Income	(3)	-
Interest Expenses	49,126	272
Operating Profit before Working Capital Changes	6,363,017	2,435,442
Working Capital Changes		
(Increase)/Decrease in Trade & Other Receivables	1,096,300	2,847,472
(Increase)/Decrease in Inventories	(345,346)	(530,439)
Increase/(Decrease) in Payables	(2,103,414)	(2,043,767)
Cash Generated from Operations	5,010,557	2,708,709
Income Tax Paid	(1,225,868)	(912,307)
Surcharge Tax Paid	(1,538,644)	-
Retiring Gratuities paid	(1,973)	(1,856)
Net Cash Flows Generated from Operating Activities	2,244,071	1,794,545
Cash flow from Investing Activities		
Acquisition of Property, Plant & Equipment	(28,468)	-
Sub Lease Rental Income Received	5,175	-
Interest Received	33,847	139,566
Dividend Received	3	-
Net Cash Flows Generated from Investing Activities	10,557	139,566
Cash Flow from Financing Activities		
Finance Cost Paid	(1,288)	(272)
Dividend Paid	(3,216,936)	(3,204,920)
Net Cash Flows Used in Financing Activities	(3,218,224)	(3,205,192)
Net (Decrease)/Increase in Cash and Cash Equivalanets During the Period	(963,596)	(1,271,084)
Cash and Cash Equivalanets at the Beginning of the Year	6,830,067	1,942,754
Cash and Cash Equivalanets at the End of the Period	5,866,470	671,673
Analysis of Cash and Cash Equivalants at the End of the Period		
Cash in Hand	14,502	8,582
Cash in Bank	5,952,009	1,517,540
Cash in Transit	64,535	92,644
Bank Overdraft	(164,576)	(947,093)
	5,866,470	671,673

DISTILLERIES COMPANY OF SRI LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

1. The interim Financial Statements have been prepared in accordance with the Accounting Policies set out in the most recent Annual Report and are in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting.
2. Where appropriate, the previous year's presentation has been amended to conform to current year classifications.

3. Non Financial Information

	30-06-2022	30-06-2021	31-03-2022
Net Assets Value per Share - (Rs)	1.47	1.51	1.40
Market Price per Share - Last Traded (Rs)	13.60	19.30	13.60
- Highest (Rs)	14.80	21.90	19.30
- Lowest (Rs)	12.60	19.00	13.40

4. 4,600,000,000 ordinary shares represent the Stated Capital.
5. The float adjusted market capitalisation as at 30th June 2022 was Rs.2,046,337,600/-, The percentage of shares held by the public as at 30th June 2022 is 3.271% and the number of public shareholders as at 30th June 2022 was 12,465.
6. The Company is not compliant with Rule 7.13.1.(a) of the Listing Rules of the Colombo Stock Exchange on minimum public holding.

7. Events occurring after the reporting period

Subsequent to the reporting period, no circumstances have arisen which would require adjustment to or disclosure in the financial statements.

8. Surcharge Tax

The Surcharge Tax act which imposes a onetime tax of 25% on the aggregate taxable income of each company of a Group exceeding Rs.2 billion for the Year of Assessment 2020/21 was passed in the Parliament on 08th April 2022. The tax imposed under the Surcharge Tax Act No. 14 of 2022 was enacted consequent to the reporting period ended 31st March 2022, and as a result company has not provided for any liability therefrom. The Surcharge Tax liability, best estimated for the company would be Rs.3,077 million.

On 20th April 2022, the Company paid Rs.1,539 Mn on account of the first installment of the Surcharge Tax liability. The final installment of Surcharge Tax payable reported under income tax liability as of 30th June 2022 has been paid on 20th July 2022.

9. Contingent Liabilities

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 2021.

DISTILLERIES COMPANY OF SRI LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

10. Top 30 Shareholders – 30th June 2022

RANK	NAME	NO OF SHARES	%
1	MELSTACORP PLC	4,252,262,664	92.44
2	MILFORD EXPORTS (CEYLON) (PVT) LIMITED	147,520,592	3.21
3	LANKA MILK FOODS (CWE) LIMITED	44,991,407	0.98
4	RUBBER INVESTMENT TRUST LTD A/C NO 01	21,709,635	0.47
5	COMMERCIAL BANK OF CEYLON PLC/L.E.M.YASEEN	15,466,666	0.34
6	CEYLON GUARDIAN INVESTMENT TRUST PLC A/C # 02	7,169,799	0.16
7	CEYLON INVESTMENT PLC A/C # 02	7,071,227	0.15
8	MRS. L.E.M. YASEEN	5,978,334	0.13
9	COMMERCIAL BANK OF CEYLON PLC/M.A.YASEEN	4,740,740	0.10
10	J.B. COCOSHELL (PVT) LTD	4,383,699	0.10
11	AIA INSURANCE LANKA LIMITED A/C NO.07	3,775,165	0.08
12	MRS. S.M. CHRYSOSTOM	3,374,814	0.07
13	METROCORP (PVT) LTD	3,225,271	0.07
14	MR. M.H.RAOUF	2,799,985	0.06
15	STASSEN EXPORTS (PVT) LIMITED	2,505,718	0.05
16	HATTON NATIONAL BANK PLC A/C NO.4 (HNB RETIREMENT PENSION FUND)	2,388,053	0.05
17	Mr. D. Hasitha S. Jayawardena	2,231,505	0.05
18	ASKOLD (PRIVATE) LIMITED	2,050,000	0.04
19	PEOPLE'S LEASING & FINANCE PLC/L.P.HAPANGAMA	2,032,428	0.04
20	PEOPLES BANK	1,700,000	0.04
21	MR. M.A. YASEEN	1,641,406	0.04
22	MCSEN RANGE PRIVATE LIMITED	1,617,737	0.04
23	MR. A.M. WEERASINGHE	1,500,000	0.03
24	AIA INSURANCE LANKA LIMITED A/C NO.06	1,162,500	0.03
25	MR. D.C.D.L.S.D. PERERA	1,076,758	0.02
26	JAFFERJEE BROTHERS (EXPORTS) LIMITED	1,000,000	0.02
27	JB CAPITAL(PRIVATE) LIMITED	1,000,000	0.02
28	MR. S.S. FONSEKA	900,000	0.02
29	GOODHOPE PTE.LTD.	838,445	0.02
30	KRISH INVESTMENT COMPANY (PVT) LTD.	803,750	0.02
	Sub Total	4,548,918,298	98.89%
	Others Shareholders	51,081,702	1.11%
	TOTAL	4,600,000,000	100.00%

Percentage of Shares held by the public **3.271%**
Total No. of share holders who hold the public holding **12,465**

Directors' Shareholdings – 30th June 2022	No of Shares	%
Mr. D. H. S. Jayawardena	-	-
Mr. C. R. Jansz	-	-
Mr. N. De S. Deva Aditya	-	-
Mr. K. J. Kahanda	-	-
Dr. A. N. Balasuriya	-	-
Mr. D. Hasitha S. Jayawardena	2,231,505	0.05%
Mr.R. Seevaratnam	-	-
Mr. A. L. Gooneratne (Alternate Director to Mr. N. De S. Deva Aditya)	-	-
Ms. V. J. Senaratne (Alternate Director to Mr. K. J. Kahanda)	-	-

DISTILLERIES COMPANY OF SRI LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

CORPORATE INFORMATION

NAME OF COMPANY

Distilleries Company of Sri Lanka PLC

REGISTERED OFFICE

No.110, Norris Canal Road,
Colombo 10, Sri Lanka.
Tel: 011-2695295-7, 011-5507000
Fax: 011-2696360 Web: www.dcsigroup.com

COMPANY REGISTRATION NUMBER

PQ 112

BOARD OF DIRECTORS

Mr.D.H.S.Jayawardena - Chairman / Managing Director
Mr.C.R.Jansz
Mr.N. De S. Deva Aditya
Mr K. J. Kahanda
Dr.A.N.Balasuriya
Mr. D. Hasitha S. Jayawardena
Mr.R. Seevaratnam
Mr. A.L. Gooneratne (Alternate Director to Mr.N. De S. Deva Aditya)
Ms.V.J.Senaratne (Alternate Director to Mr. K.J. Kahanda)

COMPANY SECRETARY

Ms.V.J.Senaratne

AUDITORS

KPMG
Chartered Accountants
No.32A, Sir Mohamed Macan Marker Mawatha,
Colombo 03, Sri Lanka.

REGISTRARS

Central Depository Systems (Private) Limited
Registrars -Unit
No.341/5, Kotte Road,
Rajagiriya, Sri Lanka.

BANKERS

Bank of Ceylon
Commercial Bank of Ceylon PLC
DFCC Bank PLC
Hatton National Bank PLC
Hong Kong & Shanghai Banking Corporation
Nation's Trust Bank PLC
People's Bank
Seylan Bank PLC
Standard Chartered Bank

CREDIT RATING

The Company has been assigned 'AAA (lka)'
National Long Term Rating with a Stable
Outlook by Fitch Ratings Lanka Limited.