

DISTILLERIES COMPANY OF SRI LANKA PLC



INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED

30th September 2022

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF COMPREHENSIVE INCOME

<i>For the 09 Months ended 30th September 2022</i>	2022 Rs.'000s Unaudited	2021 Rs.'000s Unaudited	Variance %
Gross Revenue	62,434,214	42,501,508	46.9%
Net Revenue	28,074,233	14,695,750	91.0%
Cost of Sales	(13,013,766)	(7,328,949)	77.6%
Gross Profit	15,060,468	7,366,801	104.4%
Other Operating Income	43,219	42,985	0.5%
Distribution Expenses	(470,498)	(305,619)	53.9%
Administrative Expenses	(876,319)	(543,822)	61.1%
Profit from Operations	13,756,869	6,560,345	109.7%
Finance Income	588,327	190,747	208.4%
Finance Cost	(104,002)	(118,699)	-12.4%
Net Finance Income/(Expense)	484,325	72,048	572.2%
Profit before Tax from continued operations	14,241,195	6,632,393	114.7%
Taxation	(5,770,854)	(2,658,482)	117.1%
Profit for the period	8,470,340	3,973,912	113.1%
Items that are or may be reclassified to Profit or Loss			
Net Change in fair Value of Available for Sale Financial Assets	(302,400)	234,315	
Total Other Comprehensive Income/(Expense) for the Period	(302,400)	234,315	-229.1%
Total Comprehensive Income/(Expense) for the Period	8,167,941	4,208,227	
Earnings Per Share (Rs.)			
Basic Earnings per Share	1.84	0.86	113.1%

DISTILLERIES COMPANY OF SRI LANKA PLC
INCOME STATEMENTS

For the Quarter ended 30th September 2022	2022 Rs.'000s Unaudited	2021 Rs.'000s Unaudited	Variance %
Gross Revenue	30,035,318	20,781,541	44.5%
Net Revenue	15,427,694	7,885,313	95.7%
Cost of Sales	(7,219,447)	(3,260,773)	121.4%
Gross Profit	8,208,248	4,624,540	77.5%
Other Operating Income	19,252	20,055	-4.0%
Distribution Expenses	(232,510)	(136,810)	70.0%
Administrative Expenses	(388,310)	(263,687)	47.3%
Profit from Operations	7,606,679	4,244,098	79.2%
Finance Income	370,965	51,181	624.8%
Finance Cost	(51,103)	(116,568)	-56.2%
Net Finance Income/(Expense)	319,862	(65,387)	-589.2%
Profit before Tax from continued operations	7,926,542	4,178,711	89.7%
Taxation	(3,196,067)	(1,671,463)	91.2%
Profit for the Period	4,730,475	2,507,249	88.7%
Items that are or may be reclassified to Profit or Loss			
Net Change in fair Value of Available for Sale Financial Assets	64,378	378,289	
	64,378	378,289	
Total Other Comprehensive Income/(Expense) for the Period	64,378	378,289	-83.0%
Total Comprehensive Income/(Expense) for the Period	4,794,853	2,885,538	
Earnings Per Share (Rs.)			
Basic Earnings per Share	1.03	0.55	88.7%

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF FINANCIAL POSITION

AS AT,	Unaudited 30-Sep-22 Rs.'000s	Unaudited 30-Sep-21 Rs.'000s	Audited 31-Mar-22 Rs.'000s
Non Current Assets			
Property, Plant and Equipment	4,630,710	5,041,728	4,839,134
Right-of-use Asset	1,225,745	1,293,014	1,398,847
Net Investment in Sub Lease	27,514	-	35,848
Other Non Current Financial Investment	1,309,353	2,212,217	1,611,699
	7,193,322	8,546,959	7,885,528
Current Assets			
Inventories	6,057,130	4,493,776	3,381,008
Other Receivables	3,809,444	3,928,234	2,107,585
Trade Receivables	2,918,844	2,424,553	4,126,084
Net Investment in Sub Lease	15,943	-	14,462
Amounts Due from Related Companies	626,185	626,772	596,101
Other Current Financial Investment	23,329	60,999	21,214
Cash and Cash Equivalents	5,814,365	1,466,378	7,027,682
	19,265,240	13,000,712	17,274,136
Total Assets	26,458,562	21,547,671	25,159,664
EQUITY AND LIABILITIES			
Capital and Reserve			
Stated Capital	3,000,000	3,000,000	3,000,000
Capital Reserve	1,744,190	2,644,049	2,046,591
Revenue Reserve	1,198,923	4,432,112	1,325,870
	5,943,113	10,076,161	6,372,461
Non Current Liabilities			
Deferred Tax Liabilities	1,523,149	1,583,059	1,523,150
Employee Benefits	172,555	254,229	175,007
Lease Liability	902,023	1,133,575	1,220,026
	2,597,727	2,970,863	2,918,183
Current Liabilities			
Trade and Other Payables	8,770,761	3,505,024	7,545,611
Amounts Due to Related Companies	5,067	1,374	24,021
Lease Liability	498,311	321,760	422,880
Taxes Payable	8,403,946	4,388,865	7,669,040
Interest Bearing Loans and Borrowings	-	-	10,000
Bank Overdrafts	239,637	283,624	197,468
	17,917,722	8,500,647	15,869,020
Total Equity and Liabilities	26,458,562	21,547,671	25,159,664
Net Assets per Share (Rs.)	1.29	2.19	1.39

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/-
D H S Jayawardena
Chairman / Managing Director

sgd/-
Dr.A.N.Balasuriya
Director

14th November 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	537,217	3,671,541	9,081,276
Total Comprehensive Income for the Period	3,000,000	1,754,636	107,882	10,000	537,217	3,671,541	9,081,276
Profit/(Loss) for the Period	-	-	-	-	-	3,973,912	3,973,912
Other Comprehensive Income							
Net Change in fair value of instruments measured at FVO	-	-	-	-	234,315	-	234,315
	-	-	-	-	234,315	3,973,912	4,208,227
Total Comprehensive Income for the Period							
Dividends paid during the Period	-	-	-	-	-	(3,213,342)	(3,213,342)
Total contributions by and distributions to owners						(3,213,342)	(3,213,342)
Balance as at 30th September 2021	3,000,000	1,754,636	107,882	10,000	771,532	4,432,110	10,076,161
Balance as at 01st April 2022	3,000,000	1,754,636	107,882	10,000	174,073	1,325,870	6,372,461
Total Comprehensive Income for the Period							
Profit for the Period	-	-	-	-	-	8,470,341	8,470,341
Other Comprehensive Income							
Net Changes to Reserve	-	-	-	-	(302,401)	-	(302,401)
Surcharge Tax	-	-	-	-	-	(3,077,287)	(3,077,287)
	-	-	-	-	(302,401)	5,393,053	5,090,653
Dividend Paid	-	-	-	-	-	(5,520,000)	(5,520,000)
Balance as at 30th September 2022	3,000,000	1,754,636	107,882	10,000	(128,328)	1,198,923	5,943,113

DISTILLERIES COMPANY OF SRI LANKA PLC

STATEMENTS OF CASH FLOWS

For the period ended 30th September 2022

	30-Sep-22	30-Sep-21
	Rs. '000	Rs. '000
Cash Generated from Operations		
Profit from operations	14,241,195	6,632,394
Adjustments for		
Depreciation and Amortization of PPE and Intangible Assets	250,093	239,639
Amortization of Right-of-Use Assets	173,102	177,967
(Gain) /Loss on Change in Fair Value of Financial Assets	(2,107)	(14,985)
Interest Income	(586,220)	(175,762)
Dividend Income	(3)	-
Interest Expenses	104,002	118,699
Operating Profit before Working Capital Changes	14,180,062	6,968,806
Working Capital Changes		
(Increase)/Decrease in Trade & Other Receivables	(109,610)	954,190
(Increase)/Decrease in Inventories	(3,204,704)	147,025
(Increase)/Decrease in Amount Due from Related Companies	(301,105)	(6,772)
Increase/(Decrease) in Payables	(643,269)	(2,186,858)
Increase/(Decrease) in Amount Due to Related Companies	5,067	(3,307)
Cash Generated from Operations	9,926,442	5,873,084
Income Tax Paid	(3,031,677)	(3,334,792)
Surcharge Tax Paid	(3,077,288)	-
Retiring Gratuities paid	(2,453)	(1,856)
Net Cash Flows Generated from Operating Activities	3,815,024	2,536,436
Cash flow from Investing Activities		
Acquisition of Property, Plant & Equipment	(40,968)	-
Proceeds on Sale of Investments	-	19,089
Sub Lease Rental Income Received	10,351	-
Interest Received	474,098	171,466
Dividend Received	3	-
Net Cash Flows Generated from Investing Activities	443,483	190,555
Cash Flow from Financing Activities		
Finance Cost Paid	(3,731)	(1,914)
Lease Rent Paid	-	(271,169)
Loans Obtained during the period	-	1,635,000
Loans Paid during the period	-	(1,635,000)
Dividend Paid	(5,510,262)	(3,204,920)
Net Cash Flows Used in Financing Activities	(5,513,993)	(3,478,003)
Net (Decrease)/Increase in Cash and Cash Equivalanets During the Year	(1,255,487)	(751,017)
Cash and Cash Equivalanets at the Beginning of the Year	6,830,214	1,933,767
Cash and Cash Equivalanets at the End of the period	5,574,727	1,182,753
Analysis of Cash and Cash Equivalentants at the End of the Year		
Cash in Hand	25,228	9,282
Cash in Bank & Others	5,717,902	1,400,086
Cash in Transit	71,234	57,010
Bank Overdraft	(239,637)	(283,624)
	5,574,727	1,182,753

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

	30-09-2022	30-09-2021	31-03-2022
Net Assets Value per Share - (Rs)	1.29	2.19	1.39
Market Price per Share - Last Traded (Rs)	15.50	18.00	13.60
- Highest (Rs)	16.80	20.10	19.30
- Lowest (Rs)	12.80	17.70	13.40

4. 4,600,000,000 ordinary shares represent the Stated Capital.
5. The float adjusted market capitalisation as at 30th September 2022 was Rs.2,332,223,000/-, The percentage of shares held by the public as at 30th September 2022 is 3.271% and the number of public shareholders as at 30th September 2022 was 12,449.
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. The Board of Directors of Distilleries Company of Sri Lanka PLC has approved an interim dividend of Rs.0.60 per voting share on 08th November 2022 amounting to Rs.2,760 Mn.

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 2022.

DISTILLERIES COMPANY OF SRI LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

10. Top 30 Shareholders – 30th September 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	MCSSEN 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	JB CAPITAL(PRIVATE) LIMITED	1,000,000	0.02
27	JAFFERJEE BROTHERS (EXPORTS) LIMITED	1,000,000	0.02
28	MR. S.S. FONSEKA	900,000	0.02
29	GOODHOPE PTE.LTD.	838,445	0.02
30	MR. M. SUNDARESAN	809,764	0.02
	Sub Total	4,548,924,312	98.89%
	Others Shareholders	51,075,688	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 **12,449**

Directors' Shareholdings – 30th September 2022	No of Shares	%
Mr. D. H. S. Jayawardena	-	-
Mr. C. R. Jansz	-	-
Mr. K. J. Kahanda	-	-
Mr. N. De S. Deva Aditya	-	-
Dr. A. N. Balasuriya	-	-
Mr. D. Hasitha S. Jayawardena	2,231,505	0.05%
Mr.R. Seevaratnam	-	-
Ms. D. S. T. Jayawardena (Appointed w.e.f 22.09.2022)	11,437	0.00%
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.K. J. Kahanda-Joint Managing Director
Mr.N. De S. Deva Aditya
Dr.A.N.Balasuriya
Mr. D. Hasitha S. Jayawardena
Mr.R. Seevaratnam
Ms.D.S.T. Jayawardena (Appointed w.e.f 22.09.2022)
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.