

DISTILLERIES COMPANY OF SRI LANKA PLC



INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED

31st December 2022

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF COMPREHENSIVE INCOME

<i>For the period ended 31st December</i>	2022	2021	Variance %
	Rs.'000s Unaudited	Rs.'000s Unaudited	
Gross Revenue	92,675,321	73,451,879	26.2%
Net Revenue	42,860,428	23,402,820	83.1%
Cost of Sales	(18,331,551)	(12,245,308)	49.7%
Gross Profit	24,528,877	11,157,512	119.8%
Other Operating Income	68,802	78,942	-12.8%
Distribution Expenses	(784,019)	(514,262)	52.5%
Administrative Expenses	(1,439,445)	(904,386)	59.2%
Profit from Operations	22,374,214	9,817,806	127.9%
Finance Income	1,107,931	210,754	425.7%
Finance Cost	(162,701)	(172,957)	-5.9%
Net Finance Income/(Expense)	945,230	37,797	2400.8%
Profit before Tax from continued operations	23,319,445	9,855,603	136.6%
Taxation	(9,388,989)	(4,020,221)	133.5%
Profit for the period	13,930,455	5,835,382	138.7%
Items that are or may be reclassified to Profit or Loss			
Net Change in fair Value of Available for Sale Financial Assets	(373,347)	156,880	
Total Other Comprehensive Income/(Expense) for the Period	(373,347)	156,880	-338.0%
Total Comprehensive Income/(Expense) for the Period	13,557,108	5,992,262	
Earnings Per Share (Rs.)			
Basic Earnings per Share	3.03	1.27	138.7%

DISTILLERIES COMPANY OF SRI LANKA PLC
INCOME STATEMENTS

	2022	2021	Variance %
	Rs.'000s	Rs.'000s	
	Unaudited	Unaudited	
<i>For the Quarter ended 31st December 2022</i>			
Gross Revenue	30,241,107	30,950,371	-2.3%
Net Revenue	14,786,195	8,707,070	69.8%
Cost of Sales	(5,317,785)	(4,916,359)	8.2%
Gross Profit	9,468,410	3,790,711	149.8%
Other Operating Income	25,583	35,957	-28.9%
Distribution Expenses	(313,521)	(208,643)	50.3%
Administrative Expenses	(563,126)	(360,564)	56.2%
Profit from Operations	8,617,345	3,257,462	164.5%
Finance Income	519,604	20,007	2497.1%
Finance Cost	(58,699)	(54,258)	8.2%
Net Finance Income/(Expense)	460,905	(34,251)	-1445.7%
Profit before Tax from continued operations	9,078,251	3,223,211	181.7%
Taxation	(3,618,135)	(1,361,739)	165.7%
Profit for the Period	5,460,116	1,861,471	193.3%
Items that are or may be reclassified to Profit or Loss			
Net Change in fair Value of Available for Sale Financial Assets	(70,947)	(77,435)	
	(70,947)	(77,435)	
Total Other Comprehensive Income/(Expense) for the Period	(70,947)	(77,435)	-8.4%
Total Comprehensive Income/(Expense) for the Period	5,389,168	1,784,036	
Earnings Per Share (Rs.)			
Basic Earnings per Share	1.19	0.40	193.3%

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF FINANCIAL POSITION

AS AT,	Unaudited 31-Dec-22 Rs.'000s	Unaudited 31-Dec-21 Rs.'000s	Audited 31-Mar-22 Rs.'000s
Non Current Assets			
Property, Plant and Equipment	4,595,470	4,955,748	4,839,134
Right-of-use Asset	1,146,491	1,204,030	1,398,847
Net Investment in Sub Lease	27,514	-	35,848
Other Non Current Financial Investment	1,238,346	2,113,222	1,611,699
	7,007,821	8,273,000	7,885,528
Current Assets			
Inventories	7,690,933	4,343,928	3,381,008
Other Receivables	2,862,197	3,597,747	2,107,585
Trade Receivables	3,508,250	2,882,463	4,126,084
Net Investment in Sub Lease	15,943		14,462
Amounts Due from Related Companies	796,656	675,993	596,101
Other Current Financial Investment	19,801	48,890	21,214
Cash and Cash Equivalents	8,090,727	644,806	7,027,682
	22,984,507	12,193,827	17,274,136
Total Assets	29,992,328	20,466,827	25,159,664
EQUITY AND LIABILITIES			
Capital and Reserve			
Stated Capital	3,000,000	3,000,000	3,000,000
Capital Reserve	1,673,243	2,566,614	2,046,591
Revenue Reserve	2,059,036	2,337,582	1,325,870
	6,732,279	7,904,196	6,372,461
Non Current Liabilities			
Deferred Tax Liabilities	1,523,149	1,583,059	1,523,150
Employee Benefits	171,649	251,774	175,007
Lease Liability	784,888	1,043,930	1,220,026
	2,479,686	2,878,763	2,918,183
Current Liabilities			
Trade and Other Payables	9,738,954	4,027,136	7,545,611
Amounts Due to Related Companies	129	-	24,021
Lease Liability	498,311	300,445	422,880
Taxes Payable	9,751,645	4,285,440	7,669,040
Interest Bearing Loans and Borrowings	-	800,000	10,000
Bank Overdrafts	791,324	270,847	197,468
	20,780,363	9,683,868	15,869,020
Total Equity and Liabilities	29,992,328	20,466,827	25,159,664
 Net Assets per Share (Rs.)	 1.46	 1.72	 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/-

C.R Jansz
Director

14th February 2023

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
Adjustment due to initial application of SLFRS 16							-
	3,000,000	1,754,636	107,882	10,000	537,217	3,671,541	9,081,276
Total Comprehensive Income for the Period							
Profit/(Loss) for the Period						5,835,382	5,835,382
Other Comprehensive Income							
Net Change in fair value of instruments measured at FVOCI	-	-	-	-	156,880	-	156,880
	-	-	-	-	156,880	5,835,382	5,992,262
Total Comprehensive Income for the Period	-	-					
Transactions with Owners directly recorded in the Equity							
Dividends paid during the Period	-	-	-	-	-	(7,169,342)	(7,169,342)
Total contributions by and distributions to owners	-	-	-	-	-	(7,169,342)	(7,169,342)
Balance as at 31st December 2021	3,000,000	1,754,636	107,882	10,000	694,097	2,337,581	7,904,196
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	-	-	-	-	-	13,930,456	13,930,456
Other Comprehensive Income							
Net Changes to Reserve	-	-	-	-	(373,348)	-	(373,348)
Surcharge Tax	-	-	-	-	-	(3,077,288)	(3,077,288)
	-	-	-	-	(373,348)	10,853,167	10,479,819
Dividend Paid	-	-	-	-	-	(10,120,000)	(10,120,000)
Balance as at 31st December 2022	3,000,000	1,754,636	107,882	10,000	(199,275)	2,059,037.31	6,732,279

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF CASH FLOWS

For the period ended 31st December 2022

	31-Dec-22	31-Dec-21
	Rs. '000	Rs. '000
Cash Generated from Operations		
Profit from operations	23,319,445	9,855,603
Adjustments for		
Gain on Sale of Property, Plant & Equipment	(2,000)	-
Depreciation and Amortization of PPE and Intangible Assets	379,333	362,091
Amortization of Right-of-Use Assets	252,356	88,984
(Gain) /Loss on Change in Fair Value of Financial Assets	-	(37,814)
Interest Income	(1,107,931)	(172,940)
Dividend Income	(3)	-
Interest Expenses	161,280	172,957
Revaluation Loss on Lands	-	(11,247)
Operating Profit before Working Capital Changes	23,002,479	10,257,635
Working Capital Changes		
(Increase)/Decrease in Trade & Other Receivables	7,354	826,766
(Increase)/Decrease in Inventories	(3,967,267)	296,874
(Increase)/Decrease in Amount Due from Related Companies	(224,577)	(55,993)
Increase/(Decrease) in Payables	(1,211,006)	(1,904,042)
Increase/(Decrease) in Amount Due to Related Companies	129	(4,681)
Cash Generated from Operations	17,607,112	9,416,558
Income Tax Paid	(5,902,522)	(4,579,399)
Surcharge Tax Paid	(3,077,288)	-
Retiring Gratuities paid	(3,358)	(1,856)
Net Cash Flows Generated from Operating Activities	8,623,943	4,835,303
Cash flow from Investing Activities		
Acquisition of Property, Plant & Equipment	(124,882)	(49,245)
Proceeds on Sale of Property, Plant & Equipment	2,400	-
Proceeds on Sale of Investments	-	19,089
Sub Lease Rental Income Received	10,351	-
Interest Received	955,614	166,661
Dividend Received	3	-
Net Cash Flows Generated from Investing Activities	843,486	136,505
Cash Flow from Financing Activities		
Finance Cost Paid	(161,280)	(2,126)
Lease Rent Paid	(563,492)	(165,006)
Loans Obtained during the period	-	4,235,000
Loans Paid during the period	-	(3,435,000)
Dividend Paid	(8,273,468)	(7,164,484)
Net Cash Flows Used in Financing Activities	(8,998,240)	(6,531,616)
Net (Decrease)/Increase in Cash and Cash Equivalanets During the Year	469,189	(1,559,808)
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	7,299,403	373,959
Analysis of Cash and Cash Equivalentants at the End of the Year		
Cash in Hand	13,840	5,277
Cash in Bank / Related Companies	7,894,418	534,653
Cash in Transit	182,469	104,875
Bank Overdraft	(791,324)	(270,847)
	7,299,403	373,959

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

	31-12-2022	31-12-2021	31-03-2022
Net Assets Value per Share - (Rs)	1.46	1.72	1.39
Market Price per Share - Last Traded (Rs)	13.20	17.00	13.60
- Highest (Rs)	15.50	19.10	19.30
- Lowest (Rs)	12.70	16.50	13.40

4. 4,600,000,000 ordinary shares represent the Stated Capital.
5. The float adjusted market capitalisation as at 31st December 2022 was Rs.1,986,151,200/-, The percentage of shares held by the public as at 31st December 2022 is 3.271% and the number of public shareholders as at 31st December 2022 was 12,491.
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.1.10 per voting share on 30th January 2023 amounting to Rs.5,060 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 – 31st December 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	21,543,141	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	3,100,000	0.07
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	PEOPLE'S 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	MR. M. SUNDARESAN	809,764	0.02
	Sub Total	4,549,057,833	98.89%
	Others Shareholders	50,942,167	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 **12,491**

Directors' Shareholdings – 31st December 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 (Deceased on 19.01.2023)	-	-
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 (Deceased on 19.01.2023)
Ms.D.S.T. Jayawardena (Appointed w.e.f 22.09.2022)
Mr.M.A.N.S. Perera (Appointed w.e.f 02.01.2023)
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 (Ika)'
National Long Term Rating with a Stable
Outlook by Fitch Ratings Lanka Limited.