

DISTILLERIES COMPANY OF SRI LANKA PLC



INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED

30th September 2023

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF COMPREHENSIVE INCOME

For the period ended 30th September

	2023 Rs. '000s Unaudited	2022 Rs. '000s Unaudited
Gross Revenue	57,292,345	62,434,214
Direct Taxes	(33,732,455)	(34,359,981)
Net Revenue	23,559,890	28,074,233
Cost of Sales	(10,861,793)	(13,013,766)
Gross Profit	12,698,097	15,060,468
Other Operating Income	39,919	43,219
Distribution Expenses	(546,776)	(470,498)
Administrative Expenses	(952,736)	(876,319)
Profit from Operations	11,238,505	13,756,869
Finance Income	776,306	588,327
Finance Cost	(81,987)	(104,002)
Net Finance Income/(Expense)	694,319	484,325
Profit before Tax from continued operations	11,932,824	14,241,195
Taxation	(4,824,983)	(5,770,854)
Profit for the period	7,107,842	8,470,341
Items that are or may be reclassified to Profit or Loss		
Net Change in fair Value of Available for Sale Financial Assets	654,426	(302,400)
Total Other Comprehensive Income/(Expense) for the Period	654,426	(302,400)
Total Comprehensive Income/(Expense) for the Period	7,762,269	8,167,940
Earnings Per Share (Rs.)		
Basic Earnings per Share	1.55	1.84

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF COMPREHENSIVE INCOME

For the Quarter ended 30th September

	2023 Rs.'000s Unaudited	2022 Rs.'000s Audited
Gross Revenue	27,549,611	30,035,318
Direct Taxes	(16,893,930)	(14,607,624)
Net Revenue	10,655,681	15,427,694
Cost of Sales	(5,117,763)	(7,219,447)
Gross Profit	5,537,918	8,208,248
Other Operating Income	23,463	19,252
Distribution Expenses	(345,719)	(232,510)
Administrative Expenses	(565,197)	(388,310)
Profit from Operations	4,650,466	7,606,680
Finance Income	282,528	370,965
Finance Cost	(39,151)	(51,103)
Net Finance Income/(Expense)	243,377	319,862
Profit before Tax from continued operations	4,893,843	7,926,543
Taxation	(2,028,618)	(3,196,067)
Profit for the Period	2,865,225	4,730,475
Items that are or may be reclassified to Profit or Loss		
Net Change in fair Value of Available for Sale Financial Assets	529,611	64,378
	529,611	64,378
Total Other Comprehensive Income/(Expense) for the Period	529,611	64,378
Total Comprehensive Income/(Expense) for the Period	3,394,837	4,794,853
Earnings Per Share (Rs.)		
Basic Earnings per Share	0.62	1.03

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF FINANCIAL POSITION

AS AT,	Unaudited 30-Sep-23 Rs.'000s	Unaudited 30-Sep-22 Rs.'000s	Audited 31-Mar-23 Rs.'000s
Non Current Assets			
Property, Plant and Equipment	4,230,586	4,630,711	4,481,728
Right-of-use Asset	753,498	1,225,745	938,924
Net Investment in Sub Lease	17,189	27,514	20,116
Other Non Current Financial Investment	2,554,905	1,309,353	1,900,485
	7,556,177	7,193,323	7,341,253
Current Assets			
Inventories	6,045,102	6,057,130	6,822,811
Trade Receivables	3,465,291	3,809,444	5,156,869
Other Receivables	4,388,593	2,918,844	4,421,020
Net Investment in Sub Lease	11,692	15,943	16,658
Amounts Due from Related Companies	4,023,000	626,185	4,480,764
Other Current Financial Investment	17,591	23,329	22,459
Cash and Cash Equivalents	1,004,821	5,814,365	1,451,212
	18,956,089	19,265,240	22,371,793
Total Assets	26,512,266	26,458,563	29,713,046
EQUITY AND LIABILITIES			
Capital and Reserve			
Stated Capital	3,000,000	3,000,000	3,000,000
Capital Reserve	2,989,802	1,744,190	2,335,377
Revenue Reserve	5,970,130	1,198,923	6,912,288
	11,959,932	5,943,113	12,247,665
Non Current Liabilities			
Deferred Tax Liabilities	1,247,771	1,523,149	1,232,074
Employee Benefits	299,123	172,554	313,168
Lease Liability	650,659	902,023	723,798
	2,197,553	2,597,726	2,269,040
Current Liabilities			
Trade and Other Payables	5,490,496	8,770,759	4,586,532
Amounts Due to Related Companies	22,177	5,067	24,714
Lease Liability	295,935	498,311	496,229
Taxes Payable	6,546,173	8,403,946	10,084,261
Interest Bearing Loans and Borrowings	-	-	4,605
Bank Overdrafts	-	239,637	-
	12,354,781	17,917,720	15,196,341
Total Equity and Liabilities	26,512,266	26,458,559	29,713,046
Net Assets per Share (Rs.)	2.60	1.29	2.66

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

13th November 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 2022	3,000,000	1,754,636	107,882	10,000	174,073	1,325,870	6,372,461
Adjustment due to initial application of SLFRS 16							-
	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/(Loss) for the Period	-	-	-	-	-	8,470,341	8,470,341
Other Comprehensive Income							
Net Change in fair value of instruments measured at FV	-	-	-	-	(302,401)	-	(302,401)
Surcharge Tax	-	-	-	-	-	(3,077,287)	(3,077,287)
	-	-	-	-	(302,401)	5,393,054	5,090,653
Total Comprehensive Income for the Period	-	-					
Transactions with Owners directly recorded in the Equity							
Dividends paid during the Period	-	-	-	-	-	(5,520,000)	(5,520,000)
Total contributions by and distributions to owners	-	-	-	-	-	(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
Balance as at 01st April 2023	3,000,000	1,754,635	107,882	10,000	462,858	6,912,290	12,247,665
Total Comprehensive Income for the Period							
Profit for the Period	-	-	-	-	-	7,107,841	7,107,841
Other Comprehensive Income							
Net Changes to Reserve	-	-	-	-	654,425	-	654,425
	-	-	-	-	654,425	7,107,841	7,762,267
Dividend Paid	-	-	-	-	-	(8,050,000)	(8,050,000)
Balance as at 30th September 2023	3,000,000	1,754,635	107,882	10,000	1,117,283	5,970,131.01	11,959,932

DISTILLERIES COMPANY OF SRI LANKA PLC

STATEMENTS OF CASH FLOWS

For the period ended 30th September 2023

	30-Sep-23	30-Sep-22
	Rs. '000	Rs. '000
Cash Generated from Operations		
Profit from operations	11,932,824	14,241,195
Adjustments for		
Gain on Sale of Property, Plant & Equipment	(2,600)	-
Depreciation and Amortization of PPE and Intangible Assets	260,222	250,093
Amortization of Right-of-Use Assets	168,238	173,102
(Gain) /Loss on Change in Fair Value of Financial Assets	(1,813)	(2,107)
Interest Income	(774,493)	(586,220)
Dividend Income	(2)	(3)
Interest Expenses	81,987	104,002
Revaluation Loss on Lands	(1,035)	-
Operating Profit before Working Capital Changes	11,663,327	14,180,062
Working Capital Changes		
(Increase)/Decrease in Trade & Other Receivables	5,621,867	(109,610)
(Increase)/Decrease in Inventories	777,709	(3,204,704)
(Increase)/Decrease in Amount Due from Related Companies	(3,194,762)	(301,105)
Increase/(Decrease) in Payables	(1,315,160)	(643,269)
Increase/(Decrease) in Amount Due to Related Companies	(10,039)	5,067
Cash Generated from Operations	13,542,942	9,926,441
Income Tax Paid	(6,281,917)	(3,031,677)
Retiring Gratuities paid	(14,045)	(2,453)
Net Cash Flows Generated from Operating Activities	7,246,980	3,815,023
Cash flow from Investing Activities		
Acquisition of Property, Plant & Equipment	-	(40,968)
Proceeds on Sale of Property, Plant & Equipment	2,600	-
Proceeds on Sale of Investments	7,724	-
Sub Lease Rental Income Received	10,351	5,175
Interest Received	691,371	33,847
Dividend Received	2	3
Net Cash Flows Generated from Investing Activities	712,047	(1,943)
Cash Flow from Financing Activities		
Finance Cost Paid	(389)	(1,288)
Lease Rent Paid	(355,029)	-
Dividend Paid	(8,050,000)	(3,216,936)
Net Cash Flows Used in Financing Activities	(8,405,418)	(3,218,224)
Net (Decrease)/Increase in Cash and Cash Equivalanets During the Year	(446,391)	(963,596)
Cash and Cash Equivalanets at the Beginning of the Year	1,451,212	6,830,067
Cash and Cash Equivalanets at the End of the period	1,004,821	5,866,471
Analysis of Cash and Cash Equivalentants at the End of the Year		
Cash in Hand	25,143	14,502
Cash in Bank / Related Companies	2,103,482	5,952,009
Cash in Transit	169,896	64,535
Bank Overdraft	(1,293,700)	(164,576)
	1,004,821	5,866,471

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

	30-09-2023	30-09-2022	31-03-2023
Net Assets Value per Share - (Rs)	2.60	1.29	2.66
Market Price per Share - Last Traded (Rs)	28.00	15.50	19.60
- Highest (Rs)	28.30	16.80	22.00
- Lowest (Rs)	20.70	12.80	12.90

4. 4,600,000,000 ordinary shares represent the Stated Capital.
5. The float adjusted market capitalisation as at 30th September 2023 was Rs.4,213,048,000/-, The percentage of shares held by the public as at 30th September 2023 is 3.271% and the number of public shareholders as at 30th September 2023 was 12,050.
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.1.43 per voting share on 03rd November 2023 amounting to Rs.6,578 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 2023.

DISTILLERIES COMPANY OF SRI LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS
10. Top 30 Shareholders – 30th September 2023

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	11,529,312	0.25
5	SEYLAN BANK PLC/ARRC CAPITAL (PVT) LTD	7,483,753	0.16
6	CEYLON GUARDIAN INVESTMENT TRUST PLC A/C # 02	6,944,799	0.15
7	CEYLON INVESTMENT PLC A/C # 02	6,868,923	0.15
8	MR. K. BALENDRA	4,826,023	0.10
9	MRS. L.E.M. YASEEN	4,578,967	0.10
10	MR. K.N.J. BALENDRA	4,021,157	0.09
11	MRS. S.M. CHRYSOSTOM	3,874,814	0.08
12	MR. M.H. RAOUF	3,120,000	0.07
13	EMFI CAPITAL LIMITED	2,700,000	0.06
14	STASSEN EXPORTS (PVT) LIMITED	2,505,718	0.05
15	DFCC BANK PLC/J N LANKA HOLDINGS COMPANY (PVT) LTD	2,254,720	0.05
16	MR. D. HASITHA S. JAYAWARDENA	2,231,505	0.05
17	ODYSSEY CAPITAL PARTNERS (PRIVATE) LIMITED	2,050,000	0.04
18	DEUTSCHE BANK AG AS TRUSTEE TO ASSETLINE INCOME PLUS GROWTH FUND	2,018,000	0.04
19	PEOPLE'S LEASING & FINANCE PLC/L.P.HAPANGAMA	1,932,428	0.04
20	J.B. COCOSHELL (PVT) LTD	1,931,635	0.04
21	UNION ASSURANCE PLC-UNIVERSAL LIFE FUND	1,807,019	0.04
22	HATTON NATIONAL BANK PLC/SUKTAM HOLDINGS (PVT) LTD	1,795,000	0.04
23	AIA INSURANCE LANKA LIMITED A/C NO.07	1,735,995	0.04
24	PEOPLES BANK	1,700,000	0.04
25	MCSEN RANGE PRIVATE LIMITED	1,617,737	0.04
26	DEUTSCHE BANK AG TRUSTEE TO LYNEAR WEALTH DYNAMIC OPPORTUNITIES FUND	1,558,500	0.03
27	MR. A.M. WEERASINGHE	1,500,000	0.03
28	MR. G.B.D. TILAKARATHNE	1,305,000	0.03
29	MELLON BANK N.A-ACADIAN FRONTIER MARKETS EQUITY FUND	1,260,077	0.03
30	MR. A.R. GUNASEKARA	1,200,000	0.03
	Sub Total	4,531,125,745	98.50
	Others Shareholders	68,874,255	1.50
	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

12,050

Directors' Shareholdings – 30th September 2023	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%
Ms. D. S. T. Jayawardena	11,437	0.00%
Mr.M.A.N.S. Perera	-	-
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
Ms.D.S.T. Jayawardena
Mr.M.A.N.S. Perera
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.