

DISTILLERIES COMPANY OF SRI LANKA PLC



INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED

31st December 2023

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF COMPREHENSIVE INCOME

For the period ended 31st December

	2023 Rs.'000s Unaudited	2022 Rs.'000s Unaudited
Gross Revenue	87,537,396	92,675,321
Direct Taxes	52,247,312	49,814,893
Net Revenue	35,290,084	42,860,428
Cost of Sales	(16,133,744)	(18,331,551)
Gross Profit	19,156,340	24,528,877
Other Operating Income	63,635	68,802
Distribution Expenses	(850,703)	(784,019)
Administrative Expenses	(1,542,166)	(1,439,445)
Profit from Operations	16,827,106	22,374,214
Finance Income	1,006,422	1,107,931
Finance Cost	(124,732)	(162,701)
Net Finance Income/(Expense)	881,689	945,230
Profit before Tax from continued operations	17,708,795	23,319,444
Taxation	(7,119,526)	(9,388,989)
Profit for the period	10,589,270	13,930,455
Items that are or may be reclassified to Profit or Loss		
Net Change in fair Value of Available for Sale Financial Assets	616,760	(373,347)
Total Other Comprehensive Income/(Expense) for the Period	616,760	(373,347)
Total Comprehensive Income/(Expense) for the Period	11,206,030	13,557,108
Earnings Per Share (Rs.)		
Basic Earnings per Share	2.30	3.03

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF COMPREHENSIVE INCOME

For the Quarter ended 31st December

	2023 Rs.'000s Unaudited	2022 Rs.'000s Unaudited
Gross Revenue	30,245,051	30,241,107
Direct Taxes	18,514,857	15,454,912
Net Revenue	11,730,194	14,786,195
Cost of Sales	(5,271,951)	(5,317,785)
Gross Profit	6,458,243	9,468,410
Other Operating Income	23,716	25,583
Distribution Expenses	(303,927)	(313,521)
Administrative Expenses	(589,430)	(563,126)
Profit from Operations	5,588,602	8,617,347
Finance Income	230,116	519,604
Finance Cost	(42,745)	(58,699)
Net Finance Income/(Expense)	187,370	460,905
Profit before Tax from continued operations	5,775,972	9,078,252
Taxation	(2,294,543)	(3,618,135)
Profit for the Period	3,481,429	5,460,116
Items that are or may be reclassified to Profit or Loss		
Net Change in fair Value of Available for Sale Financial Assets	(37,666)	(70,947)
Total Other Comprehensive Income/(Expense) for the Period	(37,666)	(70,947)
Total Comprehensive Income/(Expense) for the Period	3,443,763	5,389,169
Earnings Per Share (Rs.)		
Basic Earnings per Share	0.76	1.19

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF FINANCIAL POSITION

AS AT,	Unaudited 31-Dec-23 Rs.'000s	Unaudited 31-Dec-22 Rs.'000s	Audited 31-Mar-23 Rs.'000s
Non Current Assets			
Property, Plant and Equipment	4,174,406	4,595,470	4,481,728
Right-of-use Asset	673,325	1,146,491	938,924
Net Investment in Sub Lease	15,189	27,514	20,116
Other Non Current Financial Investment	2,375,740	1,238,346	1,900,485
	7,238,660	7,007,821	7,341,253
Current Assets			
Inventories	6,075,382	7,690,933	6,822,811
Trade Receivables	5,204,107	2,862,197	5,156,869
Other Receivables	3,176,960	3,508,250	4,421,020
Net Investment in Sub Lease	9,746	15,943	16,658
Amounts Due from Related Companies	1,513,514	6,521,656	4,480,764
Other Current Financial Investment	16,230	19,801	22,459
Cash and Cash Equivalents	2,490,979	2,365,727	1,451,212
	18,486,918	22,984,507	22,371,793
Total Assets	25,725,578	29,992,328	29,713,046
EQUITY AND LIABILITIES			
Capital and Reserve			
Stated Capital	3,000,000	3,000,000	3,000,000
Capital Reserve	2,952,135	1,673,243	2,335,377
Revenue Reserve	2,873,558	2,059,036	6,912,288
	8,825,693	6,732,279	12,247,665
Non Current Liabilities			
Deferred Tax Liabilities	1,198,329	1,523,149	1,232,074
Employee Benefits	295,865	171,649	313,168
Lease Liability	543,313	784,888	723,798
	2,037,507	2,479,686	2,269,040
Current Liabilities			
Trade and Other Payables	5,346,230	9,738,954	4,586,532
Amounts Due to Related Companies	8	129	24,714
Lease Liability	266,355	498,311	496,229
Taxes Payable	7,871,815	9,751,645	10,084,261
Interest Bearing Loans and Borrowings	-	-	4,605
Bank Overdrafts	1,377,970	791,324	-
	14,862,378	20,780,363	15,196,341
Total Equity and Liabilities	25,725,578	29,992,328	29,713,046
Net Assets per Share (Rs.)	1.92	1.46	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/-

C.R Jansz
Director

sgd/-

Dr.A.N.Balasuriya
Director

12th February 2024

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
Total Comprehensive Income for the Period	3,000,000	1,754,636	107,882	10,000	174,073	1,325,870	6,372,461
Profit/(Loss) for the Period	-	-	-	-	-	13,930,456	13,930,456
Other Comprehensive Income							
Net Change in fair value of instruments measured at FVOCI	-	-	-	-	(373,348)	-	(373,348)
Surcharge Tax	-	-	-	-	-	(3,077,288)	(3,077,288)
	-	-	-	-	(373,348)	10,853,168	10,479,820
Total Comprehensive Income for the Period							
Transactions with Owners directly recorded in the Equity							
Dividends paid during the Period	-	-	-	-	-	(10,120,000)	(10,120,000)
Total contributions by and distributions to owners	-	-	-	-	-	(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	6,732,280
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	-	-	-	-	-	10,589,269	10,589,269
Other Comprehensive Income							
Net Changes to Reserve	-	-	-	-	616,759	-	616,759
	-	-	-	-	616,759	10,589,269	11,206,028
Dividend Paid	-	-	-	-	-	(14,628,000)	(14,628,000)
Balance as at 31st December 2023	3,000,000	1,754,635	107,882	10,000	1,079,617	2,873,558.63	8,825,693

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF CASH FLOWS

For the period ended 31st December 2023

	31-Dec-23	31-Dec-22
	Rs. '000	Rs. '000
Cash Generated from Operations		
Profit from operations	17,708,795	23,319,445
Adjustments for		
Gain on Sale of Property, Plant & Equipment	(4,600)	(2,000)
Depreciation and Amortization of PPE and Intangible Assets	390,581	379,333
Amortization of Right-of-Use Assets	252,356	252,356
(Gain) /Loss on Change in Fair Value of Financial Assets	(452)	-
Interest Income	(1,005,969)	(1,107,931)
Dividend Income	(2)	(3)
Interest Expenses	124,732	161,280
Revaluation Loss on Lands	(1,035)	-
Operating Profit before Working Capital Changes	17,464,406	23,002,480
Working Capital Changes		
(Increase)/Decrease in Trade & Other Receivables	5,183,834	7,354
(Increase)/Decrease in Inventories	747,429	(3,967,267)
(Increase)/Decrease in Amount Due from Related Companies	(707,453)	(5,949,577)
Increase/(Decrease) in Payables	(240,701)	(1,211,006)
Increase/(Decrease) in Amount Due to Related Companies	(10,031)	129
Cash Generated from Operations	22,437,484	11,882,113
Income Tax Paid	(8,494,925)	(5,902,522)
Surcharge Tax Paid	-	(3,077,288)
Retiring Gratuities paid	(17,303)	(3,358)
Net Cash Flows Generated from Operating Activities	13,925,255	2,898,945
Cash flow from Investing Activities		
Acquisition of Property, Plant & Equipment	(5,000)	(124,882)
Proceeds on Sale of Property, Plant & Equipment	4,600	2,400
Sub Lease Rental Income Received	15,526	10,351
Net (acquisitions) of Other Financial Investments	(58,502)	-
Interest Received	927,824	955,614
Dividend Received	2	3
Net Cash Flows Generated from Investing Activities	884,450	843,486
Cash Flow from Financing Activities		
Finance Cost Paid	(2,336)	(161,280)
Lease Rent Paid	(532,753)	(563,492)
Loans Obtained during the period	2,805,000	-
Loans Paid during the period	(2,805,000)	-
Dividend Paid	(14,612,819)	(8,273,468)
Net Cash Flows Used in Financing Activities	(15,147,908)	(8,998,240)
Net (Decrease)/Increase in Cash and Cash Equivalanets During the Year	(338,203)	(5,255,809)
Cash and Cash Equivalanets at the Beginning of the Year	1,451,212	6,830,212
Cash and Cash Equivalanets at the End of the period	1,113,009	1,574,403
Analysis of Cash and Cash Equivalentants at the End of the Year		
Cash in Hand	13,053	13,840
Cash in Bank / Related Companies	2,230,241	2,169,418
Cash in Transit	247,685	182,469
Bank Overdraft	(1,377,970)	(791,324)
	1,113,009	1,574,404

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

	31-12-2023	31-12-2022	31-03-2023
Net Assets Value per Share - (Rs)	1.92	1.46	2.66
Market Price per Share - Last Traded (Rs)	28.00	13.20	19.60
- Highest (Rs)	29.00	15.50	22.00
- Lowest (Rs)	24.90	12.70	12.90

4. 4,600,000,000 ordinary shares represent the Stated Capital.
5. The float adjusted market capitalisation as at 31st December 2023 was Rs.4,213,048,000/-, The percentage of shares held by the public as at 31st December 2023 is 3.271% and the number of public shareholders as at 31st December 2023 was 12,143.
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**
DCSL has acquired the control of DCSL Breweries Ltd. (former known as Heineken Lanka Limited), after the Balance Sheet Date.
8. **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

9. Top 30 Shareholders – 31st December 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	SEYLAN BANK PLC/ARRC CAPITAL (PVT) LTD	13,320,005	0.29
5	RUBBER INVESTMENT TRUST LTD A/C NO 01	11,466,616	0.25
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	MR. K.N.J. BALENDRA	4,021,157	0.09
10	MRS. L.E.M. YASEEN	4,000,000	0.09
11	MRS. S.M. CHRYSOSTOM	3,874,814	0.08
12	MR. M.H. RAOUF	3,350,000	0.07
13	EMFI CAPITAL LIMITED	2,847,262	0.06
14	STASSEN EXPORTS (PVT) LIMITED	2,505,718	0.05
15	PERERA AND SONS BAKERS PVT LIMITED	2,500,000	0.05
16	Mr. D. Hasitha S. Jayawardena	2,231,505	0.05
17	MR. A.R. GUNASEKARA	2,219,999	0.05
18	ODYSSEY CAPITAL PARTNERS (PRIVATE) LIMITED	2,050,000	0.04
19	MELLON BANK N.A-ACADIAN FRONTIER MARKETS EQUITY FUND	2,027,797	0.04
20	PEOPLE'S LEASING & FINANCE PLC/L.P.HAPANGAMA	1,932,428	0.04
21	UNION ASSURANCE PLC-UNIVERSAL LIFE FUND	1,894,360	0.04
22	DEUTSCHE BANK AG TRUSTEE TO LYNEAR WEALTH DYNAMIC OPPORTUNITIES FUN	1,848,419	0.04
23	DFCC BANK PLC/J N LANKA HOLDINGS COMPANY (PVT) LTD	1,740,504	0.04
24	AIA INSURANCE LANKA LIMITED A/C NO.07	1,735,995	0.04
25	PEOPLES BANK	1,700,000	0.04
26	MCSEN RANGE PRIVATE LIMITED	1,617,737	0.04
27	MR. A.M. WEERASINGHE	1,500,000	0.03
28	J.B. COCOSHELL (PVT) LTD	1,346,910	0.03
29	MR. D.C.D.L.S.D. PERERA	1,076,758	0.02
30	JAFFERJEE BROTHERS EXPORTS (PRIVATE)LIMITED	1,000,000	0.02
	Sub Total	4,537,222,392	98.64
	Others Shareholders	62,777,608	1.36
	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 **12,143**

Directors' Shareholdings – 31st December 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)-Ceased to be a Director w.e.f 01.01.2024	-	-

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

Dr.R.A.Fernando (Appointed w.e.f 06.02.2024)

Ms.V.J.Senaratne (Alternate Director to Mr. K.J. Kahanda)-Ceased to be a Director w.e.f 01.01.2024

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.