

DISTILLERIES COMPANY OF SRI LANKA PLC



INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED

30th June 2018

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF COMPREHENSIVE INCOME

For the Quarter ended 30th June 2018

	2018 Rs.'000s Unaudited	2017 Rs.'000s Unaudited	Variance %
Gross Revenue	19,197,215	21,342,918	-10.1%
Net Revenue	6,428,416	6,690,103	-3.9%
Cost of Sales	(4,212,485)	(5,261,963)	-19.9%
Gross Profit	2,215,931	1,428,140	55.2%
Other Operating Income	31,054	52,386	-40.7%
Distribution Expenses	(147,360)	(120,125)	22.7%
Administrative Expenses	(219,858)	(222,672)	-1.3%
Profit from Operations	1,879,767	1,137,729	65.2%
Finance Income	30,515	29,982	1.8%
Finance Cost	(85,478)	(160,978)	-46.9%
Net Finance Income/(cost)	(54,963)	(130,996)	-58.0%
Profit before Tax from continued operations	1,824,804	1,006,732	81.3%
Taxation	(760,846)	(427,485)	78.0%
Profit after Tax from continued operations for the Period	1,063,958	579,248	83.7%
	1,063,958	579,248	83.7%
Loss of control in subsidiaries	-	-	
Profit for the period	1,063,958	579,248	
Other Comprehensive Income			
Net Change in fair Value of Available for Sale Financial Assets	(220,555)	195,319	-212.9%
Acturial Gain/(Losses) on retirement benefit obligations	-	-	0.0%
Tax on Other Comprehensive Income			
Total Other Comprehensive Income	(220,555)	195,319	
Total Comprehensive Income for the Period	843,403	774,567	
Earnings Per Share (Rs.)			
Basic Earnings per Share	0.23	1.93	88.0%

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF FINANCIAL POSITION

AS AT, 30th June 2018	Unaudited 30-Jun-18 Rs.'000s	Unaudited 30-Jun-17 Rs.'000s	Unaudited 31-Mar-18 Rs.'000s
Non Current Assets			
Property, Plant and Equipment	5,659,394	6,411,334	5,796,136
Investment in Subsidiaries	-	64	-
Investment in Equity Accounted Investees	-	28,704	-
Intangible Assets	-	5,246	-
Other Non Current Financial Investment	3,301,352	3,970,051	3,500,240
Debentures	-	422,877	-
Deferred Tax Assets	-	-	-
	8,960,746	10,838,276	9,296,377
Current Assets			
Inventories	4,385,968	5,036,120	4,694,530
Trade and Other Receivables	5,666,842	5,677,608	8,909,438
Amounts Due from Related Companies	460,977	2,733,922	898,330
Other Current Financial Investment	49,918	37,581	51,952
Cash and Cash Equivalents	525,265	479,429	689,825
	11,088,970	13,964,660	15,244,074
Total Assets	20,049,716	24,802,936	24,540,452
EQUITY AND LIABILITIES			
Capital and Reserve			
Stated Capital	3,000,000	300,000	3,000,000
Pending Allotment	-	20,000,000	-
Capital Reserve	2,997,827	11,937,526	3,218,381
Revenue Reserve	596,915	(29,236,705)	(467,042)
	6,594,742	3,000,821	5,751,339
Non Current Liabilities			
Deferred Tax Liabilities	1,807,396	1,211,015	1,807,396
Employee Benefits	125,715	112,517	129,349
	1,933,111	1,323,532	1,936,745
Current Liabilities			
Trade and Other Payables	7,070,842	7,903,699	9,208,401
Amounts Due to Related Companies	561,770	3,528,238	1,228,070
Income Tax Payable	949,762	702,091	896,137
Bank Overdrafts and Other Short Term Borrowings	2,939,490	8,344,555	5,519,761
	11,521,863	20,478,583	16,852,367
Total Equity and Liabilities	20,049,716	24,802,936	24,540,452
 Net Assets per Share (Rs.)	 1.43	 0.65	 1.25

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 August 2018

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF CHANGES IN EQUITY

	Stated capital Rs.'000	Pending Allotment Rs.'000	Revaluation reserve Rs.'000	Capital reserve Rs.'000	General reserve Rs.'000	Available for sale reserve Rs.'000	Retained earnings/(losses) Rs.'000	Total Rs.'000
Balance as at 1st April 2017 (UnAudited)	300,000	20,000,000.00	1,696,692	107,882	8,210,000	1,711,030	(29,790,745)	2,234,859
Super Gain Tax Paid	-	-	-	-	-	-	-	-
	300,000	20,000,000.00	1,696,692	107,882	8,210,000	1,711,030	(29,790,745)	2,234,859
Total Comprehensive Income for the Year								
Profit/(Loss) for the Year	-	-	-	-	-	-	4,350,213	4,350,213
Share Allocation	20,000,000	(20,000,000)	-	-	-	-	-	-
Tranfers	(17,300,000)	-	-	-	-	-	17,300,000	-
Tranfers	-	-	-	-	(8,200,000)	-	8,200,000	-
Other Comprehensive Income								
Net Changes to Reserve	-	-	-	-	-	288,179	-	288,179
Acturial gain/(losses) on Employee Benefits	-	-	-	-	-	-	-	-
Revaluation of Property, Plant and Equipment	-	-	(595,401)	-	-	-	-	-
Tax on Other Comprehensive Income	-	-	-	-	-	-	(1,511)	(1,511)
Total Comprehensive Income for the Year	2,700,000	(20,000,000)	(595,401)	-	(8,200,000)	288,179	29,848,702	4,636,881
Dividend Paid	-	-	-	-	-	-	(525,000)	(525,000)
Pending Allotement	-	-	-	-	-	-	-	-
Balance as at 31st March 2018	3,000,000	-	1,101,291	107,882	10,000	1,999,209	(467,043)	5,751,339
Balance as at 01st April 2018	3,000,000	-	1,101,291	107,882	10,000	1,999,209	(467,043)	5,751,339
Total Comprehensive Income for the Year								
Profit for the Year	-	-	-	-	-	-	1,063,958	1,063,958
Share Allocation	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
Other Comprehensive Income								
Net Changes to Reserve	-	-	-	-	-	(220,555)	-	(220,555)
Defined Benefit Plan	-	-	-	-	-	-	-	-
	-	-	-	-	-	(220,555)	1,063,958	843,403
Dividend Paid	-	-	-	-	-	-	-	-
Balance as at 30th June 2018	3,000,000	-	1,101,291	107,882	10,000	1,778,655	596,915	6,594,742

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF CASH FLOWS

For the quarter ended 30th June 2018

	30-Jun-18 Rs. '000	30-Jun-17 Rs. '000
Cash Generated from Operations		
Profit from operations	1,824,804	1,006,735
Adjustments for		
Depreciation	136,742	139,948
Provision for Retiring Gratuity	-	-
Interest Expenses	83,443	152,121
Interest Income	(30,515)	(29,982)
Dividend Income	(2)	(594)
(Gain)/ Loss on Disposal of P.P.E	-	-
Reversal/provision for Fall in value of Investments	2,036	8,857
(Gain) /Loss on Disposal of Share	-	-
(Gain) /Loss on Disposal of Treasury Bills	-	-
Provision for Bad Debts	-	-
Operating Profit before Working Capital Changes	2,016,506	1,277,085
(Increase)/Decrease in Inventories	308,561	(593,930)
(Increase)/Decrease in Receivables	3,660,123	(364,180)
Increase/(Decrease) in Payables	(2,803,859)	(341,079)
Cash flows from Operating Activities	3,181,332	(22,104)
Interest paid	(83,077)	(152,121)
Income Tax paid	(707,221)	(647,025)
Retiring Gratuity paid	-	(9,714)
Net Cash flows from Operating Activities	2,391,034	(830,964)
Cash flows from Investing Activities		
Acquisition of Subsidiary	-	-
Acquisition of Property Plant and Equipment	-	(131)
Purchase of Shares and Other Investments	-	-
Net Proceeds from Disposal of AFS	-	-
Dividends Received	2	594
Proceeds on Disposal of Property Plant and Equipment	-	-
Interest Received	24,910	23,625
Cash flows from Financing Activities	24,912	24,088
Repayment of Loans	-	-
Cash Received in Terms of Shares (Pending Allotment)	-	-
Dividend paid	(237)	(142)
Redemption/ (Investment) of Debentures	-	-
	(237)	(142)
Cash and Cash Equivalents		
At the Beginning of the year	(4,829,934)	(7,058,108)
Net Movement during the period	2,415,710	(807,018)
	(2,414,225)	(7,865,126)
At the End of the year		
Cash in Transit	182,332	96,812
Cash in Hand and Bank	342,933	382,617
Bank Over Draft	(239,490)	(1,074,555)
Bank & Other Borrowings	(2,700,000)	(7,270,000)
	(2,414,225)	(7,865,126)

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

		30-06-2018	30-06-2017	31-03-2018
Net Assets Value per Share	- (Rs)	1.43	0.65	1.25
Market Price per Share	- Last Traded Rs)	20.90	N/A*	N/A*
	- Highest (Rs)	21.00	N/A*	N/A*
	- Lowest (Rs)	20.30	N/A*	N/A*

*Shares of Distilleries Company of Sri Lanka PLC's were not trading at Colombo Stock Exchange from 30.09.2016 to 31.03.2018 due to the restructure process. Therefore market prices were not available.

4 4,600,000,000 ordinary shares represent the Stated Capital.

5 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.

6 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 2017.

DISTILLERIES COMPANY OF SRI LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

7 Top 20 Shareholders – 30th June 2018

RANK	NAME	NO OF SHARES	%
1	MELSTACORP PLC	4,224,313,794	91.833
2	MILFORD EXPORTS (CEYLON) (PVT) LIMITED	147,520,592	3.207
3	LANKA MILK FOODS (CWE) LIMITED	44,991,407	0.978
4	MR. M.A. YASEEN	25,924,620	0.564
5	COMMERCIAL BANK OF CEYLON PLC/L.E.M.YASEEN	15,466,666	0.336
6	CITIBANK NEWYORK S/A NORGES BANK ACCOUNT 2	14,706,431	0.320
7	BNYMSANV RE-NEON LIBERTY LORIKEET MASTER FUND LP	12,077,595	0.263
8	CACEIS BANK, LUXEMBOURG BRANCH-BARCA GLOBAL MASTER FUND LP	8,093,126	0.176
9	NORTHERN TRUST COMPANY S/A KUROTO FUND LP	6,933,478	0.151
10	MRS. L.E.M. YASEEN	5,977,777	0.130
11	COMMERCIAL BANK OF CEYLON PLC/M.A.YASEEN	4,740,740	0.103
12	LAHUGALA PLANTATION (PRIVATE) LIMITED	4,379,922	0.095
13	MRS. S.M. CHRYSOSTOM	3,374,814	0.073
14	BNYMSANV RE-CONSILIUM FRONTIER EQUITY FUND,L.P.	3,081,895	0.067
15	STASSEN EXPORTS (PVT) LIMITED	2,505,718	0.054
16	MR. D.H.S. JAYAWARDENA	2,231,505	0.049
17	MR. M.H. RAOUF	2,110,444	0.046
18	HSBC INTL NOM LTD-SSBT-PARAMETRIC EMERGING MARKETS FUND	1,996,476	0.043
19	HSBC INTL NOM LTD-SSBT-PARAMETRIC TAX-MANAGED EMERGING MARKETS FUND	1,837,926	0.040
20	MCSSEN RANGE PRIVATE LIMITED	1,617,737	0.035
		4,533,882,663	98.563
	Others	66,117,337	1.437
	TOTAL	4,600,000,000	100.000

Percentage of Shares held by the public	3.256%
Total No. of share holders who hold the public holding	10,976

Directors' Shareholdings – 30th June 2018

	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	0.049
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.