

DISTILLERIES COMPANY OF SRI LANKA PLC



INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED

31st December 2020

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF COMPREHENSIVE INCOME

<i>For the 09 months ended 31st December 2020</i>	2020 Rs. '000s Unaudited	2019 Rs. '000s Unaudited	Variance %
Gross Revenue	66,230,280	62,591,522	5.8%
Net Revenue	21,447,552	21,881,987	-2.0%
Cost of Sales	(10,996,895)	(13,065,821)	-15.8%
Gross Profit	10,450,657	8,816,166	18.5%
Other Operating Income	188,968	124,687	51.6%
Distribution Expenses	(416,594)	(445,801)	-6.6%
Administrative Expenses	(765,479)	(903,698)	-15.3%
Profit from Operations	9,457,551	7,591,354	24.6%
Finance Income	92,464	67,300	37.4%
Finance Cost	(136,379)	(173,515)	-21.4%
Net Finance Income/(Expense)	(43,915)	(106,215)	-58.7%
Profit before Tax from continued operations	9,413,636	7,485,139	25.8%
Taxation	(3,789,818)	(3,010,736)	25.9%
Profit for the period	5,623,818	4,474,403	25.7%
Other Comprehensive Income/(Expense)			
Items that are or may be reclassified to Profit or Loss			
Net Change in fair Value of Available for Sale Financial Assets	(570,708)	(27,566)	
Total Other Comprehensive Income/(Expense) for the Period	(570,708)	(27,566)	1970.3%
Total Comprehensive Income/(Expense) for the Period	5,053,110	4,446,837	
Earnings Per Share (Rs.)			
Basic Earnings per Share	1.22	0.97	25.7%

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF COMPREHENSIVE INCOME

For the Quarter ended 31 st December 2020	2020 Rs.'000s Unaudited	2019 Rs.'000s Audited	Variance %
Gross Revenue	26,153,435	22,228,832	17.7%
Net Revenue	7,469,672	7,578,137	-1.4%
Cost of Sales	(3,823,990)	(4,575,408)	-16.4%
Gross Profit	3,645,682	3,002,729	21.4%
Other Operating Income	23,834	3,837	521.2%
Distribution Expenses	(148,795)	(157,515)	-5.5%
Administrative Expenses	(290,674)	(355,199)	-18.2%
Profit from Operations	3,230,046	2,493,852	29.5%
Finance Income	67,652	39,022	73.4%
Finance Cost	(19,389)	(56,182)	-65.5%
Net Finance Income/(Expense)	48,263	(17,160)	-381.2%
Profit before Tax from continued operations	3,278,309	2,476,692	32.4%
Taxation	(1,260,366)	(1,003,170)	25.6%
Profit for the Period	2,017,943	1,473,522	36.9%
Other Comprehensive Income			
Net Change in fair Value of Available for Sale Financial Assets	17,333	233,850	-92.6%
Total Other Comprehensive Income	17,333	233,850	
Total Comprehensive Income for the period	2,035,276	1,707,372	19.2%
Earnings Per Share (Rs.)			
Basic Earnings per Share	0.44	0.32	36.9%

DISTILLERIES COMPANY OF SRI LANKA PLC
STATEMENTS OF FINANCIAL POSITION

AS AT,	Unaudited 31-Dec-20 Rs.'000s	Unaudited 31-Dec-19 Rs.'000s	Audited 31-Mar-20 Rs.'000s
Non Current Assets			
Property, Plant and Equipment	5,368,591	5,900,573	5,670,603
Right-of-use Asset	1,892,366	-	1,892,367
Other Non Current Financial Investment	1,942,479	2,412,500	2,490,840
	9,203,438	8,313,073	10,053,810
Current Assets			
Inventories	4,584,332	6,454,461	4,733,605
Trade and Other Receivables	6,104,254	6,650,377	4,972,123
Amounts Due from Related Companies	660,626	530,395	804,252
Other Current Financial Investment	63,992	71,972	71,966
Cash and Cash Equivalents	1,328,996	621,793	242,171
	12,742,200	14,328,998	10,824,117
Total Assets	21,945,638	22,642,071	20,877,927
EQUITY AND LIABILITIES			
Capital and Reserve			
Stated Capital	3,000,000	3,000,000	3,000,000
Capital Reserve	2,435,360	2,962,231	3,006,066
Revenue Reserve	2,092,804	(369,680)	889,739
	7,528,164	5,592,551	6,895,805
Non Current Liabilities			
Deferred Tax Liabilities	1,785,178	2,035,571	1,785,179
Employee Benefits	178,920	151,739	211,734
Lease Liability	1,665,537	-	1,665,087
	3,629,636	2,187,310	3,662,000
Current Liabilities			
Trade and Other Payables	3,802,612	4,346,712	3,452,804
Amounts Due to Related Companies	2,207	1,128	26,111
Lease Liability	295,495	-	354,945
Taxes Payable	4,940,002	5,177,669	1,298,483
Interest Bearing Loans and Borrowings	1,500,000	5,279,600	5,187,778
Bank Overdrafts	247,524	57,101	1
	10,787,838	14,862,210	10,320,122
Total Equity and Liabilities	21,945,638	22,642,071	20,877,927
Net Assets per Share (Rs.)	1.64	1.86	1.50

The above unaudited figures are provisional and subject to audit.

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

11th February 2021

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 2019 (UnAudited)	3,000,000	1,754,636	107,882	10,000	1,117,279	1,832,633	7,822,430
Super Gain Tax Paid							
	3,000,000	1,754,636	107,882	10,000	1,117,279	1,832,633	7,822,430
Total Comprehensive Income for the Year							
Profit/(Loss) for the Year	-	-	-	-	-	4,474,403	4,474,403
Other Comprehensive Income							
Net Changes to Reserve	-	-	-	-	(27,566)	-	(27,566)
	-	-	-	-	(27,566)	4,474,403	4,446,837
Total Comprehensive Income for the Year							
Transactions with Owners directly recorded in the Equity							
Dividends paid during the year	-	-	-	-	-	(6,676,716)	(6,676,716)
Total contributions by and distributions to owners	-	-	-	-	-	(6,676,716)	(6,676,716)
Balance as at 31st December 2019	3,000,000	1,754,636	107,882	10,000	1,089,713	(369,680)	5,592,551
Balance as at 01st April 2020	3,000,000	1,754,636	107,882	10,000	1,133,548	889,739	6,895,805
Total Comprehensive Income for the Year							
Profit for the Year	-	-	-	-	-	5,623,818	5,623,818
Other Comprehensive Income							
Net Changes to Reserve	-	-	-	-	(570,708)	-	(570,708)
	-	-	-	-	(570,708)	5,623,818	5,053,111
Dividend Paid	-	-	-	-	-	(4,420,752)	(4,420,752)
Balance as at 31st December 2020	3,000,000	1,754,636	107,882	10,000	562,840	2,092,804	7,528,164

DISTILLERIES COMPANY OF SRI LANKA PLC

STATEMENTS OF CASH FLOWS

For the Quarter ended 31st December 2020

	31-Dec-20	31-Dec-19
	Rs. '000	Rs. '000
Cash Generated from Operations		
Profit from operations	9,213,636	7,485,140
Adjustments for		
Depreciation	365,688	410,424
Interest Expenses	106,379	202,114
Interest Income	(89,470)	(67,300)
Dividend Income	(87,237)	(49,648)
(Gain)/ Loss on Disposal of P.P.E	(7,130)	(4,610)
Reversal/provision for Fall in value of Investments	(2,993)	(28,600)
(Gain) /Loss on Disposal of Share	(2,202)	-
Operating Profit before Working Capital Changes	9,496,670	7,947,520
(Increase)/Decrease in Inventories	133,183	(1,699,710)
(Increase)/Decrease in Receivables	(740,601)	4,065,440
Increase/(Decrease) in Payables	2,625,864	(316,979)
Cash flows from Operating Activities	11,515,116	9,996,271
Interest paid	(105,358)	(186,436)
Income Tax paid	(2,547,159)	(3,743,568)
Retiring Gratuity paid	(32,814)	(14,140)
Net Cash flows from Operating Activities	8,829,784	6,052,126
Cash flows from Investing Activities		
Acquisition of Property Plant and Equipment	(91,611)	(78,669)
Dividends Received	87,237	37,787
Proceeds on Disposal of Property Plant and Equipment	7,130	4,610
Interest Received	65,857	66,357
Cash flows from Financing Activities	68,613	30,085
Loans Obtained During the Period	27,375,000	50,502,000
Repayment of Loans	(31,034,090)	(49,812,400)
Dividend paid	(4,400,001)	(6,665,061)
Net Cash Flow Used in Financing Activities	(8,059,092)	(5,975,461)
Cash and Cash Equivalents		
At the Beginning of the period	242,166	457,941
Net Movement during the period	839,305	106,751
	1,081,472	564,692
At the End of the period		
Cash in Transit	113,998	95,884
Cash in Hand and Bank	1,214,997	525,909
Bank Over Draft	(247,524)	(57,101)
Bank & Other Borrowings	-	-
	1,081,472	564,692

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

	31-12-2020	31-12-2019	31-03-2020
Net Assets Value per Share - (Rs)	1.64	1.86	1.50
Market Price per Share - Last Traded (Rs)	20.50	18.50	13.00
- Highest (Rs)	22.00	20.50	18.80
- Lowest (Rs)	16.20	15.70	12.80

4. 4,600,000,000 ordinary shares represent the Stated Capital.
5. The float adjusted market capitalisation as at 31st December 2020 was Rs.3,069,465,000/-, The percentage of shares held by the public as at 31st December 2020 is 3.255% and the number of public shareholders as at 31st December 2020 was 11,510.
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. 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 2020.

DISTILLERIES COMPANY OF SRI LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

9. Top 20 Shareholders – 31st December 2020

RANK	NAME	NO OF SHARES	%
1	MELSTACORP PLC	4,253,009,164	92.46
2	MILFORD EXPORTS (CEYLON) (PVT) LIMITED	147,520,592	3.21
3	LANKA MILK FOODS (CWE) LIMITED	44,991,407	0.98
4	MR. M.A. YASEEN	25,924,620	0.56
5	RUBBER INVESTMENT TRUST LTD A/C NO 01	15,653,921	0.34
6	COMMERCIAL BANK OF CEYLON PLC/L.E.M.YASEEN	15,466,666	0.34
7	CEYLON INVESTMENT PLC A/C # 02	6,439,727	0.14
8	CEYLON GUARDIAN INVESTMENT TRUST PLC A/C # 02	6,384,960	0.14
9	MRS. L.E.M. YASEEN	5,978,334	0.13
10	COMMERCIAL BANK OF CEYLON PLC/M.A.YASEEN	4,740,740	0.10
11	J.B. COCOSHELL (PVT) LTD	4,478,919	0.10
12	MRS. S.M. CHRYSOSTOM	3,374,814	0.07
13	HATTON NATIONAL BANK PLC-NDB WEALTH GROWTH AND INCOME FUND	2,881,243	0.06
14	HATTON NATIONAL BANK PLC A/C NO.4 (HNB RETIREMENT PENSION FUND)	2,653,392	0.06
15	MR. M.H. RAOUF	2,510,000	0.05
16	STASSEN EXPORTS (PVT) LIMITED	2,505,718	0.05
17	AIA INSURANCE LANKA LIMITED A/C NO.07	2,360,000	0.05
18	MR.D.HASITHA.S. JAYAWARDENA	2,231,505	0.05
19	ASKOLD (PRIVATE) LIMITED	2,050,000	0.04
20	SANDWAVE LIMITED	1,736,463	0.04
	Sub Total	4,552,892,185	98.98%
	Others Shareholders	47,107,815	1.02%
	TOTAL	4,600,000,000	100.00%

Percentage of Shares held by the public **3.255%**

Total No. of share holders who hold the public holding **11,510**

Directors' Shareholdings – 31st December 2020	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	0.05%
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 (Ika)'
National Long Term Rating with a Stable
Outlook by Fitch Ratings Lanka Limited.