

# **Ceylon Beverage Holdings PLC**

*Interim Condensed Financial Statements  
for the First Quarter ended  
30th June 2023*

## **CEYLON BEVERAGE HOLDINGS PLC**

### **Review**

The period January to 1st July witnessed an excise tax increase of 44% across the alcobev industry resulting in a 19% contraction of volume compared to the corresponding period last year. Overall beer volumes dropped by 15% compared to 2022, which was impacted by severe disruptions. All segments in the alcobev space showed a similar trend. The main beneficiary of the lost volume has been the illicit sector with the players expanding their presence and exploiting the price increase in legal alcohol. Overall, since the beginning of this year government excise revenues plummeted by 7.8 % versus last year despite the above mentioned increase in the duty rate. In the quarter under review there was no difference in the issues and trends faced by the industry as depicted. Government has to be very cognizant that the industry is right now at an inflection point where excise increases are counterproductive to tax collection.

Lion brewery completed the transition of moving the Lion brand into a new creative expression across all touchpoints including packaging. Focused brand and trade initiatives were done to further build the new products launched last year. Smart cost management initiatives were driven right through the supply chain to manage the overall cost base of the business without impacting people, product, brand or any future focused initiatives.

**CEYLON BEVERAGE HOLDINGS PLC**  
**BOARD OF DIRECTORS AS AT 30TH JUNE 2023**

Mr. D. A. Cabraal (Chairman)

Mr. H. Selvanathan (Deputy Chairman)

Mr. M. Selvanathan (Director / Alternate Director to Mr. H. Selvanathan)

Mr. R. H. Meewakkala (CEO/Director)

Mr. D. C. R. Gunawardena

Mr. S. Clini

Mrs. S. J. F. Evans

<b>CEYLON BEVERAGE HOLDINGS PLC</b>				
<b>CONDENSED STATEMENT OF FINANCIAL POSITION</b>				
	<b>Company</b>		<b>Group</b>	
<i>As at</i>	<b>30th June 2023</b>	<b>31st March 2023</b>	<b>30th June 2023</b>	<b>31st March 2023</b>
<i>In Rs. '000s</i>		<b>(Audited)</b>		<b>(Audited)</b>
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	-	-	23,322,096	22,996,451
Investment properties	810,200	810,200	810,200	810,200
Right of use assets	-	-	196,745	209,947
Intangible assets	-	-	455,537	458,843
Deferred tax assets	-	-	26,378	26,378
Investment in subsidiaries	2,060,084	2,060,084	-	-
<b>Total non-current assets</b>	<b>2,870,284</b>	<b>2,870,284</b>	<b>24,810,956</b>	<b>24,501,819</b>
<b>Current assets</b>				
Inventories	-	-	7,792,364	7,451,345
Trade and other receivables	13,903	7,614	5,015,318	5,530,902
Amounts due from related companies	187,167	175,000	-	-
Current tax assets	-	-	-	639
Cash and cash equivalents	16,618	20,368	9,260,544	11,348,046
<b>Total current assets</b>	<b>217,688</b>	<b>202,982</b>	<b>22,068,226</b>	<b>24,330,932</b>
<b>Total assets</b>	<b>3,087,972</b>	<b>3,073,266</b>	<b>46,879,182</b>	<b>48,832,751</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Stated capital	533,384	533,384	533,384	533,384
Capital reserves	19,924	19,924	1,103,358	1,103,358
Revenue reserves	1,738,151	1,352,682	10,476,201	10,345,024
<b>Equity attributable to equity holders of the Company</b>	<b>2,291,459</b>	<b>1,905,990</b>	<b>12,112,943</b>	<b>11,981,766</b>
Non controlling interest	-	-	10,878,174	11,090,491
<b>Total equity</b>	<b>2,291,459</b>	<b>1,905,990</b>	<b>22,991,117</b>	<b>23,072,257</b>
<b>Non-current liabilities</b>				
Loans and borrowings	-	-	1,268,882	1,924,442
Lease liabilities	-	-	206,574	216,501
Employee benefits	-	-	266,136	257,730
Deferred tax liabilities	143,682	143,682	5,727,468	5,687,986
<b>Total non-current liabilities</b>	<b>143,682</b>	<b>143,682</b>	<b>7,469,060</b>	<b>8,086,659</b>
<b>Current liabilities</b>				
Trade and other payables	28,282	27,968	3,292,644	4,829,899
Amounts due to related companies	403,372	372,791	75,258	76,041
Refundable deposits	-	-	2,804,841	2,742,490
Current tax liabilities	29,693	75,051	4,236,234	2,855,295
Loans and borrowings	-	400,000	3,131,949	5,080,158
Lease liabilities	-	-	45,533	45,054
Bank overdraft	191,484	147,784	2,832,546	2,044,898
<b>Total current liabilities</b>	<b>652,831</b>	<b>1,023,594</b>	<b>16,419,005</b>	<b>17,673,835</b>
<b>Total liabilities</b>	<b>796,513</b>	<b>1,167,276</b>	<b>23,888,065</b>	<b>25,760,494</b>
<b>Total equity and liabilities</b>	<b>3,087,972</b>	<b>3,073,266</b>	<b>46,879,182</b>	<b>48,832,751</b>
<b>Net assets per ordinary share (Rs.)</b>	<b>109.18</b>	<b>90.81</b>	<b>577.14</b>	<b>570.89</b>

The above figures are provisional and subject to audit.

These financial statements are in compliance with the requirements of the Companies Act No. 07 of 2007.

(Sgd.)

**D.R.P. Goonetilleke**

Head of Finance

The Board of Directors are responsible for the preparation and presentation of these Financial Statements.

Approved and signed on behalf of the Managers

Approved and signed on behalf of the Board

(Sgd.)

**V. R. Wijesinghe**

Director

**Carsons Management Services (Private) Ltd.**

11th Aug 2023

(Sgd.)

**M.Selvanathan**

Director

(Sgd.)

**R.H. Meewakkala**

Director

## CEYLON BEVERAGE HOLDINGS PLC

### CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - COMPANY

As at In Rs.'000s	Quarter Ended			Year Ended
	30-Jun-23	30-Jun-22	Change %	31-Mar-23 (Audited)
Revenue	1,050,955	773,721	36	1,491,410
Cost of sales	-	-	-	-
<b>Gross profit</b>	<b>1,050,955</b>	<b>773,721</b>	<b>36</b>	<b>1,491,410</b>
Net gains arising from changes in fair value of investment properties	-	-	-	163,100
	<b>1,050,955</b>	<b>773,721</b>	<b>36</b>	<b>1,654,510</b>
Administrative expenses	(7,284)	(3,937)	85	(34,363)
Impairment provision for receivable from intercompany	-	-	-	(44,403)
Impairment of investments in subsidiaries	-	-	-	(175,000)
<b>Profit Before Finance Cost</b>	<b>1,043,671</b>	<b>769,784</b>	<b>36</b>	<b>1,400,744</b>
Finance income	12,167	7,067	72	39,833
Finance costs	(48,482)	(17,584)	176	(97,124)
<b>Net finance costs</b>	<b>(36,315)</b>	<b>(10,517)</b>	<b>245</b>	<b>(57,291)</b>
<b>Profit before taxation</b>	<b>1,007,356</b>	<b>759,267</b>	<b>33</b>	<b>1,343,453</b>
Income tax expenses	(16,590)	(112,368)	(85)	(228,781)
Deferred taxation	-	-	-	(112,098)
<b>Profit after taxation</b>	<b>990,766</b>	<b>646,899</b>	<b>53</b>	<b>1,002,574</b>
<b>Earnings per ordinary share (Rs.)</b>	<b>47.21</b>	<b>30.82</b>	<b>0.00</b>	<b>47.77</b>

The above figures are provisional and subject to audit.

Figures in brackets indicate deductions.

# CEYLON BEVERAGE HOLDINGS PLC

## CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - GROUP

As at In Rs.'000s	Quarter Ended			Year Ended
	30-Jun-23	30-Jun-22	Change %	31-Mar-23 (Audited)
Revenue	25,110,445	21,745,245	15	96,938,522
Cost of Sales	(18,816,071)	(16,996,664)	11	(73,755,671)
<b>Gross profit</b>	<b>6,294,374</b>	<b>4,748,581</b>	<b>33</b>	<b>23,182,851</b>
Net gains arising from changes in fair value of investment properties	-	-	-	304,414
Other income	68,118	77,782	(12)	163,100
	<b>6,362,492</b>	<b>4,826,363</b>	<b>32</b>	<b>23,650,365</b>
Distribution expenses	(1,805,862)	(1,124,143)	61	(6,017,299)
Administrative expenses	(888,296)	(568,563)	56	(3,099,889)
Other expenses	(92,554)	(333,561)	(72)	(715,125)
Impairment of intangible assets	-	(353,229)	-	(353,229)
<b>Profit before finance cost</b>	<b>3,575,780</b>	<b>2,446,867</b>	<b>46</b>	<b>13,464,823</b>
Finance income	307,526	277,735	11	1,411,521
Finance costs	(909,717)	(43,402)	1,996	(3,615,441)
<b>Net finance income/(costs)</b>	<b>(602,191)</b>	<b>234,333</b>	<b>(357)</b>	<b>(2,203,920)</b>
<b>Profit before taxation</b>	<b>2,973,589</b>	<b>2,681,200</b>	<b>11</b>	<b>11,260,903</b>
Income tax expenses	(1,331,552)	(1,330,992)	0	(4,091,422)
Deferred taxation	(36,820)	259,341	(114)	(423,377)
<b>Profit after taxation</b>	<b>1,605,217</b>	<b>1,609,549</b>	<b>(0)</b>	<b>6,746,104</b>
<b>Other comprehensive income</b>				
<b>Items that will never be reclassified to profit or loss</b>				
Re-measurement of employee benefit obligation	-	-	-	(50,899)
Deferred tax adjustment on employee benefit obligation	-	-	-	20,360
<b>Total other comprehensive income for the period net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(30,539)</b>
<b>Total comprehensive income for the period</b>	<b>1,605,217</b>	<b>1,609,549</b>	<b>(0)</b>	<b>6,715,565</b>
<b>Profit attributable to</b>				
- Equity holders of the company	736,474	818,564	(10)	3,407,614
- Non - controlling interest	868,743	790,985	10	3,338,490
<b>Profit available for appropriation</b>	<b>1,605,217</b>	<b>1,609,549</b>	<b>(0)</b>	<b>6,746,104</b>
<b>Total comprehensive income attributable to</b>				
- Equity holders of the company	736,474	818,564	(10)	3,391,657
- Non - controlling interest	868,743	790,985	10	3,323,908
<b>Profit available for appropriation</b>	<b>1,605,217</b>	<b>1,609,549</b>	<b>(0)</b>	<b>6,715,565</b>
<b>Earnings per ordinary share (Rs.)</b>	<b>35.09</b>	<b>39.00</b>	<b>(0.00)</b>	<b>162.36</b>

The above figures are provisional and subject to audit.  
Figures in brackets indicate deductions.

CONDENSED STATEMENTS OF CHANGES IN EQUITY

In Rs. '000s	Attributable to equity holders of the parent					Non-controlling interests	Total equity	
	Stated capital	Revaluation reserve	General capital reserve	Revenue reserves fair value	Revenue reserves retained earnings			Total
<b>COMPANY</b>								
Balance as at 1st April 2022	533,384	-	19,924	601,227	891,338	2,045,873	-	2,045,873
Surcharge Tax	-	-	-	-	(35,754)	(35,754)	-	(35,754)
<b>Adjusted Balance as at 1st April 2022</b>	<b>533,384</b>	<b>-</b>	<b>19,924</b>	<b>601,227</b>	<b>855,584</b>	<b>2,010,119</b>	<b>-</b>	<b>2,010,119</b>
<b>Total comprehensive income for the period</b>								
Profit for the period	-	-	-	-	646,899	646,899	-	646,899
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>646,899</b>	<b>646,899</b>	<b>-</b>	<b>646,899</b>
Dividends	-	-	-	-	(624,396)	(624,396)	-	(624,396)
<b>Balance as at 30th June 2022</b>	<b>533,384</b>	<b>-</b>	<b>19,924</b>	<b>601,227</b>	<b>878,087</b>	<b>2,032,622</b>	<b>-</b>	<b>2,032,622</b>
<b>Balance as at 1st April 2022</b>	<b>533,384</b>	<b>-</b>	<b>19,924</b>	<b>601,227</b>	<b>855,584</b>	<b>2,010,119</b>	<b>-</b>	<b>2,010,119</b>
<b>Total comprehensive income for the period</b>								
Profit for the period	-	-	-	51,002	951,572	1,002,574	-	1,002,574
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51,002</b>	<b>951,572</b>	<b>1,002,574</b>	<b>-</b>	<b>1,002,574</b>
<b>Transactions with owners, recorded directly in equity contribution by and distribution to owners</b>								
Forfeiture of unclaimed dividends	-	-	-	-	419	419	-	419
Dividends	-	-	-	-	(1,107,122)	(1,107,122)	-	(1,107,122)
<b>Balance as at 31st March 2023</b>	<b>533,384</b>	<b>-</b>	<b>19,924</b>	<b>652,229</b>	<b>700,453</b>	<b>1,905,990</b>	<b>-</b>	<b>1,905,990</b>
<b>Balance as at 1st April 2023</b>	<b>533,384</b>	<b>-</b>	<b>19,924</b>	<b>652,229</b>	<b>700,453</b>	<b>1,905,990</b>	<b>-</b>	<b>1,905,990</b>
<b>Total comprehensive income for the period</b>								
Profit for the period	-	-	-	-	990,766	990,766	-	990,766
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>990,766</b>	<b>990,766</b>	<b>-</b>	<b>990,766</b>
<b>Transactions with owners, recorded directly in equity contribution by and distribution to owners</b>								
Dividends	-	-	-	-	(605,297)	(605,297)	-	(605,297)
<b>Balance as at 30th June 2023</b>	<b>533,384</b>	<b>-</b>	<b>19,924</b>	<b>652,229</b>	<b>1,085,922</b>	<b>2,291,459</b>	<b>-</b>	<b>2,291,459</b>
<b>GROUP</b>								
Balance as at 1st April 2022	533,384	1,083,434	19,924	601,227	8,119,481	10,357,450	9,515,171	19,872,621
Surcharge Tax	-	-	-	-	(660,638)	(660,638)	(570,118)	(1,230,756)
<b>Adjusted Balance as at 1st April 2022</b>	<b>533,384</b>	<b>1,083,434</b>	<b>19,924</b>	<b>601,227</b>	<b>7,458,843</b>	<b>9,696,812</b>	<b>8,945,053</b>	<b>18,641,865</b>
<b>Total comprehensive income for the period</b>								
Profit for the period	-	-	-	-	818,564	818,564	790,985	1,609,549
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>818,564</b>	<b>818,564</b>	<b>790,985</b>	<b>1,609,549</b>
<b>Transactions with owners, recorded directly in equity contribution by and distribution to owners</b>								
Dividends	-	-	-	-	(624,396)	(624,396)	(658,950)	(1,283,346)
<b>Balance as at 30th June 2022</b>	<b>533,384</b>	<b>1,083,434</b>	<b>19,924</b>	<b>601,227</b>	<b>7,653,011</b>	<b>9,890,980</b>	<b>9,077,088</b>	<b>18,968,068</b>
<b>Balance as at 1st April 2022</b>	<b>533,384</b>	<b>1,083,434</b>	<b>19,924</b>	<b>601,227</b>	<b>7,458,843</b>	<b>9,696,812</b>	<b>8,945,053</b>	<b>18,641,865</b>
<b>Total comprehensive income for the period</b>								
Profit for the period	-	-	-	51,002	3,356,612	3,407,614	3,338,490	6,746,104
Other comprehensive income for the period	-	-	-	-	(15,957)	(15,957)	(14,582)	(30,539)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51,002</b>	<b>3,340,655</b>	<b>3,391,657</b>	<b>3,323,908</b>	<b>6,715,565</b>
<b>Transactions with owners, recorded directly in equity contribution by and distribution to owners</b>								
Forfeiture of unclaimed dividends	-	-	-	-	419	419	-	419
Dividends	-	-	-	-	(1,107,122)	(1,107,122)	(1,178,470)	(2,285,592)
<b>Balance as at 31st March 2023</b>	<b>533,384</b>	<b>1,083,434</b>	<b>19,924</b>	<b>652,229</b>	<b>9,692,795</b>	<b>11,981,766</b>	<b>11,090,491</b>	<b>23,072,257</b>
<b>Balance as at 1st April 2023</b>	<b>533,384</b>	<b>1,083,434</b>	<b>19,924</b>	<b>652,229</b>	<b>9,692,795</b>	<b>11,981,766</b>	<b>11,090,491</b>	<b>23,072,257</b>
<b>Total comprehensive income for the period</b>								
Profit for the period	-	-	-	-	736,474	736,474	868,743	1,605,217
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>736,474</b>	<b>736,474</b>	<b>868,743</b>	<b>1,605,217</b>
<b>Transactions with owners, recorded directly in equity contribution by and distribution to owners</b>								
Dividends	-	-	-	-	(605,297)	(605,297)	(1,081,060)	(1,686,357)
<b>Balance as at 30th June 2023</b>	<b>533,384</b>	<b>1,083,434</b>	<b>19,924</b>	<b>652,229</b>	<b>9,823,972</b>	<b>12,112,943</b>	<b>10,878,174</b>	<b>22,991,117</b>

The above figures are provisional and subject to audit.  
 Figures in brackets indicate deductions.

**CONDENSED STATEMENT OF CASH FLOWS**

<i>For the period ended In Rs. '000s</i>	Company			Group		
	30-Jun-23	30-Jun-22	31-Mar-23 (Audited)	30-Jun-23	30-Jun-22	31-Mar-23 (Audited)
<b>Cash flows from operating activities</b>						
<b>Profit before taxation</b>	<b>1,007,356</b>	<b>759,267</b>	<b>1,343,453</b>	<b>2,973,589</b>	<b>2,681,200</b>	<b>11,260,903</b>
Adjustments for:						
Finance costs (excluding exchange gain)	48,482	17,584	97,124	801,573	564,502	3,606,900
Depreciation on right of use assets	-	-	-	13,202	16,274	65,766
Gain on de-recognition of right of use assets	-	-	-	-	-	(1,839)
Depreciation on property, plant and equipment	-	-	-	536,599	417,446	1,796,689
Amortization of intangible assets	-	-	-	3,306	3,042	12,101
Net inventory provisions/(reversals)	-	-	-	(27,476)	(2,032)	49,011
Provision for retirement benefit obligations	-	-	-	9,175	6,958	41,659
Impairment of property plant and equipment	-	-	-	-	175,752	38,460
Impairment of intangible assets	-	-	-	-	353,229	353,229
Impairment of doubtful debtors	-	-	-	-	-	9,930
Impairment provision for receivable from intercompany	-	-	44,403	-	-	-
Impairment of investments	-	-	175,000	-	-	-
Finance income	(12,167)	(7,067)	(39,833)	(307,526)	(277,735)	(1,411,521)
Net gain arising from changes in fair value of investment properties	-	-	(163,100)	-	-	(163,100)
Loss on disposal of property, plant and equipment	-	-	-	7,255	30,823	36,372
Loss on disposal of intangible asset	-	-	-	-	-	5,600
Lease interest expenses	-	-	-	10,762	8,553	43,670
Unrealised foreign exchange gain	-	-	-	(71,966)	(627,694)	(459,624)
<b>Operating cash flow before working capital changes</b>	<b>1,043,671</b>	<b>769,784</b>	<b>1,457,047</b>	<b>3,948,493</b>	<b>3,350,318</b>	<b>15,284,206</b>
(Increase)/decrease in inventories	-	-	-	(313,543)	(1,911,256)	(2,963,245)
(Increase)/decrease in trade and other receivables	(6,289)	124	(7,043)	530,030	(2,315,300)	(3,201,632)
(Increase)/decrease in amounts due from related companies	-	7,067	(45,479)	-	-	-
Increase/(decrease) in amounts due to related companies	9,844	8,106	(27,887)	(783)	(2,459)	(79,716)
Increase/(decrease) in tax payables/receivable	887	-	1,405	940,693	(850,066)	(363,065)
Increase/(decrease) in trade and other payables	314	2,815	1,087	(1,536,522)	779,958	1,478,820
<b>Cash (used in)/generated from operations</b>	<b>1,048,427</b>	<b>787,896</b>	<b>1,379,130</b>	<b>3,568,368</b>	<b>(948,805)</b>	<b>10,155,368</b>
Finance expenses paid	(27,745)	(6,630)	(34,187)	(786,592)	(489,484)	(3,462,910)
Tax paid	(62,835)	(39,261)	(193,026)	(710,565)	(893,832)	(4,037,060)
Surcharge tax paid	-	(17,877)	(35,754)	-	(615,378)	(1,230,756)
Retirement benefits paid	-	-	-	(769)	(420)	(17,824)
<b>Net cash (used in)/generated from operating activities</b>	<b>957,847</b>	<b>724,128</b>	<b>1,116,163</b>	<b>2,070,442</b>	<b>(2,947,919)</b>	<b>1,406,818</b>
<b>Cash flows from investing activities</b>						
Purchase and construction of property, plant and equipment	-	-	-	(869,500)	(274,035)	(4,295,928)
Purchase of intangible assets	-	-	-	-	(1,475)	(7,815)
Agent deposits received	-	-	-	62,351	17,227	441,309
Interest received	-	-	-	307,526	277,735	1,411,521
Investment in subsidiaries	-	-	(400,000)	-	-	-
<b>Net cash (used in)/generated from investing activities</b>	<b>-</b>	<b>-</b>	<b>(400,000)</b>	<b>(499,623)</b>	<b>19,452</b>	<b>(2,450,913)</b>
<b>Cash flows from financing activities</b>						
Proceeds from loans and borrowings	-	-	400,000	-	4,369,537	2,400,000
Repayment of loans and borrowings	(400,000)	-	-	(2,618,750)	(6,736,454)	(1,187,400)
Repayment of lease rentals	-	-	-	(20,210)	(23,325)	(102,316)
Forfeiture of unclaimed dividends	-	-	419	-	-	419
Dividends paid net of tax	(605,297)	(624,407)	(1,100,766)	(1,863,798)	(1,283,368)	(2,278,002)
<b>Net cash (used in)/generated from financing activities</b>	<b>(1,005,297)</b>	<b>(624,407)</b>	<b>(700,347)</b>	<b>(4,502,758)</b>	<b>(3,673,610)</b>	<b>(1,167,299)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(47,450)</b>	<b>99,721</b>	<b>15,816</b>	<b>(2,931,939)</b>	<b>(6,602,077)</b>	<b>(2,211,394)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>(127,416)</b>	<b>(143,232)</b>	<b>(143,232)</b>	<b>9,303,148</b>	<b>11,137,550</b>	<b>11,137,550</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56,789</b>	<b>548,048</b>	<b>376,992</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>(174,866)</b>	<b>(43,511)</b>	<b>(127,416)</b>	<b>6,427,998</b>	<b>5,083,521</b>	<b>9,303,148</b>
<b>Analysis of cash and cash equivalents</b>						
Cash and cash equivalents	16,618	97,707	20,368	9,260,544	5,877,932	11,348,046
Bank overdraft	(191,484)	(141,218)	(147,784)	(2,832,546)	(794,411)	(2,044,898)
	<b>(174,866)</b>	<b>(43,511)</b>	<b>(127,416)</b>	<b>6,427,998</b>	<b>5,083,521</b>	<b>9,303,148</b>

The above figures are provisional and subject to audit.

Figures in brackets indicate deductions.



**1 CORPORATE INFORMATION**

Ceylon Beverage Holdings PLC is a public limited liability Company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The parent company of Ceylon Beverage Holdings PLC is Carson Cumberbatch PLC ("CCPLC") and the ultimate parent company is Bukit Darah PLC. The registered office of the Company is situated at No 61, Janadhipathi Mawatha, Colombo 01 and the principal place of business is situated at No 254, Colombo Road, Biyagama.

The Interim Consolidated Financial Statements comprise of the Company and its subsidiaries (together referred to as the "Group" and individually Group entities). The Subsidiaries of the Company are set out below.

Subsidiary	Controlling interest	Note
Lion Brewery (Ceylon) PLC	52.25%	"LBCPLC"
Lion Beer (Ceylon) Pte Ltd	52.25%	wholly owned Subsidiary of "LBCPLC"
Pubs 'N Places (Private) Limited	99.9%	
Retail Spaces (Private) Limited	100%	
Luxury Brands (Private) Limited	100%	
Millers Brewery Limited	52.25%	wholly owned Subsidiary of "LBCPLC"

The principal activities of the Group is brewing and marketing of high quality beers for both local & export markets and retailing of beer & alcohol products locally through its owned/managed wine shops & pubs. The Group is also engaged in the import & marketing of globally renowned high quality beer and spirits brands.

**2 BASIS OF PREPARATION**

**2.1 Statement of Compliance**

The interim condensed Financial Statements of the Company and Group have been prepared in accordance with Sri Lanka Accounting Standard - LKAS 34 (Interim Financial Reporting). This Interim Financial Statement should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2023 including the changes to accounting policies as a result of adapting to Sri Lanka Financial Reporting Standards ("SLFRSs/LKASs").

**2.2 Going Concern**

Based on currently available information the management is satisfied that the Company and its subsidiaries would continue its operations in the foreseeable future.

**2.3 Basis of measurement**

**2.3.1** The interim condensed Financial Statements have been prepared on the historical cost basis and applied consistently with no adjustments being made for inflationary factors affecting the financial statements, except for the following;

- Freehold Land and buildings are measured at cost at the time of acquisition and construction and subsequently at revalued amounts, which are the fair values at the date of revaluation less accumulated depreciation and impairment losses, if any.

- Employee benefits are measured at present value of the obligation.

**2.4 Functional Currency and Presentation Currency**

All values presented in the Financial Statements are in Sri Lankan Rupees Thousands (Rs.'000s) which is the Group's functional currency, unless otherwise indicated.

## CEYLON BEVERAGE HOLDINGS PLC

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

#### 3 FINANCIAL COMMITMENTS AND CONTINGENT LIABILITIES

##### 3.1 Financial Commitments

###### Lion Brewery (Ceylon) PLC

Document credits established for foreign purchases of the Company as at 30th June 2023 amounts to Rs. 2,024 Mn (2022 - Rs. 2,518 Mn).

##### 3.2 Capital Commitments

###### Lion Brewery (Ceylon) PLC

Capital expenditure committed by the Company for which a provision has not been made in the Financial Statements amounts to Rs. 3,668 Mn as at 30th June 2023 (2022 - Rs. 1,270Mn).

##### 3.3 Contingencies

Following legal matters are outstanding against the Group and no provision has been made in the Financial Statements in this regard.

###### (i) Company

In 2008 the Customs Department instituted a prosecution in the Fort Magistrate's Court (MC) in Case No. S/65898/07/B against the Company and its Directors for the recovery of Rs. 48,121,634/29 comprising of Rs.23,062,080/43 being the amount of Excise (Special Provision) Duty (the 'duty') purportedly in arrears during the period 1998 to 2001 and Rs.25,059,553/86 as its penalty. The Company and the Directors filed an application for Writ in the Court of Appeal (CA) to quash the Certificate of Excise Duty in Default issued by the Director General of Customs and Excise Duty and obtained a Stay Order in respect of the proceedings of the Fort MC Case. A sum of Rs. 23,062,080/43 being the duty amount in dispute was paid to Sri Lanka Customs by the Company as required before submitting its appeal. Subsequently the CA Application was dismissed and the Company appealed against the Order to the Supreme Court and was granted Special Leave to Appeal by the Court. The Court also ordered the staying of all further proceedings in the MC Case until final hearing and determination of the Appeal. No provision has been made for the payment of penalty amounting to Rs.25,059,553/86, pending the Judgment from the Supreme Court in the said Leave to Appeal matter.

This matter came up for Argument before the Supreme Court on 12th July 2021 and Judgment was delivered on 16th December 2022 where the Company's Appeal relating to the decision to institute MC action was allowed.

Certificate of Excise Duty in default issued by the Director General of Customs and Excise Duty action filed in the Magistrates' Court of Fort is quashed.

The Director General of Excise is directed to consider the representations made by the Company in respect of the second show cause notice and make a determination under section 9(2) of the said Act. Further, directed to conclude the inquiry within six months from the date of this judgment.

However, the security deposited by the Company should not be withdrawn until a determination is made in terms of section 9(2) and the other relevant provisions of the said Act are complied with.

Despite the lapse of 6 months, inquiry is still pending and there has been an exchange of correspondence with the Director General of Customs and Excise Duty, where the Company is currently awaiting the determination from the Authority on the information provided. Next steps in the conduct of the inquiry will depend on the determination made by the Director General of Customs and Excise Duty.

###### (ii) Lion Brewery (Ceylon) PLC

Contingent liabilities as at 30th June 2023 amounts to Rs. 223 Mn (2022 - Rs. 907 Mn), being bank guarantees given to Government bodies and foreign suppliers for operational purposes.

Apart from the above there were no other material contingent liabilities which would require adjustments to or disclosure in the Financial Statements.

#### 4 STATED CAPITAL

The Company's stated capital consists of 20,988,090 ordinary shares.

**CEYLON BEVERAGE HOLDINGS PLC****NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS****5 LEASE LIABILITIES**

In Rs. 000's	Company		Group	
	30-Jun-23	31-Mar-23	30-Jun-23	31-Mar-23
Balance as at beginning of the period	-	-	261,555	253,608
Leases obtained	-	-	-	76,046
Lease rentals paid	-	-	(20,210)	(102,316)
Interest expenses for the period	-	-	10,762	43,670
Derecognition of lease liability	-	-	-	(9,453)
Balance as at end of the period	-	-	252,107	261,555

**6 SEGMENTAL ANALYSIS**

The Group does not distinguish its products into significant components for different Geographical/Business segments as the differentiations are insignificant.

**7 EVENTS AFTER THE REPORTING PERIOD**

There have been no events subsequent to the reporting date, which required adjustment to or disclosure in these Financial Statements.

**8 INVESTOR INFORMATION**

Investor Information	Quarter ended		Year ended
	30.06.2023	30.06.2022	31.03.2023
<b>Share Information</b>			
Last traded share price/closing price (Rs.)	1,134.00	650.00	1,134.00
Highest price (Rs.)	1,300.00	777.00	1,150.00
Lowest price (Rs.)	903.00	531.00	531.00
<b>Trading Statistics</b>			
No of Transactions	70	59	273
No of Shares traded	5,952	801	7,633
Value of all shares traded (Rs. Mn.)	0.89	0.52	6.44

**CEYLON BEVERAGE HOLDINGS PLC****NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS****9 DIRECTORS' SHAREHOLDINGS**

AS AT 30TH JUNE 2023	No. of Shares
Mr. D. A. Cabraal (Chairman)	1,500
Mr. H. Selvanathan (Deputy Chairman)	690
Mr. M. Selvanathan (Director / Alternate Director to Mr. H. Selvanathan)	690
Mr. R. H. Meewakkala (CEO/Director)	-
Mr. D.C.R. Gunawardena	15
Mr. S. Clini	-
Mrs. S. J. F. Evans	-

**10 TWENTY MAJOR SHAREHOLDERS AS AT 30TH JUNE 2023**

#	Name of Shareholder	No. of Shares	%
1	CARSON CUMBERBATCH PLC A/C NO. 02	15,726,912	74.93
	CARSON CUMBERBATCH PLC A/C NO. 01	144,423	0.69
2	GF CAPITAL GLOBAL LIMITED	2,096,858	9.99
3	CARLSBERG A/S	1,676,440	7.99
4	SERENDIP INVESTMENTS LIMITED	644,000	3.07
5	DEUTSCHE BANK AG SINGAPORE A/C 2 (DCS CLT ACC FOR DEUTSCHE BANK AG SINGAPORE-PWMWM CLIENT)	130,000	0.62
6	TRANZ DOMINION,L.L.C.	75,765	0.36
7	MRS. J.K.P. SINGH	31,485	0.15
8	GUINNESS MORISON INTERNATIONAL LIMITED	20,953	0.10
9	SAMPATH BANK PLC/MRS. P. D. RATNAGOPAL	13,650	0.07
	MRS. P. D. RATNAGOPAL	212	0.00
10	MISS A. RADHAKRISHNAN	12,239	0.06
11	MISS M.P. RADHAKRISHNAN	10,257	0.05
12	MR. N.J. GAMADIA	8,786	0.04
13	MR. R. MAHESWARAN (DECEASED)	8,134	0.04
14	MR. L.R.Y. WAIDYARATNE	8,000	0.04
15	ADMIN OF A.C. ABDEEN (DECD)	7,725	0.04
16	MRS. M.C. ABEYSEKERA	7,622	0.04
17	MRS. C.S. THENABADU	7,370	0.04
18	MRS. M.L. PAIVA	6,006	0.03
19	MR. N.J.H.M. COORAY	6,000	0.03
20	EST.OF LATE S. MAHADEVA	5,660	0.03

**11 PUBLIC HOLDING**

The Company is in compliance with the Minimum Public Holding requirements for Companies listed on the Diri Savi Board as per Rule 7.14.1 (i) (b) of the Listing Rules of the Colombo Stock Exchange, under Option 1, i.e. Float-Adjusted Market Capitalization of Rs.1 Billion with 200 Public Shareholders and a Public Holding percentage of 7.5%.

**The Company's Public Holding as at 30th June 2023**

Market Capitalization of the Public Holding	Rs.6.60 Billion
Percentage of ordinary shares held by the public	24.29%
Number of Public Shareholders	945

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**CEYLON BEVERAGE HOLDINGS PLC**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**

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**12 RELATED PARTY DISCLOSURES**

The Company carried out transactions in the ordinary course of its business with parties who are defined as related parties in Sri Lanka Accounting Standard LKAS 24 - 'Related Party Disclosures', the details of which are reported below.

**12.1 Transactions with related parties/subsidiaries**

In Rs.'000s For the period ended 30th June	Company		Group	
	2023	2022	2023	2022
Royalty income	45,485	52,692	-	-
Royalty expenses	-	-	88,444	49,027
Dividend income	1,005,470	721,029	-	-
Intercompany interest income	12,167	7,067	-	-
Intercompany interest expense	20,737	10,954	-	-
Beer and spirits sales income	-	-	1,961	1,369
Rent expenses	-	-	2,175	6
Support services fees expenses	157	157	222,014	127,364
Other service fee expenses	152	120	46,952	55,476

**CEYLON BEVERAGE HOLDINGS PLC**  
**Corporate Information**

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**NAME OF THE COMPANY**

Ceylon Beverage Holdings PLC  
(A Carson Cumberbatch Company)

**COMPANY REGISTRATION NUMBER**

PQ 35

**LEGAL FORM**

A Public Quoted Company with Limited Liability incorporated in Sri Lanka in 1910  
Official listing of the Colombo Stock Exchange was obtained in April 1991

**SUBSIDIARY COMPANIES**

Lion Brewery (Ceylon) PLC  
Pubs 'N Places (Private) Limited  
Retail Spaces (Private) Limited  
Luxury Brands (Private) Limited  
Millers Brewery Limited  
Lion Beer (Ceylon) Pte Ltd.

**PARENT AND CONTROLLING ENTITY**

Carson Cumberbatch PLC is the Parent Company of Ceylon Beverage Holdings PLC and Bukit Darah PLC is the Ultimate Parent and Controlling Entity of Ceylon Beverage Holdings PLC.

**DIRECTORS**

Mr. D. A. Cabraal (Chairman)  
Mr. H. Selvanathan (Deputy Chairman)  
Mr. M. Selvanathan (Director / Alternate Director to Mr. H. Selvanathan)  
Mr. R. H. Meewakkala (CEO/Director)  
Mr. D. C. R. Gunawardena  
Mr. S. Clini  
Mrs. S. J. F. Evans

**BANKERS**

Citibank  
Commercial Bank  
Deutsche Bank  
DFCC Bank  
Hatton National Bank  
Nations Trust Bank  
National Development Bank  
Peoples' Bank  
Standard Chartered Bank  
Sampath Bank  
Bank of China Limited

**LEGAL ADVISERS**

Messrs. F.J. & G. De Saram  
216, De Saram Place  
Colombo 10  
Sri Lanka  
Tel: + 94 11 4718200  
Fax: + 94 11 4718220

**AUDITORS**

Messrs. KPMG  
Chartered Accountants  
No. 32A, Sir Mohamed Macan Markar Mawatha  
Colombo 3  
Sri Lanka  
Tel: + 94 11 5426426  
Fax: +94 11 2445872

**MANAGERS & SECRETARIES**

Carsons Management Services (Private) Limited  
No: 61, Janadhipathi Mawatha  
Colombo 1  
Sri Lanka  
Tel : +94 11 2039 200  
Fax: +94 11 2039 300

**REGISTERED OFFICE**

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Sri Lanka  
Tel : +94 11 2039 200  
Fax: +94 11 2039 300

**CORPORATE OFFICE & BREWERY**

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Tel: +94 11 2465900 (10 Lines)  
Fax: +94 11 2465901

**GROUP WEBSITE**

[www.carsoncumberbatch.com](http://www.carsoncumberbatch.com)