

Lion Brewery (Ceylon) PLC

*Interim Condensed Financial Statements
for the fourth Quarter ended
31st March 2021*

LION BREWERY (CEYLON) PLC

Review

The Company concluded the last quarter of the year on a successful note with significant increases in both revenue and profitability compared to the corresponding quarter of the previous year. However, it must be borne in mind that the Country was under COVID related curfew during the final 10 days of the fourth quarter of last year. As shareholders are aware, the final half of March is a peak sales period for the Company in the run up to the traditional new year period & the curfew last year depressed performance significantly. Thus, the growth achieved during the current quarter is off a lower base.

The Company concluded the financial year with marginally better revenues and profitability when compared to the previous year. As shareholders are aware, the Country was under COVID related curfew during the first 45 days of the financial year & this had a significant negative impact on both sales and profitability. Similarly, lockdowns in parts of the country during the 3rd quarter of the financial year also had a negative impact on performance. Considering these factors, the overall performance for the year is satisfactory.

Special mention must be made of the Company's export performance reaching across 25 countries. Export revenue & profits grew by 23% & 113% respectively over the previous year, a commendable performance considering a world locked down by a pandemic.

The financial year ahead will likely be challenging not just for Your Company but also for the private sector and for the Country. The Covid pandemic remains & the economic fallout therefrom – particularly arising out of currency volatility & import restrictions – is likely to be felt in the months ahead. The slowdown in tourism will also impact the economy. How these translate in to consumer purchasing patterns will determine the performance of the Company in the on-going financial year. Whilst the year ahead will be unpredictable, the Company retains its strong fundamentals – the iconic Lion & Carlsberg brands, a benchmark route to market system, world class manufacturing technology, a triple A rated balance sheet and a talented & competitive team – and is geared to face whatever challenges that may come its way. In the short term however, the operations of the Company continue in adherence to strict safety protocols compelled by the Covid 19 pandemic.

LION BREWERY (CEYLON) PLC
BOARD OF DIRECTORS AS AT 31ST MARCH 2021

Mr. D. A. Cabraal (Chairman)

Mr. H. Selvanathan (Deputy Chairman)

Mr. S. K. Shah (Chief Executive Officer)

Mr. D. C. R. Gunawardena

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

Mr. D. R. P. Goonetilleke

Mrs. S. J. F. Evans

Mr. R. H. Meewakkala (Chief Executive Officer - Designate w.e.f. 01/07/2020)

Mr. Lim C. K. (resigned w.e.f. 16/10/2020)

Mr. S. Selvanathan

Mr. S. Clini

Ms. V. Gun (appointed w.e.f. 19/10/2020)

LION BREWERY (CEYLON) PLC				
CONDENSED STATEMENT OF FINANCIAL POSITION				
	Company		Group	
<i>In Rs. '000s</i>	31-Mar-21	31-Mar-20 (Audited)	31-Mar-21	31-Mar-20 (Audited)
ASSETS				
Non- Current Assets				
Property, plant & equipment	17,408,326	17,554,046	18,819,887	19,152,259
Right of use assets	164,119	162,759	164,119	162,759
Intangible assets	1,225,109	1,642,330	1,225,109	1,642,330
Investments in subsidiary	1,029,623	1,029,623	-	-
Total Non-Current Assets	19,827,177	20,388,758	20,209,115	20,957,348
Current Assets				
Inventories	3,493,117	2,582,120	3,493,117	2,582,120
Trade and other receivables	1,334,241	1,291,041	1,340,316	1,297,428
Amounts due from related companies	445,619	609,024	445,619	609,024
Cash and cash equivalents	9,525,907	13,183,568	9,665,398	13,338,381
Total Current Assets	14,798,884	17,665,753	14,944,450	17,826,953
Total Assets	34,626,061	38,054,511	35,153,565	38,784,301
EQUITY AND LIABILITIES				
Equity				
Stated capital	2,537,801	2,537,801	2,537,801	2,537,801
Capital reserves	972,968	972,968	1,388,475	1,388,475
Retained earnings	13,380,781	11,427,695	13,048,135	11,216,367
Total Equity	16,891,550	14,938,464	16,974,411	15,142,643
Non- Current Liabilities				
Loans and borrowings	3,497,060	2,633,041	3,497,060	2,633,041
Lease creditor (Note 04)	165,321	158,642	165,321	158,642
Employee benefits	233,933	198,737	233,933	198,737
Net deferred tax liabilities	4,646,787	4,602,596	5,088,526	5,116,420
Total Non- Current Liabilities	8,543,101	7,593,016	8,984,840	8,106,840
Current Liabilities				
Trade and other payables	1,873,131	1,477,865	1,874,995	1,486,979
Amounts due to related companies	123,342	108,371	122,828	107,748
Refundable deposits	1,900,393	1,715,620	1,900,393	1,715,620
Current tax liabilities	2,383,576	82,996	2,385,113	86,292
Loans and borrowings	1,868,664	9,958,243	1,868,664	9,958,243
Lease creditor (Note 04)	19,900	12,370	19,900	12,370
Bank overdrafts	1,022,404	2,167,566	1,022,421	2,167,566
Total Current Liabilities	9,191,410	15,523,031	9,194,314	15,534,818
Total Liabilities	17,734,511	23,116,047	18,179,154	23,641,658
Total Equity and Liabilities	34,626,061	38,054,511	35,153,565	38,784,301
Net assets per ordinary share (Rs.)	211.14	186.73	212.18	189.28

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.)

J.N. Goonaratne

Financial Controller-Corporate

The Board of Directors is 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) Limited

7th May 2021

(Sgd.)

S.K. Shah

Director

(Sgd.)

D.R.P. Goonetilleke

Director

LION BREWERY (CEYLON) PLC
CONDENSED STATEMENT OF COMPREHENSIVE INCOME - COMPANY

<i>In Sri Lankan Rs. '000s</i>	Quarter Ended		Change	Year Ended		Change
	31.03.2021	31.03.2020	%	31.03.2021	31.03.2020	%
Revenue	14,766,875	12,117,404	22	49,849,287	47,835,328	4
Cost of sales	(11,575,920)	(9,895,422)	17	(39,828,971)	(37,330,756)	7
Gross profit	3,190,955	2,221,982	44	10,020,316	10,504,572	(5)
Other income	235,547	40,088	488	331,241	150,253	120
	3,426,502	2,262,070	51	10,351,557	10,654,825	(3)
Distribution expenses	(858,127)	(762,443)	13	(2,815,812)	(2,908,894)	(3)
Administrative expenses	(520,263)	(402,148)	29	(1,617,768)	(1,556,963)	4
Other expenses	(206,661)	(67,674)	205	(562,558)	(517,623)	9
Impairment of intangible assets	(449,084)	(202,133)	122	(449,084)	(740,315)	(39)
Operating profit before finance cost	1,392,367	827,672	68	4,906,335	4,931,030	(1)
Finance income	121,570	211,012	(42)	688,286	1,012,709	(32)
Finance costs	(171,438)	(341,061)	(50)	(1,143,396)	(1,538,036)	(26)
Net finance costs	(49,868)	(130,049)	(62)	(455,110)	(525,327)	(13)
	1,342,499	697,623	92	4,451,225	4,405,703	1
Profit before taxation	1,342,499	697,623	92	4,451,225	4,405,703	1
Income tax expense	(644,660)	(72,555)	789	(1,815,068)	(1,743,340)	4
Deferred taxation	(66,806)	(5,656)	1,081	(43,743)	229,037	(119)
Profit after taxation	631,033	619,412	2	2,592,414	2,891,400	(10)
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurement of employee benefit obligations	1,119	11,545	(90)	1,119	11,545	(90)
Deferred tax charge on actuarial gain	(447)	(4,618)	(90)	(447)	(4,618)	(90)
Revaluation gain on land & buildings	-	317,351	-	-	317,351	-
Deferred tax charge on land and building revaluation	-	(126,940)	-	-	(126,940)	-
Total other comprehensive income for the period net of tax	672	197,338	(100)	672	197,338	(100)
Total comprehensive income for the period	631,705	816,750	(23)	2,593,086	3,088,738	(16)
Earnings per ordinary share (Rs.)	7.89	7.74		32.41	36.14	

The above figures are provisional and subject to audit.

LION BREWERY (CEYLON) PLC

CONDENSED STATEMENT OF COMPREHENSIVE INCOME - GROUP

<i>In Sri Lankan Rs. '000s</i>	Quarter Ended		Change	Year Ended		Change
	31.03.2021	31.03.2020	%	31.03.2021	31.03.2020	%
Revenue	14,766,875	12,117,404	22	49,849,287	47,835,328	4
Cost of sales	(11,575,920)	(9,895,422)	17	(39,828,971)	(37,330,756)	7
Gross profit	3,190,955	2,221,982	44	10,020,316	10,504,572	(5)
Other income	241,560	40,108	502	338,404	162,319	108
	3,432,515	2,262,090	52	10,358,720	10,666,891	(3)
Distribution expenses	(858,127)	(762,443)	13	(2,815,812)	(2,908,894)	(3)
Administrative expenses	(542,029)	(413,952)	31	(1,665,071)	(1,594,622)	4
Other expenses	(366,919)	(67,674)	442	(722,816)	(517,623)	40
Impairment of intangible assets	(449,084)	(202,133)	122	(449,084)	(740,315)	(39)
Operating profit before finance cost	1,216,356	815,888	49	4,705,937	4,905,437	(4)
Finance income	122,638	212,822	(42)	695,281	1,020,932	(32)
Finance costs	(171,438)	(341,061)	(50)	(1,143,396)	(1,538,036)	(26)
Net finance costs	(48,800)	(128,239)	(62)	(448,115)	(517,104)	(13)
	1,167,556	687,649	70	4,257,822	4,388,333	(3)
Profit before taxation	1,167,556	687,649	70	4,257,822	4,388,333	(3)
Income tax expense	(644,661)	(72,556)	789	(1,815,068)	(1,743,340)	4
Deferred taxation	5,279	(67,556)	(108)	28,342	167,137	(83)
Profit after taxation	528,174	547,537	(4)	2,471,096	2,812,130	(12)
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurement of employee benefit obligations	1,119	11,545	(90)	1,119	11,545	(90)
Deferred tax charge on actuarial (gain)/loss	(447)	(4,618)	(90)	(447)	(4,618)	(90)
Revaluation gain on land & buildings	-	560,472	-	-	560,472	-
Deferred tax charge on land and building revaluation	-	(278,767)	-	-	(278,767)	-
Total other comprehensive income for the period net of tax	672	288,632	(100)	672	288,632	(100)
Total comprehensive income for the period	528,846	836,169	(37)	2,471,768	3,100,762	(20)
Earnings per ordinary share (Rs.)	6.60	6.84		30.89	35.15	

The above figures are provisional and subject to audit.

LION BREWERY (CEYLON) PLC**STATEMENT OF CHANGES IN EQUITY****Company**

<i>In Rs. '000s</i>	Stated Capital	Revaluation Reserve	Retained Earnings	Total Equity
Balance as at 1st April 2019	2,537,801	782,557	9,008,246	12,328,604
Total comprehensive income for the year				
Profit for the year	-	-	2,891,400	2,891,400
Other comprehensive income for the year	-	190,411	6,927	197,338
Total comprehensive income for the year	-	190,411	2,898,327	3,088,738
Transactions with owners of the Company				
Distribution made to owners				
Ordinary dividends	-	-	(480,000)	(480,000)
Forfeiture of unclaimed dividends	-	-	1,122	1,122
Balance as at 31st March 2020	2,537,801	972,968	11,427,695	14,938,464
Balance as at 1st April 2020	2,537,801	972,968	11,427,695	14,938,464
Total comprehensive income for the period				
Profit for the period	-	-	2,592,414	2,592,414
Other comprehensive income for the period	-	-	672	672
Total comprehensive income for the period	-	-	2,593,086	2,593,086
Transactions with owners of the Company				
Distribution made to owners				
Ordinary dividends	-	-	(640,000)	(640,000)
Balance as at 31st March 2021	2,537,801	972,968	13,380,781	16,891,550

GROUP

Balance as at 1st April 2019	2,537,801	1,106,770	8,876,188	12,520,759
Total comprehensive income for the year				
Profit for the year	-	-	2,812,130	2,812,130
Other comprehensive income for the year	-	281,705	6,927	288,632
Total comprehensive income for the year	-	281,705	2,819,057	3,100,762
Transactions with owners of the Company				
Distribution made to owners				
Ordinary dividends	-	-	(480,000)	(480,000)
Forfeiture of unclaimed dividends	-	-	1,122	1,122
Balance as at 31st March 2020	2,537,801	1,388,475	11,216,367	15,142,643
Balance as at 1st April 2020	2,537,801	1,388,475	11,216,367	15,142,643
Total comprehensive income for the year				
Profit for the period	-	-	2,471,096	2,471,096
Other comprehensive income for the period	-	-	672	672
Total comprehensive income for the year	-	-	2,471,768	2,471,768
Transactions with owners of the Company				
Distribution made to owners				
Ordinary dividends	-	-	(640,000)	(640,000)
Balance as at 31st March 2021	2,537,801	1,388,475	13,048,135	16,974,411

LION BREWERY (CEYLON) PLC				
STATEMENT OF CASH FLOWS				
Period ended In Rs.'000s	Company		Group	
	31.03.2021	31.03.2020 (Audited)	31.03.2021	31.03.2020 (Audited)
Cash flows from operating activities				
Profit before taxation	4,451,225	4,405,703	4,257,822	4,388,333
Adjustments for:				
Finance costs	1,189,236	1,557,657	1,189,236	1,557,657
Depreciation on property, plant & equipment	1,273,080	1,185,684	1,299,019	1,212,460
Amortization on Intangible assets	7,436	4,850	7,436	4,850
Depreciation on Leased assets	32,208	22,916	32,208	22,916
Net inventory provision /(reversal)	(3,354)	38,847	(3,354)	38,847
Provision for retirement benefit obligation	39,267	38,858	39,267	38,858
Impairment of property, plant & equipment	-	4,729	160,258	4,729
Impairment of intangible assets	449,084	740,315	449,084	740,315
Loss /(gain) on disposal of property, plant & equipment	17,645	(8,950)	17,649	(19,246)
Loss on disposal of retainable containers	-	132,443	-	132,443
Lease interest	28,716	15,508	28,716	15,508
Deposit liability write back	(168,072)		(168,072)	
Exchange loss/ (gain)	308	6,167	308	6,166
Finance Income	(688,286)	(1,012,709)	(695,281)	(1,020,932)
Operating cash flow before working capital changes	6,628,493	7,132,017	6,614,297	7,122,904
(Increase)/Decrease in inventories	(907,643)	(515,156)	(907,643)	(515,156)
(Increase)/Decrease in trade and other receivables	(43,508)	454,327	(43,196)	455,641
(Increase)/Decrease in amounts due from related companies	163,405	104,206	163,405	104,206
Increase/(Decrease) in tax payable	1,787,374	(1,754,305)	1,785,615	(1,753,671)
Increase/(Decrease) in trade and other payables	395,266	377,126	388,467	379,387
Increase/(Decrease) in amounts due to related companies	14,971	(6,689)	15,080	(7,198)
Cash generated from operations	8,038,358	5,791,526	8,016,025	5,786,113
Finance expenses paid	(1,114,494)	(1,419,256)	(1,114,494)	(1,419,256)
Retirement benefits paid	(2,952)	(26,006)	(2,952)	(26,006)
Tax paid	(1,301,862)	(2,391,223)	(1,301,862)	(2,391,223)
Net cash generated from operating activities	5,619,050	1,955,041	5,596,717	1,949,629
Cash flows from investing activities				
Purchase and construction of property, plant & equipment	(1,170,556)	(1,889,170)	(1,170,556)	(1,889,170)
Purchase of intangible assets	(27,196)	(5,747)	(27,196)	(5,747)
Proceeds from sale of property, plant & equipment	-	9,713	-	37,350
Agent deposits received	366,291	259,396	366,291	259,396
Interest received	688,286	1,012,709	695,281	1,020,932
Net cash (used in)/generated from investing activities	(143,175)	(613,099)	(136,180)	(577,239)
Cash flows from financing activities				
Loans and borrowings received	3,000,000	4,373,249	3,000,000	4,373,249
Repayments of loans and borrowing	(10,300,300)	(1,592,619)	(10,300,300)	(1,592,619)
Repayments of debentures	-	(2,000,000)	-	(2,000,000)
Lease payments	(48,075)	(30,171)	(48,075)	(30,171)
Forfeiture of unclaimed dividends	-	1,122	-	1,122
Dividend paid net of tax	(640,000)	(413,985)	(640,000)	(413,985)
Net cash used in financing activities	(7,988,375)	337,596	(7,988,375)	337,596
Net (decrease)/increase in cash & cash equivalents	(2,512,499)	1,679,538	(2,527,838)	1,709,985
Cash & cash equivalents at the beginning of the year	11,016,002	9,336,464	11,170,815	9,460,830
Cash & cash equivalents at the end of the year	8,503,503	11,016,002	8,642,977	11,170,815
Analysis of cash and cash equivalents				
Cash and cash equivalents	9,525,907	13,183,568	9,665,398	13,338,381
Bank overdraft	(1,022,404)	(2,167,566)	(1,022,421)	(2,167,566)
	8,503,503	11,016,002	8,642,977	11,170,815

LION BREWERY (CEYLON) PLC

NOTES TO THE FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

Lion Brewery (Ceylon) PLC is a public limited liability Company incorporated and domiciled in Sri Lanka and is listed on the Colombo Stock Exchange. The parent company is Ceylon Beverage Holdings PLC 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
Pearl Springs (Private) Limited	100%	"PSPL"
Millers Brewery Limited	100%	100% Subsidiary of PSPL

2 BASIS OF PREPARATION

2.1 Statement of Compliance

The condensed Interim 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 2020 including the changes to accounting policies as a result of adapting to Sri Lanka Financial Reporting Standards, ("SLFRSs/LKASs")

2.2 Basis of measurement

The 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 recognized as the net total of the plan assets, plus unrecognized past service cost and unrecognized actuarial losses, less unrecognized actuarial gains and the present value of the defined benefit obligation.

2.3 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.

3 FINANCIAL COMMITMENTS AND CONTINGENT LIABILITIES

3.1 Finance Commitments

Document credits established for foreign purchases of the Company as at 31st March 2021 amounts to Rs. 2,360,499,818/- (2020 - Rs. 335,296,976/-)

3.2 Contingencies

Contingent liabilities as at 31st March 2021 amounts to Rs. 200,110,727/- (2020 - Rs. 239,964,854/-), being bank guarantees given to Government bodies and foreign suppliers for operational purposes.

LION BREWERY (CEYLON) PLC
NOTES TO THE FINANCIAL STATEMENTS

4 LEASE CREDITOR

In Rs. 000's	Company		Group	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Balance as at beginning of the period	171,012	-	171,012	-
Recognition of lease liability - SLFRS 16	-	107,239	-	107,239
Leases obtained	47,777	78,436	47,777	78,436
Derecognition of lease liability - SLFRS 16	(14,209)	-	(14,209)	-
Lease rentals paid	(48,075)	(30,171)	(48,075)	(30,171)
Interest expense for the period	28,716	15,508	28,716	15,508
Balance as at end of the period	185,221	171,012	185,221	171,012

5 SEGMENTAL ANALYSIS

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

6 COMPARATIVE FIGURES

Comparative figures/information have been reclassified where necessary in line with the changes to the new Sri Lanka Accounting Standards (SLFRS/LKAS).

7 EVENTS AFTER THE REPORTING PERIOD

There were no material events taken place since March 31st, 2021 that require adjustments or disclosure in these Financial Statements.

8 INVESTOR INFORMATION

Investor Information	Quarter Ended		Year Ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
1 Share Information				
Price as at the end of the period (Rs.)	569.00	520.00	569.00	520.00
Highest price (Rs.)	625.00	648.50	639.90	650.00
Lowest price (Rs.)	535.00	500.10	445.00	500.00
2 Trading Statistics				
No of Transactions	382	193	1,459	707
No of Shares traded	1,454,393	1,436,613	5,374,644	2,549,677
Value of all shares traded (Rs. Mn.)	799	832	2,814	1,467

LION BREWERY (CEYLON) PLC**NOTES TO THE FINANCIAL STATEMENTS****9 TWENTY MAJOR SHAREHOLDERS AS AT 31ST MARCH 2021**

#	Name	Total Shares	%
1	CEYLON BEVERAGE HOLDINGS PLC	41,798,788	52.25
2	CARLSBERG BREWERY MALAYSIA BERHAD	20,000,686	25.00
3	CB NY S/A ALLAN GRAY FRONTIER MARKETS EQUITY FUND LIMITED	5,379,636	6.72
4	CARSON CUMBERBATCH PLC A/C NO. 02	4,107,793	5.13
5	CARSON CUMBERBATCH PLC A/C NO. 01	1,402,060	1.75
6	BUKIT DARAH PLC A/C NO. 02	1,300,000	1.63
7	SSBT-AL MEHWAR COMMERCIAL INVESTMENTS L.L.C.	983,779	1.23
8	RBC INVESTOR SERVICES BANK-COELI SICAV I- FRONTIER MARKETS FUND	703,190	0.88
9	BBH-RONDURE NEW WORLD FUND	472,256	0.59
10	GF CAPITAL GLOBAL LIMITED	468,595	0.59
11	SSBT-FRANK RUSSEL TRUST COMPANY COMINGLED BENEFIT FUNDS TRUST GNA-6QH3	303,516	0.38
12	SAMPATH BANK PLC/MRS.PRIYANI DHARSHINI RATNAGOPAL	300,000	0.38
13	DEUTSCHE BANK AG AS TRUSTEE FOR JB VANTAGE VALUE EQUITY FUND	207,947	0.26
14	PORTELET LIMITED	161,920	0.20
15	UNION ASSURANCE PLC-UNIVERSAL LIFE FUND	155,894	0.19
16	DEUTSCHE BANK AG-LONDON	150,000	0.19
17	TRANZ DOMINION,L.L.C.	129,251	0.16
18	SSBT-RUSSELL INVESTMENTS EMERGING MARKETS EQUITY POOL	106,498	0.13
19	NEWGREENS LIMITED	83,200	0.10
20	MR. M.A. JAFFERJEE	81,884	0.10

10 PUBLIC HOLDING

The Company is in compliance with the Minimum Public Holding requirements for Companies listed on the Main Board as per Rule 7.13.1 (a) of the Listing Rules of the Colombo Stock Exchange, under Option 3, i.e. Float-Adjusted Market Capitalization of Rs.5 Billion with 500 Public Shareholders and a Public Holding percentage of 7.5%.

The Company's Public Holding as at 31st March 2021

Market Capitalization of the Public Holding	Rs.6.34 Billion
Percentage of ordinary shares held by the public	13.92%
Number of Public Shareholders	1,244

11 DIRECTOR'S SHAREHOLDINGS

As at 31st March 2021	No. of Shares
Mr. D. A. Cabraal (Chairman)	-
Mr. H. Selvanathan (Deputy Chairman)	1,579
Mr. S. K. Shah (Chief Executive Officer)	6,016
Mr. D. C. R. Gunawardena	34
Mr. K. Selvanathan (Director / Alternate Director to H. Selvanathan)	-
Mr. D. R. P. Goonetilleke	1
Mrs. S. J. F. Evans	-
Mr. R. H. Meewakkala (Chief Executive Officer - Designate w.e.f. 01/07/2020)	-
Mr. Lim C. K. (resigned w.e.f. 16/10/2020)	-
Mr. S. Selvanathan	-
Mr. S. Clini	-
Ms. V. Gun (appointed w.e.f. 19/10/2020)	-

12 STATED CAPITAL

The Company's stated capital consists of 80,000,000 ordinary shares.

LION BREWERY (CEYLON) PLC

NOTES TO THE FINANCIAL STATEMENTS

13 RELATED PARTY TRANSACTIONS

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.

(A) Transactions with Parent Company - Ceylon Beverage Holdings PLC

Messrs. D.A.Cabraal, H Selvanathan, S.K.Shah, D.C.R. Gunawardena, R.H. Meewakkala, S. Clini and Mrs. S. J. F. Evans (appointed w.e.f 01/10/2020) Directors of the company are also Directors of Ceylon Beverage Holdings PLC with which the following contracts / transactions have been entered into during the period by the Company in the normal course of business.

- (i) As per the licensed brewing agreement with Ceylon Beverage Holdings PLC, the Company was charged Rs. 160,134,729/- (2020 -Rs. 159,348,804/-) as royalty during the period.
- (ii) As per the loan agreement with Ceylon Beverage Holdings PLC, the Company charged Rs. 25,733,505/- (2020 - Rs. 57,707,719/-) at a rate of AWPLR+1% as loan interest during the period.
- (iii) Balance receivable from Ceylon Beverage Holdings PLC as at 31st March 2021 is Rs. 378,150,804/-

(B) Transactions with Fellow Subsidiary - Pubs 'N Places (Private) Limited

Messrs. S.K. Shah and D.R.P. Goonetilleke, Directors of the Company are also Directors of Pubs 'N Places (Private) Limited, to which the Company sold beer for a total value of Rs. 154,862,995/- during the period (2020-Rs. 195,294,979/-).

- (i) An amount of Rs. 4,323,876/- was paid by the Company to Pubs 'N Places (Private) Limited as trade rebates on beer purchases during the period.(2020- Rs. 5,690,051/-)
- (ii) As per the loan agreement with Pubs 'N Places (Private) Limited, the Company charged Rs. 5,553,724/- (2020- Rs. 12,621,180/-) at a rate of AWPLR+1% as loan interest during the period.
- (iii) An amount of Rs. 36,666,520/- was paid by the company to Pubs 'N Places (Private) Limited as marketing fee for the outlets operated by Pubs 'N Places (Private) Limited during the period. (2020 - Rs. 24,416,569/-)
- (iv) Balance receivable from Pubs 'N Places (Private) Limited as at 31st March 2021 is Rs. 67,468,046/-

(C) Transactions with Fellow Subsidiary - Retail Spaces (Private) Limited

Messrs. S.K. Shah and D.R.P. Goonetilleke, Directors of the Company are also Directors of Retail Spaces (Private) Limited, to which the Company sold beer for a total value of Rs. 283,734,702/- (2020 - Rs. 262,919,767/-) during the period.

- (i)Balance receivable from Retail Spaces (Private) Limited as at 31st March 2021 is Nil.

(D) Transactions with Fellow Subsidiary - Luxury Brands (Private) Limited

(i) Messrs. S.K. Shah and D.R.P. Goonetilleke, Directors of the Company are also Directors of Luxury Brands (Private) Limited, for which the Company provided distribution services for a fee amounting to Rs. 2,886,716/- (2020 - Rs. 13,975,430/-) during the period.

- (ii) Lion Brewery (Ceylon) PLC purchased Rs. 2,220,000/- worth of beer coolers during the period.
- (iii) Balance receivable from Luxury Brands (Private) Limited as at 31st March 2021 is Nil.

(E) Transactions with Sub Subsidiary - Millers Brewery Limited

Messrs. S.K Shah & D.R.P. Goonetilleke Directors of the Company are also Directors of Millers Brewery Limited.

- (i) An amount of Rs. 9,065,248/- (2020 -Rs.7,596,000/-) was charged by Millers Brewery Limited for warehouse services provided to the Company during the period.
- (ii) Company purchased Rs. 150,000/- worth of fixed assets from Millers Brewery Limited during the period which had net book vale of Rs. 152,917/- at the disposal date.
- (iii) Balance payable to Millers Brewery Limited as at 31st March 2021 is Rs. 513,590/-.

(F) Transactions with Group entities

Messrs. H.Selvanathan, S.K.Shah and K. Selvanathan, S.Selvanathan Directors of the Company, are also Directors of Carsons Management Services (Private) Limited., which provides supporting services to the Company. An amount of Rs. 653,522,364/- (2020 - Rs. 604,304,691/-) was charged by Carsons Management Services (Private) Limited to the Company during the period, which included support services fees of Rs. 487,699,996/- (2020 - Rs. 528,440,512/-) and other reimbursable expenses incurred by Carsons Management Services (Private) Limited on behalf of the Company. Balance receivable from Carsons Management Services (Private) Limited as at 31st March 2021 is nill.

LION BREWERY (CEYLON) PLC**NOTES TO THE FINANCIAL STATEMENTS****(G) Transactions with other related entities**

- (a) Messrs. S. Clini, Mr. Lim C. K. (resigned on 16/10/2020) and Ms. V. Gun (appointed w.e.f. 19/10/2020) Directors of the Company represents the Carlsberg Group with which the following contracts / transactions have been entered into during the period by the Company in the normal course of business.
- (i) As per the licensed brewing agreement, a sum of Rs. 142,792,835/- (2020 - Rs. 165,446,581/-) was charged as royalty during the period by Carlsberg A/S.
 - (ii) LBCL purchases part of its requirement of the raw material Aroma Hop From Carlsberg A/S. There were purchases during the period for a sum of Rs. 1,809,535/- (2020 -Rs. 8,827,641/-)
 - (iii) An amount of Rs. 122,828,483/- remains payable as at 31st March 2021.
- (b) Mr. D.C.R. Gunawardena, Director of the Company, is also a Director of Equity one limited with which the following transactions have been entered into during the period by the Company in the normal course of business.
- (i) An amount of Rs. 45,423/- has been charged for the use of conference room during the period. (2020 -Nil)
- (c) Messrs. D.C.R. Gunawardena and K. Selvanathan Directors of the Company are also Directors of Pegasus Hotels of Ceylon PLC with which the following transactions have been entered into during the period by the Company in the normal course of business.
- (i) An amount of Rs. 613,921/- recognized as income from sale of Beer in the normal course of business. (2020- Rs. 2,011,540/-)
 - (ii) An amount of Rs. 609,497/- was charged as hotel expenses for services provided (2020- Rs.668,586/-)
- (d) Mr. D.C.R. Gunawardena, Director of the Company, is also a Director of Equity Hotels Ltd with which the following transactions have been entered into during the period by the Company in the normal course of business.
- (i) An amount of Rs. 51,317/- is recognised as income from sale of Beer to Equity Hotels Ltd in the normal course of business (2020- Rs. 422,332/-)

(H) Transactions with key management personnel (KMP)

According to Sri Lanka Accounting Standard 24 "Related Party Disclosures", key management personnel are those having authority and responsibility for planning and controlling the activities of the entity. Accordingly, the Directors of the Company and its parent company (including executive and non executive directors) and their immediate family members have been classified as KMP of the Company.

The compensation paid to key management personnel consist of short-term employment benefits and no other payments such as post-employment benefits, terminal benefits and share based payments have been paid to key management personnel during the period.

LION BREWERY (CEYLON) PLC

Corporate Information

NAME OF COMPANY

Lion Brewery (Ceylon) PLC
(A Carson Cumberbatch Company)

COMPANY REGISTRATION NUMBER

PQ 57

LEGAL FORM

A Public Quoted Company with Limited Liability.
Incorporated in Sri Lanka in 1996
Official listing of the Colombo Stock Exchange obtained in 1997

SUBSIDIARY COMPANIES

Pearl Springs (Private) Limited
Millers Brewery Limited

PARENT AND CONTROLLING ENTITY

Ceylon Beverage Holdings PLC is the immediate Parent Company of Lion Brewery (Ceylon) PLC. In the opinion of the Directors, 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. S. K. Shah (Chief Executive Officer)
Mr. D. C. R. Gunawardena
Mr. K. Selvanathan (Director / Alternate Director to H. Selvanathan)
Mr. D. R. P. Goonetilleke
Mrs. S.J.F.Evans
Mr. R. H. Meewakkala (Chief Executive Officer - Designate w.e.f. 01/07/2020)
Mr. Lim C. K. (resigned w.e.f. 16/10/2020)
Mr. S. Selvanathan
Mr. S. Clini
Ms. V. Gun (appointed w.e.f. 19/10/2020)

BANKERS

Citibank
Commercial Bank
Deutsche Bank
DFCC Bank
Hatton National Bank
Nations Trust Bank
National Development Bank
Standard Chartered Bank
Sampath Bank

LEGAL ADVISERS

Messrs. F. J. & G. De Saram
216, De Saram Place
Colombo 10, Sri Lanka
Tel: +94 11 4718 200
Fax:+94 11 4718 220

AUDITORS

Messrs. KPMG
Chartered Accountants
No. 32A, Sir Mohamed Macan Markar Mawatha
Colombo 3, Sri Lanka
Tel: +94 11 5426 426
Fax:+94 11 2445 872

MANAGERS & SECRETARIES

Carsons Management Services (Private) Limited
No. 61, Janadhipathi Mawatha
Colombo 01, Sri Lanka
Tel : +94 11 2039 200
Fax: +94 11 2039 300

REGISTERED OFFICE

No. 61, Janadhipathi Mawatha
Colombo 01, Sri Lanka
Tel : +94 11 2039 200
Fax: +94 11 2039 300

CORPORATE OFFICE & BREWERY

254, Colombo Road, Biyagama, Sri Lanka
Tel : +94 11 2465 900 (10 Lines)
Fax : +94 11 2465 901

GROUP WEBSITE

www.carsoncumberbatch.com