

Lion Brewery (Ceylon) PLC

*Interim Condensed Financial Statements
for the Third Quarter ended
31st December 2021*

LION BREWERY (CEYLON) PLC

Review

For the 9 months ended 31st December 2021, a profit after tax of Rs. 2.4 billion was earned on a turnover of Rs. 39.5 billion, compared to previous years comparatives of Rs.2.0 billion & Rs.35.1 billion respectively. In the 3rd quarter, the business environment returned to near normal levels, with sales benefitting from a re-stocking after closure in Q2. This was a result of the Government's initiative to keep the Country open, notwithstanding the simmering Covid pandemic which pervaded during that period. This provided an opportunity for society to acclimatize to the new ways of engaging in their daily activities. During this period, the authorities commenced administering the booster vaccine, which provided protection from serious health implications, caused by contracting Covid. The Government's initiative of opening the borders also bore dividend, as the country saw an increased number of tourists in the quarter under consideration, which supported volumes, especially in touristic pockets.

The overall cost escalations continued to exert pressure on margins, whilst the November budget, also increased the excise duty on beer. As a result, the Company was compelled to revise the prices of beer. In addition to the increase in excise duty, the budget also announced two new taxes namely, a surcharge tax on taxable income of the financial year 20/21 of 25% & a social security contribution tax of 2.5% on turnover which is to be effective from 1st April 2022. The exact methodology of their enactment is yet being worked out. These two taxes are in addition to the special goods & services tax in lieu of excise duty, as was announced in the previous year's budget, which too remains to be enacted.

In the month of December, the Company added Guinness to its existing brand portfolio. Guinness was first brewed at the St. James's Gate Brewery in Dublin, Ireland in 1759 by Arthur Guinness. Guinness is now a part of Diageo. The group's association with Guinness, dates back to the late twentieth century, when Guinness was brewed at the Nuwara Eliya brewery, until its closure in 2001. Guinness offers the consumer a unique perfectly balanced super-premium dark beer, rich & creamy, distinctly black, velvety in finish and with a warming mouthfeel.

During the quarter under review, all Covid 19 protocols continued to be stringently followed within the brewery, to ensure uninterrupted operations. Proactive operational measures taken by the Company enabled it to navigate within this fluid and changing operating environment. During the period ending 9 months, the Company paid to the Government Rs. 26.0 billion as Excise Duty and other taxes.

Exports volumes recorded a growth of 65%, in comparison to the corresponding period last year. Although this performance could be considered good, exports fell below potential, due to the inability to find vessels to carry our cargo. The number of vessels calling in at the port of Colombo reduced substantially, resulting in difficulties to obtain space for our cargo whilst also causing substantial increases in the freight rates. Export margins remained under pressure.

The forex crisis has created a shortage of dollars required to pay for imports of raw material & other inputs for manufacturing. Of the limited dollars available, banks give preference for payments towards import of fuel, medicine & other essential food items. It is fervently hoped that this issue gets resolved quickly as businesses are compelled to manage on a "hand to mouth" focus on a daily basis.

Few factors will determine the immediate future. The most significant is the way in which Sri Lankans respond to the Covid pandemic. If the booster vaccine is received across the population, and if necessary precautions are taken by all concerned, the health complications arising by contracting Covid will greatly reduce. The other factor is the availability of Dollars for the import of raw & other material required to ensure continued operations. Apart from these, with the reduction in disposable incomes, the authorities should be cognizant that there is every possibility for the illicit alcohol industry to thrive, which will have an impact on the legal alcohol industry. Growth in illicit trade will significantly impact government revenue from the legal alcohol industry, which is budgeted at circa Rs 200 billion this year. It should also be reiterated that increasing the outlet base, through streamlining the license process, would be a longer-term solution to minimize threat to government tax revenues, whilst reducing the harmful impact of low-quality illegal products.

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

Mr. D. A. Cabraal (Chairman)

Mr. H. Selvanathan (Deputy Chairman)

Mr. R. H. Meewakkala (Chief Executive Officer - appointed w.e.f. 01/07/2021)

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. S. Selvanathan

Mr. S. Clini

Ms. V. Gun

Mr. S. K. Shah (Chief Executive Officer - retired w.e.f. 30/06/2021)

LION BREWERY (CEYLON) PLC**CONDENSED STATEMENT OF FINANCIAL POSITION**

	Company		Group	
	31-Dec-21	31-Mar-21 (Audited)	31-Dec-21	31-Mar-21 (Audited)
<i>In Rs.'000s</i>				
ASSETS				
Non- Current Assets				
Property, plant & equipment	17,947,657	17,408,326	19,349,541	18,819,887
Right of use assets	140,240	164,119	140,240	164,119
Intangible assets	1,215,767	1,225,109	1,215,767	1,225,109
Investments in subsidiary	1,029,623	1,029,623	-	-
Total Non-Current Assets	20,333,287	19,827,177	20,705,548	20,209,115
Current Assets				
Inventories	3,341,852	3,493,117	3,341,852	3,493,117
Trade and other receivables	2,043,226	1,334,241	2,048,410	1,340,316
Amounts due from related companies	387,187	445,619	387,187	445,619
Cash and cash equivalents	11,234,609	9,525,907	11,360,595	9,665,398
Total Current Assets	17,006,874	14,798,884	17,138,044	14,944,450
Total Assets	37,340,161	34,626,061	37,843,592	35,153,565
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	14,338,185	13,380,781	13,981,947	13,048,135
Total Equity	17,848,954	16,891,550	17,908,223	16,974,411
Non- Current Liabilities				
Loans and borrowings	2,664,677	3,497,060	2,664,677	3,497,060
Lease creditor (Note 04)	147,815	165,321	147,815	165,321
Employee benefits	224,244	233,933	224,244	233,933
Net deferred tax liabilities	4,509,988	4,646,786	4,951,727	5,088,525
Total Non- Current Liabilities	7,546,724	8,543,100	7,988,463	8,984,839
Current Liabilities				
Trade and other payables	2,260,481	1,873,132	2,261,540	1,874,996
Amounts due to related companies	120,887	123,342	120,887	122,828
Refundable deposits	2,201,013	1,900,393	2,201,013	1,900,393
Current tax liabilities	1,335,777	2,383,576	1,337,141	2,385,113
Loans and borrowings	4,200,732	1,868,664	4,200,732	1,868,664
Lease creditor (Note 04)	22,925	19,900	22,925	19,900
Bank overdrafts	1,802,668	1,022,404	1,802,668	1,022,421
Total Current Liabilities	11,944,483	9,191,411	11,946,906	9,194,315
Total Liabilities	19,491,207	17,734,511	19,935,369	18,179,154
Total Equity and Liabilities	37,340,161	34,626,061	37,843,592	35,153,565

Net assets per ordinary share (Rs.)**223.11****211.14****223.85****212.18**

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

11th February 2022

(Sgd.)

R.H. Meewakkala

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	Nine Months Ended		Change	Year ended
	31.12.2021	31.12.2020	%	31.12.2021	31.12.2020	%	31.03.2021 (Audited)
Revenue	17,790,862	13,553,331	31	39,553,449	35,082,412	13	49,849,287
Cost of sales	(14,119,259)	(10,930,647)	29	(31,583,149)	(28,253,051)	12	(39,828,971)
Gross profit	3,671,603	2,622,684	40	7,970,300	6,829,361	17	10,020,316
Other income	55,509	33,668	65	130,457	95,694	36	331,241
	3,727,112	2,656,352	40	8,100,757	6,925,055	17	10,351,557
Distribution expenses	(845,095)	(718,772)	18	(2,237,967)	(1,957,685)	14	(2,815,812)
Administrative expenses	(595,605)	(424,174)	40	(1,570,881)	(1,097,505)	43	(1,617,768)
Other expenses	(225,751)	(146,817)	54	(478,225)	(355,897)	34	(562,558)
Impairment of intangible assets	-	-	-	-	-	-	(449,084)
Operating profit before finance cost	2,060,661	1,366,589	51	3,813,684	3,513,968	9	4,906,335
Finance income	141,771	137,022	3	439,946	566,716	(22)	688,286
Finance costs	(242,975)	(225,962)	8	(696,310)	(971,958)	(28)	(1,143,396)
Net finance costs	(101,204)	(88,940)	14	(256,364)	(405,242)	(37)	(455,110)
	1,959,457	1,277,649	53	3,557,320	3,108,726	14	4,451,225
Profit before taxation	1,959,457	1,277,649	53	3,557,320	3,108,726	14	4,451,225
Income tax expense	(732,413)	(476,522)	54	(1,290,314)	(1,170,408)	10	(1,815,068)
Deferred taxation	592	(10,966)	(105)	136,798	23,063	493	(43,743)
Profit after taxation	1,227,636	790,161	55	2,403,804	1,961,381	23	2,592,414
Other comprehensive income							
Items that will not be reclassified to profit or loss							
Remeasurement of employee benefit obligations	-	-	-	-	-	-	1,119
Deferred tax charge on actuarial gain	-	-	-	-	-	-	(447)
Total other comprehensive income for the period net of tax	-	-	-	-	-	-	672
Total comprehensive income for the period	1,227,636	790,161	55	2,403,804	1,961,381	23	2,593,086
Earnings per ordinary share (Rs.)	15.35	9.88		30.05	24.52		32.41

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	Nine Months Ended		Change	Year Ended
	31.12.2021	31.12.2020	%	31.12.2021	31.12.2020	%	31.03.2021 (Audited)
Revenue	17,790,862	13,553,331	31	39,553,449	35,082,412	13	49,849,287
Cost of sales	(14,119,259)	(10,930,647)	29	(31,583,149)	(28,253,051)	12	(39,828,971)
Gross profit	3,671,603	2,622,684	40	7,970,300	6,829,361	17	10,020,316
Other income	55,581	33,733	65	130,760	96,844	35	338,404
	3,727,184	2,656,417	40	8,101,060	6,926,205	17	10,358,720
Distribution expenses	(845,095)	(718,772)	18	(2,237,967)	(1,957,685)	14	(2,815,812)
Administrative expenses	(599,962)	(433,469)	38	(1,597,587)	(1,123,042)	42	(1,665,071)
Other expenses	(225,751)	(146,817)	54	(478,225)	(355,897)	34	(722,816)
Impairment of intangible assets	-	-	-	-	-	-	(449,084)
Operating profit before finance cost	2,056,376	1,357,359	51	3,787,281	3,489,581	9	4,705,937
Finance income	142,637	138,388	3	442,757	572,643	(23)	695,281
Finance costs	(242,975)	(225,962)	8	(696,310)	(971,958)	(28)	(1,143,396)
Net finance costs	(100,338)	(87,574)	15	(253,553)	(399,315)	(37)	(448,115)
	1,956,038	1,269,785	54	3,533,728	3,090,266	14	4,257,822
Profit before taxation	1,956,038	1,269,785	54	3,533,728	3,090,266	14	4,257,822
Income tax expense	(732,414)	(476,523)	54	(1,290,314)	(1,170,408)	10	(1,815,068)
Deferred taxation	592	(10,966)	(105)	136,798	23,063	493	28,342
Profit after taxation	1,224,216	782,296	56	2,380,212	1,942,921	23	2,471,096
Other comprehensive income							
Items that will not be reclassified to profit or loss							
Remeasurement of employee benefit obligations	-	-	-	-	-	-	1,119
Deferred tax charge on actuarial (gain)/loss	-	-	-	-	-	-	(447)
Total other comprehensive income for the period net of tax	-	-	-	-	-	-	672
Total comprehensive income for the period	1,224,216	782,296	56	2,380,212	1,942,921	23	2,471,768
Earnings per ordinary share (Rs.)	15.30	9.78		29.75	24.29		30.89

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 2020	2,537,801	972,968	11,427,695	14,938,464
Total comprehensive income for the period				
Profit for the period	-	-	1,961,381	1,961,381
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	1,961,381	1,961,381
Transactions with owners of the Company				
Distribution made to owners				
Ordinary dividends	-	-	(640,000)	(640,000)
Balance as at 31st December 2020	2,537,801	972,968	12,749,076	16,259,845
Balance as at 1st April 2020	2,537,801	972,968	11,427,695	14,938,464
Total comprehensive income for the year				
Profit for the year	-	-	2,592,414	2,592,414
Other comprehensive income for the year	-	-	672	672
Total comprehensive income for the year	-	-	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
Balance as at 1st April 2021	2,537,801	972,968	13,380,781	16,891,550
Total comprehensive income for the period				
Profit for the period	-	-	2,403,804	2,403,804
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	2,403,804	2,403,804
Transactions with owners of the Company				
Distribution made to owners				
Ordinary dividends	-	-	(1,446,400)	(1,446,400)
Balance as at 31st December 2021	2,537,801	972,968	14,338,185	17,848,954

GROUP

<i>In Rs. '000s</i>	Stated Capital	Revaluation Reserve	Retained Earnings	Total Equity
Balance as at 1st April 2020	2,537,801	1,388,475	11,216,367	15,142,643
Total comprehensive income for the period				
Profit for the period	-	-	1,942,921	1,942,921
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	1,942,921	1,942,921
Transactions with owners of the Company				
Distribution made to owners				
Ordinary dividends	-	-	(640,000)	(640,000)
Balance as at 31st December 2020	2,537,801	1,388,475	12,519,288	16,445,564
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 year	-	-	2,471,096	2,471,096
Other comprehensive income for the year	-	-	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
Balance as at 1st April 2021	2,537,801	1,388,475	13,048,135	16,974,411
Total comprehensive income for the year				
Profit for the period	-	-	2,380,212	2,380,212
Total comprehensive income for the year	-	-	2,380,212	2,380,212
Transactions with owners of the Company				
Distribution made to owners				
Ordinary dividends	-	-	(1,446,400)	(1,446,400)
Balance as at 31st December 2021	2,537,801	1,388,475	13,981,947	17,908,223

LION BREWERY (CEYLON) PLC
STATEMENT OF CASH FLOWS

<i>Period ended</i> In Rs.'000s	Company			Group		
	31.12.2021	31.12.2020	31.03.2021 (Audited)	31.12.2021	31.12.2020	31.03.2021 (Audited)
Cash flows from operating activities						
Profit before taxation	3,557,320	3,108,726	4,451,225	3,533,728	3,090,266	4,257,822
Adjustments for:						
Finance costs	690,449	985,408	1,189,239	690,449	985,408	1,189,239
Depreciation on property, plant & equipment	1,083,639	931,719	1,273,080	1,093,317	951,205	1,299,018
Amortization on Intangible assets	9,342	4,217	7,437	9,342	4,217	7,437
Depreciation on Leased assets	23,879	23,848	32,208	23,879	23,848	32,208
Net inventory provision /(reversal)	(2,867)	1,871	1,096	(2,867)	1,871	1,096
Provision for retirement benefit obligation	13,901	12,135	39,267	13,901	12,135	39,267
Impairment of property, plant & equipment	-	-	-	-	-	160,258
Impairment of intangible assets	-	-	449,084	-	-	449,084
Loss /(gain) on disposal of property, plant & equipment	12,006	-	20,557	12,006	-	21,013
Lease interest	19,091	21,397	28,716	19,091	21,397	28,716
Gain on derecognition of right of use assets	-	-	(2,912)	-	-	(2,913)
Exchange loss/ (gain)	(1,488)	(2,144)	309	(1,488)	(2,144)	309
Deposits written back during the year	-	-	(168,072)	-	-	(168,072)
Finance Income	(439,946)	(566,716)	(688,286)	(442,757)	(572,643)	(695,281)
Operating cash flow before working capital changes	4,965,327	4,520,461	6,632,947	4,948,602	4,515,560	6,619,201
(Increase)/Decrease in inventories	154,132	(631,709)	(912,093)	154,131	(631,709)	(912,093)
(Increase)/Decrease in trade and other receivables	(707,497)	83,881	(43,509)	(706,606)	63,763	(43,199)
(Increase)/Decrease in amounts due from related companies	58,432	97,239	163,405	58,432	97,239	163,405
Increase/(Decrease) in tax payable/receivable	(858,113)	1,686,074	1,773,928	(858,287)	1,686,333	1,772,169
Increase/(Decrease) in trade and other payables	387,349	24,065	395,267	386,544	21,805	388,017
Increase/(Decrease) in amounts due to related companies	(2,455)	88,507	14,971	(1,941)	89,130	15,080
Cash generated from operations	3,997,175	5,868,518	8,024,916	3,980,875	5,842,121	8,002,580
Finance expenses paid	(624,914)	(900,709)	(1,114,498)	(624,914)	(900,709)	(1,114,496)
Retirement benefits paid	(23,590)	(2,952)	(2,952)	(23,590)	(2,952)	(2,952)
Tax paid	(1,480,000)	(691,862)	(1,301,862)	(1,480,000)	(691,862)	(1,301,862)
Net cash generated from operating activities	1,868,671	4,272,995	5,605,604	1,852,371	4,246,598	5,583,270
Cash flows from investing activities						
Purchase and construction of property, plant & equipment	(1,648,981)	(831,196)	(1,160,021)	(1,648,981)	(831,196)	(1,160,021)
Purchase of intangible assets	-	(1,482)	(27,196)	-	(1,482)	(27,196)
Proceeds from sale of property, plant & equipment	14,005	-	-	14,005	-	-
Agent deposits received	300,620	274,452	366,290	300,620	274,452	366,290
Interest received	439,946	566,716	688,286	442,758	572,643	695,281
Net cash (used in)/generated from investing activities	(894,410)	8,490	(132,641)	(891,598)	14,417	(125,646)
Cash flows from financing activities						
Loans and borrowings received	2,700,000	2,781,250	3,000,000	2,700,000	2,781,250	3,000,000
Repayments of loans and borrowing	(1,265,850)	(7,559,600)	(10,300,300)	(1,265,850)	(7,559,600)	(10,300,300)
Repayments of lease rentals	(33,573)	(33,121)	(45,162)	(33,573)	(33,121)	(45,162)
Dividend paid net of tax	(1,446,400)	(640,000)	(640,000)	(1,446,400)	(640,000)	(640,000)
Net cash used in financing activities	(45,823)	(5,451,471)	(7,985,462)	(45,823)	(5,451,471)	(7,985,462)
Net (decrease)/increase in cash & cash equivalents	928,438	(1,169,985)	(2,512,499)	914,950	(1,190,455)	(2,527,838)
Cash & cash equivalents at the beginning of the year	8,503,503	11,016,002	11,016,002	8,642,977	11,170,815	11,170,815
Cash & cash equivalents at the end of the year	9,431,941	9,846,017	8,503,503	9,557,927	9,980,360	8,642,977
Analysis of cash and cash equivalents						
Cash and cash equivalents	11,234,609	10,374,088	9,525,907	11,360,595	10,508,431	9,665,398
Bank overdraft	(1,802,668)	(528,071)	(1,022,404)	(1,802,668)	(528,071)	(1,022,421)
	9,431,941	9,846,017	8,503,503	9,557,927	9,980,360	8,642,977

LION BREWERY (CEYLON) PLC NOTES TO THE FINANCIAL STATEMENTS
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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 2021 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 COMMITMENTS AND CONTINGENT LIABILITIES

3.1 Finance Commitments

Document credits established for foreign purchases of the Company as at 31st December 2021 amounts to Rs. 1,914,808,953/- (2020 - Rs. 595,736,603/-)

3.2 Capital Commitments

Capital expenditure committed by the Company for which a provision has not been made in the Financial Statements amounts to Rs. 306,760,198/- at 31st December 2021 (2020 - Rs. 142,660,974/-)

3.3 Contingencies

Contingent liabilities as at 31st December 2021 amounts to Rs.282,931,693/- (2020 - Rs. 210,652,730/-), 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	
	2021/22	2020/21	2021/22	2020/21
Balance as at beginning of the period	185,221	171,012	185,221	171,012
Leases obtained	-	47,777	-	47,777
Leases obtained	-	(17,122)	-	(17,122)
Lease rentals paid	(33,573)	(45,162)	(33,573)	(45,162)
Interest expense for the period	19,091	28,716	19,091	28,716
Balance as at end of the period	170,740	185,221	170,740	185,221

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 SURCHARGE TAX

In the 2022 National Budget, the Government proposed a one time surcharge tax of 25% on Group/company's taxable income exceeding Rs. 2 billion for the year of assessment 2020/21. Since this proposal is yet to be legislated, in the financial statements for the period ended 31st December 2021, the Group has not provided for its potential liability.

8 EVENTS AFTER THE REPORTING PERIOD

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

9 INVESTOR INFORMATION

Investor Information	Quarter Ended		Nine Months Ended		Year Ended
	31.12.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
1 Share Information					
Price as at the end of the period (Rs.)	550.00	585.00	550.00	585.00	569.00
Highest price (Rs.)	591.50	602.00	615.00	639.90	639.90
Lowest price (Rs.)	520.00	525.20	520.00	445.00	445.00
2 Trading Statistics					
No of Transactions	321	426	882	1077	1,459
No of Shares traded	364,012	1,072,992	765,959	3,920,251	5,374,644
Value of all shares traded (Rs. Mn.)	198	584	420	2,015	2,814

LION BREWERY (CEYLON) PLC**NOTES TO THE FINANCIAL STATEMENTS****10 TWENTY MAJOR SHAREHOLDERS AS AT 31ST DECEMBER 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	5,589,256	6.99
4	CARSON CUMBERBATCH PLC A/C NO. 02	4,107,793	5.13
5	CARSON CUMBERBATCH PLC A/C NO. 01	1,678,808	2.10
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	GF CAPITAL GLOBAL LIMITED	507,179	0.63
10	BBH-RONDURE NEW WORLD FUND	472,256	0.59
11	SAMPATH BANK PLC/MRS.PRIYANI DHARSHINI RATNAGOPAL	300,000	0.38
12	DEUTSCHE BANK AG AS TRUSTEE FOR JB VANTAGE VALUE EQUITY FUND	207,947	0.26
13	CITIBANK NEWYORK S/A NORGES BANK ACCOUNT 2	202,978	0.25
14	SSBT-FRANK RUSSEL TRUST COMPANY COMINGLED BENEFIT FUNDS TRUST GNA-6QH3	198,268	0.25
15	PORTELET LIMITED	161,920	0.20
16	TRANZ DOMINION,L.L.C.	129,251	0.16
17	NEWGREENS LIMITED	83,200	0.10
18	MR. M.A. JAFFERJEE	81,884	0.10
19	METROCORP (PVT) LTD	76,792	0.10
20	MR. A.N. ESUFALLY	73,760	0.09

11 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 December 2021

Market Capitalization of the Public Holding	Rs.5.97 Billion
Percentage of ordinary shares held by the public	13.58%
Number of Public Shareholders	1,264

12 DIRECTOR'S SHAREHOLDINGS

As at 31st December 2021	No. of Shares
Mr. D. A. Cabraal (Chairman)	-
Mr. H. Selvanathan (Deputy Chairman)	1,579
Mr. R. H. Meewakkala (Chief Executive Officer - appointed w.e.f. 01/07/2021)	-
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. S. Selvanathan	-
Mr. S. Clini	-
Ms. V. Gun	-
Mr. S. K. Shah (Chief Executive Officer - retired w.e.f. 30/06/2021)	6,016

13 STATED CAPITAL

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

LION BREWERY (CEYLON) PLC**NOTES TO THE FINANCIAL STATEMENTS****14 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.

In Rs.'000s For the period ended 31 December	Group		Company	
	2021	2020	2021	2020
Transactions with related parties/subsidiaries				
Royalty expenses	210,628	214,081	210,628	214,081
Intercompany interest income	16,234	25,685	16,234	25,685
Beer sales income	316,061	300,637	316,061	300,637
Trade rebates	2,261	2,892	2,261	2,892
Marketing fee expenses	23,917	27,833	23,917	27,833
Distribution services fee income	2,751	2,053	2,751	2,053
Rent expenses	19	14	9,963	6,300
Support services fees expenses	688,650	358,434	688,650	358,434
Other service fee expense	154,808	105,508	154,759	105,387
Disposal of fixed assets	3,125	-	3,125	-
Purchase of fixed assets	-	2,220	-	2,220
Purchase of raw materials	-	1,810	-	1,810

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. 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. R. H. Meewakkala (Chief Executive Officer - appointed w.e.f. 01/07/2021)
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. S. Selvanathan
Mr. S. Clini
Ms. V. Gun
Mr. S. K. Shah (Chief Executive Officer - retired w.e.f. 30/06/2021)

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