



# BANKS DIH LIMITED & ITS SUBSIDIARIES



**Interim Financial Report  
For the half year ended 31 March 2019**

The Winning Team - Celebrating People, Inspiring Greatness



**BANKS DIH LIMITED AND ITS SUBSIDIARIES**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED 31 MARCH 2019**

**INDEX**

Chairman's Report 1 - 2

**FINANCIAL STATEMENTS**

Consolidated Statement of Financial Position 3

Consolidated Statement of Income 4

Consolidated Statement of Comprehensive Income 4

Consolidated Statement Of Changes In Equity 5

Consolidated Statement Of Cash Flows 6

Notes To The Interim Financial Statements 7-10

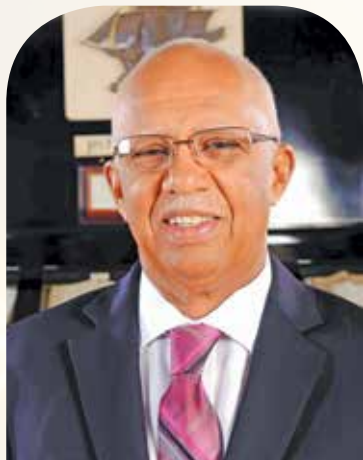


*The Winning Team - Celebrating People, Inspiring Greatness*



## INTERIM FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 MARCH 2019

### *Chairman's Report*



Chairman/Managing Director  
Mr. Clifford B. Reis C.C.H.

Dear Shareholders, on behalf of the Board of Directors of the Group, I am pleased to present our Operating and Financial results for the first half of the Financial Year 2019.

The Group's third party revenue for the six-month period ended 31 March 2019 was \$16.73 Billion compared to \$15.83 Billion for the corresponding period in 2018, an increase of \$898.4 Million or 5.7 %.

The unaudited Profit before Taxation for the Group for the six months ended 31 March 2019 was \$2.98 Billion as compared to \$2.61 Billion achieved in 2018, an increase of \$377.0 Million or 14.5 %.

Revenue generated by the Company was \$15.11 Billion compared to \$14.28 Billion in 2018, an increase of \$830.0 Million or 5.81%.

The unaudited Operating Profit before Taxation for the Company was \$2.45 Billion compared to \$2.21 Billion in 2018, an increase of \$237.6 Million or 10.8%, while the unaudited Profit after Taxation was \$1.68 Billion, compared to \$1.43 Billion, in 2018, an increase of \$242.7 Million or 16.9%.

Citizens Bank Guyana Inc., a 51% owned subsidiary of the Company, recorded an unaudited Profit after Taxation for the period ended 31 March 2019 of \$357.5 Million compared to \$277.7 Million achieved in 2018 resulting in an increase of \$79.8 Million or 29.0 %.

Citizens Bank's efforts will be directed to providing solutions to the challenges which the emerging petroleum sector and technological innovations will provide. We are optimistic that the Bank will generate an improved performance which will result in increased shareholder value.

The Company's continued good performance in the first half year was due to the increase in revenues which came from the growth in physical case/unit



**INTERIM FINANCIAL REPORT  
FOR THE HALF YEAR ENDED  
31 MARCH 2019**

*Chairman's Report Cont'd*

sales. There were also better yields derived from the conversion of raw material into quality finished products and efficiencies achieved in our route to market distribution systems.

During the period under review, the Company's Capital Expenditure was focused on the completion of our potable water storage capacity and the addition of increased fermentation and storage capacity for the Winery and the installation of a new CIP System for the Bottled Water Plant. The transition to Solar Power at the Demico Restaurants has contributed to the reduction in energy consumption costs.

We can advise with a sense of pride that during the period under review our consumer accepted I-Cee Cream Soda, I-Cee Banana and I-Cee Big Red along with Banks Malta Supreme, Banks Sorrel Shandy and Banks Champagne Shandy were awarded Gold Medals by the Monde Selection International Quality Institute.

On 9 February 2019 your Company welcomed the UniCarriers Forklift Brand to Guyana as we launched a local dealership, which will make available to the local market, UniCarriers Products which will include Electric Rider Lift Trucks, Electric Narrow Aisle Lift Trucks, Electric Pallet Trucks, Internal Combustion Engine Lift Trucks with Cushion Tyres and Internal Combustion Engine Lift Trucks with pneumatic Tyres. These products will be available at our Demerara Park Facility.

The Directors have approved an interim dividend of \$0.30 per share unit to all Shareholders whose names appear on the Share Register as at 17 May 2019. The cost of this dividend payment will be \$255.0 Million.

I will utilise this opportunity to thank my Fellow Directors for their support and guidance, as well as the Executive Board and to express sincere appreciation to all of our dedicated Shareholders, Suppliers, Customers and Employees for their confidence reposed in the Group during this period.

---

Clifford B. Reis, CCH  
17 May 2019


## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### 31 MARCH 2019

Thousands of Guyana Dollars	Unaudited as at 31 March 2019	Unaudited as at 31 March 2018	Audited as at 30 September 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	25,539,773	23,683,419	25,624,359
Investment securities	1,652,798	1,152,687	1,423,639
Loans and advances	23,644,292	21,943,861	22,481,186
Other	121,873	142,511	161,703
	50,958,736	46,922,478	49,690,887
<b>Current assets</b>			
Inventories	5,749,514	5,299,539	6,338,135
Receivables and prepayments	1,685,162	2,072,548	1,242,676
Loans and advances	2,539,527	3,636,470	2,755,517
Investment securities	3,350,194	6,020,737	4,073,955
Cash resources	17,245,579	13,079,607	17,074,772
Other	143,505	143,505	143,505
	30,713,481	30,252,406	31,628,560
<b>TOTAL ASSETS</b>	<b>81,672,217</b>	<b>77,174,884</b>	<b>81,319,447</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital &amp; reserves</b>			
Share capital	2,009,889	2,009,889	2,009,889
Reserves	33,459,663	28,183,762	32,114,332
	35,469,552	30,193,651	34,124,221
Non-controlling interest	4,365,232	4,097,961	4,235,696
	39,834,784	34,291,612	38,359,917
<b>Non-current liabilities</b>			
Customers' deposits	611,756	446,576	499,617
Deferred taxation	2,379,022	2,093,338	2,402,126
Provision for employee benefits	452,208	499,966	440,257
	3,442,986	3,039,880	3,342,000
<b>Current liabilities</b>			
Payables and accruals	4,448,101	4,580,366	4,038,071
Customers' deposits	32,370,372	33,818,138	34,294,122
Other	1,575,974	1,444,888	1,285,337
	38,394,447	39,843,392	39,617,530
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>81,672,217</b>	<b>77,174,884</b>	<b>81,319,447</b>

On behalf of the Board of Directors:

DIRECTORS


---

**CLIFFORD B. REIS**  
 CHAIRMAN


---

**ROY E. CHEONG**  
 VICE CHAIRMAN

## CONSOLIDATED STATEMENT OF INCOME FOR THE HALF YEAR ENDED 31 MARCH 2019

Thousands of Guyana Dollars	Unaudited Half year ended 31 March 2019	Unaudited Half year ended 31 March 2018	Audited Year ended 30 September 2018
<b>REVENUE</b>	16,731,445	15,832,991	30,923,270
<b>PROFIT BEFORE TAXATION</b>	2,983,374	2,606,395	6,929,798
Taxation	(1,006,663)	(952,118)	(2,348,314)
<b>PROFIT AFTER TAXATION</b>	1,976,711	1,654,277	4,581,484
<b>NET PROFIT ATTRIBUTABLE TO:</b>			
Equity holders of the parent	1,801,557	1,518,212	4,286,356
Non-controlling interest	175,154	136,065	295,128
	1,976,711	1,654,277	4,581,484
<b>EARNINGS PER SHARE</b>	<b>2.12 Dollar</b>	<b>1.79 Dollar</b>	<b>5.04 Dollar</b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 MARCH 2019

Thousands of Guyana Dollars	Unaudited Half year ended 31 March 2019	Unaudited Half year ended 31 March 2018	Audited Year ended 30 September 2018
<b>PROFIT AFTER TAXATION</b>	1,976,711	1,654,277	4,581,484
<b>OTHER COMPREHENSIVE INCOME:</b>			
<i>Items that will not be reclassified to profit and loss:</i>			
Remeasurement of provision for employee benefits, net of tax	0	0	(50,080)
Revaluation of Property, net of tax	0	0	1,168,156
	0	0	1,118,076
<i>Items that may be subsequently reclassified to profit and loss:</i>			
Fair value gains on available-for-sale assets, net of tax	247,513	149,857	431,244
	247,513	149,857	431,244
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	247,513	149,857	1,549,320
<b>TOTAL COMPREHENSIVE INCOME</b>	2,224,224	1,804,134	6,130,804
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>			
Equity holders of the parent	2,042,217	1,672,122	5,840,652
Non-controlling interest	182,007	132,012	290,152
	2,224,224	1,804,134	6,130,804

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 MARCH 2019

Thousands of Guyana Dollars

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT				Total
	Share Capital	Retained Earnings	Other Reserves	Non- controlling Interest	
<b>Half year ended 31 March 2018</b>					
Balance as at beginning of period	2,009,889	19,864,650	7,301,384	4,024,251	33,200,174
Net profit for the period	0	1,518,212	0	136,065	1,654,277
Other comprehensive income/(loss)	0	0	153,910	(4,053)	149,857
Dividends paid	0	(654,394)	0	(58,302)	(712,696)
Balance as at end of period	2,009,889	20,728,468	7,455,294	4,097,961	34,291,612
<b>Year ended 30 September 2018</b>					
Balance as at beginning of year	2,009,889	19,864,650	7,301,384	4,024,251	33,200,174
Net profit for the year	0	4,286,356	0	295,128	4,581,484
Other comprehensive income	0	(50,080)	1,604,376	(4,976)	1,549,320
Transfers	0	(19,338)	19,338	0	0
Dividends paid	0	(892,354)	0	(78,707)	(971,061)
Balance as at end of year	2,009,889	23,189,234	8,925,098	4,235,696	38,359,917
<b>Half year ended 31 March 2019</b>					
Balance as at beginning of period	2,009,889	23,189,234	8,925,098	4,235,696	38,359,917
Net profit for the period	0	1,801,557	0	175,154	1,976,711
Other comprehensive income	0	0	240,660	6,853	247,513
Dividends paid	0	(696,886)	0	(52,471)	(749,357)
Balance as at end of period	2,009,889	24,293,905	9,165,758	4,365,232	39,834,784



## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 MARCH 2019

Thousands of Guyana Dollars	Unaudited Half Year ended 31 March 2019	Unaudited Half Year ended 31 March 2018	Audited Year ended 30 September 2018
<b>OPERATING ACTIVITIES</b>			
Profit before taxation	2,983,374	2,606,395	6,929,798
Adjustments for other non-cash items	1,667,150	1,536,101	3,024,852
(Increase) / decrease in operating assets	(800,981)	288,633	(67,233)
(Decrease) / increase in operating liabilities	(1,401,581)	30,243	328,469
Movement to defined benefit obligations	11,951	(12,780)	(181,395)
Taxes paid	(696,636)	(735,318)	(2,194,024)
<b>Net Cash Inflow - Operating Activities</b>	<b>1,763,277</b>	<b>3,713,274</b>	<b>7,840,467</b>
<b>INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	(1,502,331)	(1,495,534)	(3,472,205)
Purchase of investment securities	(2,196,992)	(5,673,064)	(9,403,376)
Disposals/maturities of investment securities	2,948,720	3,689,437	9,270,638
Other	3,892	31,465	51,840
<b>Net Cash Outflow - Investing Activities</b>	<b>(746,711)</b>	<b>(3,447,696)</b>	<b>(3,553,103)</b>
<b>FINANCING ACTIVITIES</b>			
Movement in borrowings	0	(88,578)	(88,578)
Dividends paid to shareholders	(696,886)	(654,394)	(892,354)
Dividends paid to non-controlling interest	(52,471)	(58,302)	(78,707)
Interest Paid	0	(1,202)	(1,540)
<b>Net Cash Outflow - Financing Activities</b>	<b>(749,357)</b>	<b>(802,476)</b>	<b>(1,061,179)</b>
<b>NET MOVEMENT IN CASH AND CASH EQUIVALENTS</b>	<b>267,209</b>	<b>(536,898)</b>	<b>3,226,185</b>
<b>CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD</b>	<b>12,408,238</b>	<b>9,182,053</b>	<b>9,182,053</b>
<b>CASH AND CASH EQUIVALENTS AS AT END OF PERIOD</b>	<b>12,675,447</b>	<b>8,645,155</b>	<b>12,408,238</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>			
Unrestricted cash resources	12,675,447	8,535,239	12,408,238
Investment securities with original maturity of less than three months	0	109,916	0
	<b>12,675,447</b>	<b>8,645,155</b>	<b>12,408,238</b>

# NOTES TO THE INTERIM FINANCIAL STATEMENTS

## 31 MARCH 2019

Thousands of Guyana Dollars

### 1. BASIS OF PREPARATION

These interim financial statements comply with the provisions of the Securities Industry Act 1998 and should be read in conjunction with the annual financial statements for the year ended 30 September 2018, which were prepared in accordance with International Financial Reporting Standards.

### 2. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 September 2018, as described in those financial statements.

There are some changes to IFRSs that are applicable from this financial year. Of the changes, those that are applicable are described below.

#### (a) IFRS 9 - *Financial Instruments*

Of the measures introduced by this Standard, management has identified the forward-looking expected credit loss ('ECL') approach to impairment losses on financial assets, as applicable. The Group, and in particular the banking subsidiary, is in the process of building a financial model to comply with the impairment requirements of the Standard. The impact of application of the ECL model for this financial year will be recorded in the second half year. As permitted by the Standard, the Group will record any impact on adoption in the opening retained earnings as at 01 October 2018, without restatement of comparative figures.

#### (b) IFRS 15 - *Revenue from Contracts with Customers*

The Standard replaces IAS 18 Revenue and IAS 11 Construction Contracts, and related interpretations. The Standard provides a single, principle-based five-step model, to be applied to contracts with customers to provide goods or services in the ordinary course of business. It specifies how and when an entity should recognise revenue. From management's assessment of the provisions of the Standard, there is no material impact to the Group's financial reporting.

### 3. TAXATION

Taxation is based on the actual results for the period, adjusted for the provisions of the applicable tax legislation, and includes an allowance for deferred taxation. Deferred taxation is computed using the liability method for all temporary differences arising between the tax bases of the assets and liabilities and their carrying values for the financial reporting purposes.

### 4. INTRA-GROUP OBLIGATIONS

As at 31 March 2019, Banks DIH Limited had obligations due to its subsidiary, Citizens Bank Guyana Inc., comprising of loans of \$218,600 (2018 - \$502,692) and letters of credit and guarantees of \$102,300 - (2018 - guarantees of \$102,300).

### 5. NET INTEREST

	31 March 2019	31 March 2018
Interest payable	0	1,202
Interest receivable	(6,473)	(8,442)
	<u>(6,473)</u>	<u>(7,240)</u>

### 6. SUBSTANTIAL SHAREHOLDERS

Substantial shareholders of Banks DIH Limited as at 31 March 2019 were:

	Ordinary Shares Of No Par Value
Demerara Life Group of Companies	96,931,679
Trust Company Guyana Limited	77,185,115
Banks Holdings Limited	50,046,155
Hand-In-Hand Group of Companies	45,768,132

A substantial shareholder is defined as a person or entity entitled to exercise, or control the exercise of, five percent (5%) or more of the voting power at any general meeting.

# NOTES TO THE INTERIM FINANCIAL STATEMENTS

## 31 MARCH 2019

Thousands of Guyana Dollars

### 7. SEGMENT INFORMATION

<u>Unaudited</u>	Net of				Total
	Beverages	Commercial Banking	All Other Segments	Consolidation Eliminations	
<b>Half year ended 31 March 2019</b>					
Revenue	13,793,399	1,631,212	1,317,987	(11,153)	16,731,445
Profit before taxation	2,193,664	596,265	151,246	19,130	2,960,305
Total assets	33,648,045	49,888,920	4,019,621	(7,802,545)	79,754,041
Total liabilities	3,747,950	40,915,632	235,473	(7,468,826)	37,430,229

<u>Unaudited</u>					
<b>Half year ended 31 March 2018</b>					
Revenue	13,072,421	1,582,696	1,209,346	(31,472)	15,832,991
Profit before taxation	1,990,213	457,342	134,468	2,668	2,584,691
Total assets	29,653,446	48,786,374	3,719,843	(6,222,568)	75,937,095
Total Liabilities	4,035,164	40,116,407	22,569	(5,329,060)	38,845,080

Reconciliation of profit before taxation for reportable segments to total profit before tax is as follows:

	31 March 2019	31 March 2018
Profit before taxation for reportable segments	2,960,305	2,584,691
Profit from associated companies	288	242
Income from investment securities	12,446	10,358
Net finance income	6,473	7,240
Other Income	3,862	3,864
<b>Total profit before taxation</b>	<b>2,983,374</b>	<b>2,606,395</b>

Reconciliation of reportable segments' assets to total assets is as follows:

	31 March 2019	31 March 2018
Total segment assets	79,754,041	75,937,095
Investment in associated companies	5,840	6,162
Available-for-sale investment securities	1,646,958	1,089,116
Taxation (including deferred taxation)	265,378	142,511
<b>Total assets</b>	<b>81,672,217</b>	<b>77,174,884</b>

Reconciliation of reportable segments' liabilities to total liabilities is as follows:

	31 March 2019	31 March 2018
Total segment liabilities	37,430,229	38,845,080
Provision for employee benefits	452,208	499,966
Taxation (including deferred taxation)	3,954,996	3,538,226
	41,837,433	42,883,272

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 31 MARCH 2019

Thousands of Guyana Dollars

8. REVENUE	31 March 2019	31 March 2018
Sales of beverages	13,793,399	13,072,421
Commercial banking income	1,620,060	1,551,225
Sales of food items	1,284,832	1,180,034
Hotel and laundry services income	33,154	29,311
	16,731,445	15,832,991

#### 9. MATERIAL CONTRACTS

At no time during the period was any Director of Banks DIH Limited materially interested in any contract which was significant to the Company's business.

#### 10. DIVIDENDS

Dividends in respect of 2019 totalling \$0.82 per share were paid in the period while for the comparative half year, dividends in respect of 2018 totalling \$0.77 per share were paid. An interim dividend of \$0.30 per share has been proposed by the Board of Directors (March 2018 - \$0.28 per share).

#### 11. DIRECTORS' INTERESTS

The interests of the Directors holding office during the period in the ordinary shares of Banks DIH Limited and its subsidiaries were:

Banks DIH Limited	Ordinary Shares Of No Par Value		
	Beneficial	Non Beneficial	Associates' Beneficial Interest
C.B. Reis	636,635	0	2,022,865
R.E. Cheong	562,500	0	293,985
R. Burchsmith	44,327	0	0
F.S. Parris	1,000	0	0
D.B. Stoute	0	0	0
M. De Santos	0	0	0
G.G. McDonald	656,353	0	0
M.H. Pereira	1,486,927	64,591	319,983
P.A. Carto	567,911	0	567,911
L.B. Doodnauth	49,050	20,000	38,750
M.S. Hussein	610,180	0	0

Citizens Bank Guyana Inc.	Ordinary Shares Of No Par Value		
	Beneficial	Non Beneficial	Associates' Beneficial Interest
C.B. Reis	0	0	125,000
R.E. Cheong	0	0	31,250
F.S. Parris	6,250	0	0

No Director of Banks DIH Limited has any beneficial interest in shares issued by Caribanks Shipping Company Limited.

# NOTES TO THE INTERIM FINANCIAL STATEMENTS

## 31 MARCH 2019

Thousands of Guyana Dollars

### 12. FAIR VALUE ESTIMATION

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for assets or liabilities that are not based on observable market data (that is, unobservable inputs).

	Level 1	Level 2	Level 3	Total
<b>Half year ended 31 March 2019</b>				
<b>Assets</b>				
Freehold properties	0	11,810,192	0	11,810,192
Available-for-sale investment securities	185,798	1,460,587	572	1,646,957
	<u>185,798</u>	<u>13,270,779</u>	<u>572</u>	<u>13,457,149</u>

#### Half year ended 31 March 2018

##### Assets

Freehold properties	0	10,307,225	0	10,307,225
Available-for-sale investment securities	204,234	884,310	572	1,089,116
	<u>204,234</u>	<u>11,191,535</u>	<u>572</u>	<u>11,396,341</u>

The valuation of freehold properties has been derived by reference to the current market value in the case of land, and the replacement cost in the case of buildings. The most significant input for these valuation approaches is the value or replacement cost per square foot.







Thirst Park, Georgetown, Guyana, P.O. Box 10194  
Tel: 592-225-0910 • Fax: 592-226-6523