



# BANKS DIH LIMITED & ITS SUBSIDIARIES



AGRO-PROCESSING

**Interim Financial Report  
For the half year ended 31 March 2021**

Celebrating our Heritage of Innovation



**BANKS DIH LIMITED AND ITS SUBSIDIARIES**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED 31 MARCH 2021**

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*Celebrating our Heritage of Innovation*



## INTERIM FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 MARCH 2021

### *Chairman's Report*



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

My Fellow Shareholders, on behalf of the board of Directors of the Banks D.I.H Limited Group, I am pleased to present our Operating and Financial results for the first half of the Financial Year 2021.

The Group's third party revenue for the six month period ended 31 March 2021 was \$19.76 Billion compared to \$18.10 Billion for the corresponding period in 2020, an increase of \$1.66 Billion or 9.2%.

The unaudited Profit before Taxation for the Group for the six months ended 31 March 2021 was \$3.999 Billion as compared to \$3.481 Billion in 2020, an increase of \$518.0 million or 14.9%

Revenue generated by the Company was \$17.87 Billion compared to \$16.21 Billion in 2020, an increase of \$1.66 Billion or 10.2%

The unaudited Operating Profit before Taxation for the Company was \$3.262 Billion compared to \$2.788 Billion in 2020, an increase of \$474 Million or 17% while the unaudited Profit after Taxation was \$2.275 Billion compared to \$1.982 Billion in 2020, an increase of \$293 Million or 14.8%.

Citizens Banks Guyana Inc., a 51% owned subsidiary of the Company, recorded an unaudited Profit after Taxation for the period ended 31 March 2021 of \$478.4 Million compared to \$452.1 Million achieved in 2020 resulting in an increase of \$26.3 Million or 6%.

The economic and social uncertainty arising from the ongoing Covid-19 Pandemic, continues to pose many challenges for Citizens Bank Inc. which may impact the second six months of their financial year. We however remain optimistic that our operational strategies will result in a consistent performance and increased results.

Banks Automotive and Services Inc., a 100% owned subsidiary of the Company generated revenues of \$19.5 Million and made a Profit before Tax of \$1.8 Million.

My Fellow Shareholders, the Company has once again demonstrated its ability to deliver sound and sustained results. The improved performance was due to the growth in revenues derived from the increase in sales of our beverage and food products and the prudent management of operational expenses. This was accomplished by the dedication and resilience of our employees and leadership team. The Company is confident that it will continue to deliver excellent results in the second half year.

During the period under review, the Company's capital expenditure was focused on



## INTERIM FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 MARCH 2021

### *Chairman's Report Cont'd*

the completion of major plant and machinery upgrades on the Beer Bottling Plant, the upgrade of the Coca Cola Bottling Plant, the installation of a new Cleaning in Place system in the Winery and Water Plant upgrades. There was also the commissioning of a new Truck Washing Facility and the purchase of new Trucks and Forklifts. Work Continued on the Elevated Car Parking Facilities.

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 18 May 2021. The cost of this dividend payment will be \$255 Million.

My Fellow Shareholders, it is with a deep sense of pride that I report that the Company won the Coca Cola Excellence Cup within the emerging markets segment of the Coca Cola Latin Centre Business Unit. The scope of this competition includes product quality and safety, production and sales, of which the Company consistently achieved the number one position in all areas.

Additionally, my fellow shareholders, the Brewery achieved the top position for the Guinness League of Excellence Cup in the Americas out of fourteen breweries, and for the second quarter of 2021, the Brewery was ranked number one in the world out of forty-nine breweries for the production of Guinness. The scope of the competition included Sensory Evaluation, Codex which details the complete analysis of the production process, packaging in trade which reflects the finished product as it is presented in trade, analysis which reflects the results of tests done for submitted product samples, and the Ring Scheme which reflects the correctness of our Laboratory Analysis when compared with the laboratory results of the parent company in Dublin.

My Fellow Shareholders, the continuing challenges posed by the Coronavirus Pandemic and the mitigation measures implemented in response to those challenges, fostered greater prudence in respect of our management and control of operational expenses. We are confident that an improved result will be reported for the second half of Financial Year 2021.

Permit me to thank my fellow Directors for their support and guidance, as well as the Executive Board, and to express my sincere appreciation to all of our dedicated Employees, Shareholders, Suppliers and Customers for their continued confidence reposed in the Group during the period.

  
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Clifford B. Reis, CCH  
18 May 2021

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION** **31 MARCH 2021**

Thousands of Guyana Dollars	Unaudited as at 31 March 2021	Unaudited as at 31 March 2020	Audited as at 30 September 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	28,139,745	26,080,041	27,535,780
Investment securities	2,325,147	2,086,220	2,308,913
Loans and advances	26,157,281	24,934,203	26,763,439
Others	374,035	334,009	306,089
	56,996,208	53,434,473	56,914,221
<b>Current assets</b>			
Inventories	6,640,557	6,511,194	6,434,359
Receivables and prepayments	2,623,921	2,124,705	1,417,552
Loans and advances	6,146,839	5,774,143	4,968,208
Investment securities	7,763,492	10,084,725	7,245,764
Cash resources	31,291,051	15,034,332	20,577,103
Other	143,505	143,505	143,505
	54,609,365	39,672,604	40,786,491
<b>TOTAL ASSETS</b>	<b>111,605,573</b>	<b>93,107,077</b>	<b>97,700,712</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital &amp; reserves</b>			
Share capital	2,009,889	2,009,889	2,009,889
Reserves	43,016,755	38,021,544	41,236,811
	45,026,644	40,031,433	43,246,700
Non-controlling interest	5,126,338	4,724,020	4,957,498
	50,152,982	44,755,453	48,204,198
<b>Non-current liabilities</b>			
Customers' deposits	537,712	0	539,227
Deferred Taxation	2,386,086	2,224,391	2,386,086
Provision for employee benefits	459,143	407,530	451,026
	3,382,941	2,631,921	3,376,339
<b>Current liabilities</b>			
Payables and accruals	7,020,839	5,400,702	4,531,033
Customers' deposits	49,456,175	38,871,179	40,266,821
Other	1,592,636	1,447,822	1,322,321
	58,069,650	45,719,703	46,120,175
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>111,605,573</b>	<b>93,107,077</b>	<b>97,700,712</b>

On behalf of the Board of Directors:

  
**CLIFFORD B. REIS**  
 CHAIRMAN

DIRECTORS

  
**ROY E. CHEONG**  
 VICE CHAIRMAN

**CONSOLIDATED STATEMENT OF INCOME**  
**FOR THE HALF YEAR ENDED 31 MARCH 2021**

Thousands of Guyana Dollars	Unaudited Half year ended 31 March 2021	Unaudited Half year ended 31 March 2020	Audited Year ended 30 September 2020
REVENUE	19,759,021	18,100,666	34,221,517
PROFIT BEFORE TAXATION	3,998,948	3,481,180	8,899,471
Taxation	(1,317,168)	(1,113,729)	(2,752,062)
PROFIT AFTER TAXATION	2,681,780	2,367,451	6,147,409
NET PROFIT ATTRIBUTABLE TO:			
Equity holders of the parent	2,447,351	2,145,911	5,666,155
Non-controlling interest	234,429	221,540	481,254
	2,681,780	2,367,451	6,147,409
EARNINGS PER SHARE	2.80 Dollar	2.53 Dollar	6.67 Dollar

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE HALF YEAR ENDED 31 MARCH 2021**

Thousands of Guyana Dollars	Unaudited Half year ended 31 March 2021	Unaudited Half year ended 31 March 2020	Audited Year ended 30 September 2020
PROFIT AFTER TAXATION	2,681,780	2,367,451	6,147,409
OTHER COMPREHENSIVE INCOME:			
<i>Items that will not be reclassified to profit and loss:</i>			
Remeasurement of provision for employee benefits, net of tax	(54,278)	0	(14,956)
Fair value gains on equity investments designated as FVOCI	279,226	162,536	127,473
OTHER COMPREHENSIVE INCOME			
FOR THE PERIOD	224,948	162,536	112,517
TOTAL COMPREHENSIVE INCOME	2,906,728	2,529,987	6,259,926
TOTAL COMPREHENSIVE INCOME			
ATTRIBUTABLE TO:			
Equity holders of the parent	2,672,299	2,308,447	5,778,672
Non-controlling interest	234,429	221,540	481,254
	2,906,728	2,529,987	6,259,926

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED 31 MARCH 2021**

**Thousands of Guyana Dollars**

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT				
	Share Capital	Retained Earnings	Other Reserves	Non- controlling Interest	Total
Half year ended 31 March 2020					
Balance as at beginning of period	2,009,889	27,177,421	9,266,557	4,568,069	43,021,936
Net profit for the period	0	2,145,911	0	221,540	2,367,451
Other comprehensive income	0	0	162,536	0	162,536
Dividends paid	0	(730,881)	0	(65,589)	(796,470)
Balance as at end of period	2,009,889	28,592,451	9,429,093	4,724,020	44,755,453
Year ended 30 September 2020					
Balance as at beginning of year	2,009,889	27,177,421	9,266,557	4,568,069	43,021,936
Net profit for the year	0	5,666,155	0	481,254	6,147,409
Other comprehensive income	0	(14,956)	127,473	0	112,517
Transfers	0	64,639	(64,639)	0	0
Dividends paid	0	(985,839)	0	(91,825)	(1,077,664)
Balance as at end of year	2,009,889	31,907,420	9,329,391	4,957,498	48,204,198
Half year ended 31 March 2021					
Balance as at beginning of period	2,009,889	31,907,420	9,329,391	4,957,498	48,204,198
Net profit for the period	0	2,447,351	0	234,429	2,681,780
Other comprehensive income	0	(54,278)	279,226	0	224,948
Dividends paid	0	(892,355)	0	(65,589)	(957,944)
Balance as at end of period	2,009,889	33,408,138	9,608,617	5,126,338	50,152,982



**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF YEAR ENDED 31 MARCH 2021**

Thousands of Guyana Dollars	Unaudited Half Year ended 31 March 2021	Unaudited Half Year ended 31 March 2020	Audited Year ended 30 September 2020
Profit before taxation	3,998,948	3,481,180	8,899,471
Adjustments for other non-cash items	1,722,563	1,686,280	3,153,925
Increase in operating assets	(3,187,924)	(2,107,273)	(1,783,271)
Increase in operating liabilities	11,677,645	3,652,708	4,717,908
Movement to defined benefit obligations	(59,262)	(62,662)	(4,484)
Taxes paid	(1,051,610)	(925,530)	(2,531,243)
<b>Net Cash Inflow - Operating Activities</b>	<b>13,100,360</b>	<b>5,724,703</b>	<b>12,452,306</b>
Purchase of property, plant and equipment	(2,402,000)	(1,974,624)	(4,785,249)
Purchase of investment securities	(6,767,572)	(6,812,875)	(6,567,899)
Disposals/maturities of investment securities	6,519,239	0	2,342,544
Other	24,046	19,035	29,369
<b>Net Cash Outflow - Investing Activities</b>	<b>(2,626,287)</b>	<b>(8,768,464)</b>	<b>(8,981,235)</b>
Dividends paid to shareholders	(892,355)	(730,881)	(985,839)
Dividends paid to non-controlling interest	(65,589)	(65,589)	(91,825)
<b>Net Cash Outflow - Financing Activities</b>	<b>(957,944)</b>	<b>(796,470)</b>	<b>(1,077,664)</b>
<b>NET MOVEMENT IN CASH AND CASH EQUIVALENTS</b>	<b>9,516,129</b>	<b>(3,840,231)</b>	<b>2,393,407</b>
<b>CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD</b>	<b>15,617,356</b>	<b>13,223,949</b>	<b>13,223,949</b>
<b>CASH AND CASH EQUIVALENTS AS AT END OF PERIOD</b>	<b>25,133,485</b>	<b>9,383,718</b>	<b>15,617,356</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>			
Unrestricted cash resources	25,133,485	9,383,718	15,617,356

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 31 MARCH 2021

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#### Thousands of Guyana Dollars

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#### 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 2020, 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 2020, as described in those financial statements.

There are some changes to IFRSs that are applicable for this financial year but these are not expected to have a significant impact on 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 2021, Banks DIH Limited had obligations due to its subsidiary, Citizens Bank Guyana Inc., comprising of guarantees of \$102,351 (2020 - Loans of \$571,970 and guarantees of \$102,351).

#### 5. SUBSTANTIAL SHAREHOLDERS

Substantial shareholders of Banks DIH Limited as at 31 March 2021 were:

#### Ordinary Shares Of No Par Value

Demerara Life Group of Companies	96,931,679
Trust Company Guyana Limited	74,515,171
Banks Holdings Limited	50,046,155
Hand-In-Hand Group of Companies	46,628,451

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 2021

#### Thousands of Guyana Dollars

#### 6. SEGMENT INFORMATION

	Beverages	Commercial Banking	All Other Segments	Net of Consolidation Eliminations	Total
<b>Unaudited</b>					
<b>Half year ended 31 March 2021</b>					
Revenue	16,801,549	1,871,814	1,085,658	0	19,759,021
Profit before taxation	3,022,936	808,112	113,318	30,537	3,974,903
Total assets	43,112,397	75,508,367	4,957,680	(14,814,990)	108,763,454
Total liabilities	5,890,648	65,046,451	29,956	(13,952,329)	57,014,726
<b>Unaudited</b>					
<b>Half year ended 31 March 2020</b>					
Revenue	14,919,601	1,896,195	1,326,924	(42,054)	18,100,666
Profit before taxation	2,578,067	760,089	194,485	(72,249)	3,460,392
Total assets	36,726,585	59,023,257	5,217,940	(10,424,439)	90,543,343
Total Liabilities	4,621,105	49,082,847	631,117	(10,063,188)	44,271,881

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

	31 March 2021	31 March 2020
Profit before taxation for reportable segments	3,974,903	3,460,392
Loss from associated company	0	(1,159)
Income from investment securities	20,355	12,952
Net finance income	3,690	5,133
Other Income	0	3,862
<b>Total profit before taxation</b>	<b>3,998,948</b>	<b>3,481,180</b>

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

	31 March 2021	31 March 2020
Total segment assets	108,763,454	90,543,343
Investment in associated companies	0	9
Investment securities	2,325,147	2,086,211
Taxation (including deferred taxation)	252,771	246,066
Provision for employee benefits	264,201	231,448
<b>Total assets</b>	<b>111,605,573</b>	<b>93,107,077</b>

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

	31 March 2021	31 March 2020
Total segment liabilities	57,014,726	44,271,881
Provision for employee benefits	459,143	407,530
Taxation (including deferred taxation)	3,978,722	3,672,213
	61,452,591	48,351,624

#### 7. REVENUE

Sales of beverages	16,801,549	14,919,601
Commercial Banking	1,871,814	1,864,146
Sales of food items	1,047,206	1,260,592
Hotel and laundry services income	18,905	28,644
Automotive units sales and after-sales services	19,547	27,683
	19,759,021	18,100,666

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**31 MARCH 2021**

**Thousands of Guyana Dollars**

**8. 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.

**9. DIVIDENDS**

Dividends in respect of 2021 totalling \$1.05 per share were paid in the period while for the comparative half year, dividends in respect of 2020 totalling \$0.86 per share were paid. An interim dividend of \$0.30 per share has been proposed by the Board of Directors (March 2020 - \$0.30 per share).

**10. DIRECTORS' INTERESTS**

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

<b>Banks DIH Limited</b>	<b>Ordinary Shares Of No Par Value</b>		
	<b>Beneficial</b>	<b>Non Beneficial</b>	<b>Associates' Beneficial Interest</b>
C. B. Reis	636,635	0	2,022,865
R. E. Cheong	562,500	0	293,985
R. Burchsmith	62,272	0	0
F. S. Parris	1,000	0	0
D. B. Stoute	0	0	0
M. De Santos	2,465	0	0
G. G. McDonald	656,353	0	0
M. H. Pereira	1,509,231	64,591	339,983
P. A. Carto	567,911	0	567,911
A. Cameron	2,800	0	0
M. S. Hussein	610,180	0	0

<b>Citizens Bank Guyana Inc.</b>	<b>Ordinary Shares Of No Par Value</b>		
	<b>Beneficial</b>	<b>Non Beneficial</b>	<b>Associates' Beneficial Interest</b>
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. Mr. Clifford Reis has one share in Banks Automotive and Services Inc. as a nominee shareholder.

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 31 MARCH 2021

Thousands of Guyana Dollars

#### 11. 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 2021</b>				
<b>Assets</b>				
Freehold properties	0	12,190,347	0	12,190,347
Investment securities (FVPL and FVOCI)	253,595	2,099,428	572	2,353,595
	253,595	14,289,775	572	14,543,942

#### Half year ended 31 March 2020

<b>Assets</b>				
Freehold properties	0	11,769,803	0	11,769,803
Investment securities (FVPL and FVOCI)	210,135	1,875,504	572	2,086,211
	210,135	13,645,307	572	13,856,014

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.

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