

MELSTACORP PLC



INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED

30th JUNE 2019

MELSTACORP PLC
STATEMENTS OF COMPREHENSIVE INCOME

Rs. '000s For the 3 Months ended 30th June,	GROUP			COMPANY		
	Unaudited 2019 Rs. '000	Unaudited 2018 Rs. '000	Variance %	Unaudited 2019 Rs. '000	Unaudited 2018 Rs. '000	Variance %
	Gross Revenue	37,571,216	34,515,323	8.85	55,107	53,157
Net Revenue	23,261,886	20,798,743	11.84	55,107	53,157	3.67
Cost of sales and net benefits paid	(15,297,676)	(13,273,566)	15.25	(463)	(439)	5.53
Gross Profit	7,964,209	7,525,177	5.83	54,644	52,718	3.65
Other Operating Income	370,301	265,047	39.71	129,286	101,618	27.23
Selling and distribution expenses	(570,588)	(770,308)	(25.93)	-	-	-
Administrative Expenses	(4,231,628)	(4,621,097)	(8.43)	(46,830)	(66,407)	(29.48)
Other Operating Expenses	(11,947)	(24,068)	(50.36)	-	-	-
Profit from Operations	3,520,347	2,374,751	48.24	137,100	87,929	55.92
Finance Income	727,410	437,774	66.16	624,176	278,177	124.38
Finance Cost	(1,611,924)	(850,769)	89.47	(621,844)	(32,197)	1,831.37
Net Finance Income/(cost)	(884,514)	(412,995)		2,332	245,980	(99.05)
Share of Profit of Equity-Accounted Investees (Net of Tax)	113,771	94,976	19.79	-	-	-
Profit before Tax for the Period	2,749,604	2,056,732	33.69	139,432	333,909	(58.24)
Income Tax	(1,551,791)	(1,134,236)	36.81	(62,358)	(67,894)	(8.15)
Profit for the Period	1,197,814	922,496	29.84	77,073	266,015	(71.03)
Other Comprehensive Income						
Revaluations of Property plant and equipment	-	42,571	-	-	-	-
Change in Fair Value of Biological Assets	-	21,421	-	-	-	-
Net Change in Fair Value of Available for Sale Financial Assets	(3,108,380)	(1,538,428)	102.05	(2,621,639)	(1,313,828)	99.54
Net Movement on Cash flow Hedges	(84,684)	279,809	100.00	-	-	-
Exchange differences on translation of Foreign Operations	45,837	153,354	100.00	-	-	-
Income tax on other comprehensive income	-	190	-	-	-	-
Share of Other Comprehensive Income of Equity-Accounted Investees (Net of Tax)	3,534	(18,954)	(118.65)	-	-	-
Total Other Comprehensive Income	(3,143,693)	(1,060,037)	196.56	(2,621,639)	(1,313,828)	99.54
Total Comprehensive Income for the Period	(1,945,879)	(137,540)	1,314.77	(2,544,566)	(1,047,813)	142.85
Profit Attributable to:						
Equity Holders of the Parent	1,184,067	789,349	50.01	77,073	266,015	(71.03)
Non Controlling Interest	13,747	133,147	(89.68)	-	-	-
Profit for the Period	1,197,814	922,496		77,073	266,015	(71.03)
Total Comprehensive Income Attributable to:						
Equity Holders of the Parent	(1,888,470)	(577,405)	227.06	(2,544,566)	(1,047,813)	142.85
Non Controlling Interest	(57,409)	439,865	(113.05)	-	-	-
Total Comprehensive Income for the Period	(1,945,879)	(137,540)		(2,544,566)	(1,047,813)	
Earnings per Share (Rs.)						
Basic Earnings per Share	1.02	0.68	50.01	0.07	0.23	(71.03)

MELSTACORP PLC
STATEMENTS OF FINANCIAL POSITION

As at,	GROUP		COMPANY	
	Unaudited	Audited	Unaudited	Audited
	30-Jun-2019	31-Mar-2019	30-Jun-2019	31-Mar-2019
	Rs. '000s	Rs. '000s	Rs. '000s	Rs. '000s
Non-Current Assets				
Property, Plant and Equipment	104,141,444	103,139,379	11,617	11,525
Investment Property	6,064,135	6,064,200	5,077,748	5,077,748
Goodwill on Acquisition and Other Intangible Assets	6,371,331	6,441,228	511	498
Biological Assets	8,670,207	8,650,109	-	-
Right-of-Use Assets	11,108,530	2,214,519	-	-
Investments in Subsidiaries	0	-	59,728,506	59,698,170
Investment in Equity Accounted Investees	6,656,791	6,564,576	952,000	952,000
Other Non Current Financial Investments	29,008,809	31,769,069	25,927,265	28,392,637
Deferred Tax Asset	1,562,035	2,134,725	2,094	2,094
Pre-paid operating leases	-	2,366,966	-	-
	173,583,281	169,344,771	91,699,742	94,134,672
Currents Assets				
Inventories	10,646,045	9,504,943	1,064	1,064
Produce on Bearer Biological Assets	7,011	6,762	-	-
Trade and Other Receivables	26,194,832	28,902,919	44,259	163,919
Pre-paid operating leases	-	76,232	-	-
Amounts due from Related Companies	9,511	447,778	85,379	44,786
Other Current Financial Investments	22,976,000	24,395,853	18,109,157	17,801,363
Short Term Deposits	27,866	-	-	-
Cash at Bank and Cash in Hand	9,558,098	10,766,524	44,221	33,659
	69,419,362	74,101,011	18,284,081	18,044,791
Assets held for Sale	1,117,127	164,125	-	-
Total Assets	244,119,770	243,609,907	109,983,822	112,179,463
EQUITY AND LIABILITIES				
Equity				
Stated Capital	89,100,000	89,100,000	89,100,000	89,100,000
Reserve	10,525,599	13,579,405	(6,329,883)	(3,708,246)
Retained Earnings	(21,664,918)	(22,452,538)	6,022,451	5,945,377
Equity Attributable to Equity Holders of the parent	77,960,681	80,226,867	88,792,568	91,337,131
Non Controlling Interest	43,445,053	44,359,893	-	-
Total Equity	121,405,734	124,586,760	88,792,568	91,337,131
Non-Current Liabilities				
Interest Bearing Loans and Borrowings	43,764,895	32,673,680	511,200	-
Deferred Tax Liabilities	8,866,407	9,410,463	547,524	547,524
Employee Benefits	3,031,409	2,984,870	8,157	7,477
Other Liabilities	832,394	2,154,959	-	-
	56,495,106	47,223,972	1,066,881	555,001
Current Liabilities				
Trade and Other Payables	25,980,592	28,418,689	38,057	23,501
Other Liabilities	75,480	6,160	-	-
Amount due to Related Companies	635,094	637,232	3,800,823	3,668,665
Income Tax Payable	2,437,656	2,264,008	161,420	134,204
Interest Bearing Loans and Borrowings	5,155,461	4,782,138	127,800	-
Bank Overdrafts and Other Short Term Borrowings	31,934,648	35,690,948	15,996,274	16,460,961
	66,218,930	71,799,175	20,124,374	20,287,331
Total Equity and Liabilities	244,119,770	243,609,907	109,983,822	112,179,463
Net Assets per Share (Rs.)	66.90	68.84	76.19	78.37

The above unaudited figures are provisional and subject to audit.

I certify that the Financial Statements have been prepared & presented in compliance with the requirements of Companies Act No. 07 of 2007.

sgd/-

D.M.Welikandage
Manager-Finance

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

Signed for and on behalf of the board

sgd/-

D.H.S. Jayawardena
Chairman

sgd/-

A.L.Gooneratne
Managing Director

MELSTACORP PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

GROUP

	Attributable to equity holders of parent												Non controlling interest	Total equity
	Stated	Revaluation	Capital	Reserve	General	Exchange	Timber	Available for	Investment	Cash Flow	Retained	Total		
	capital	reserve	reserve	fund	reserve	reserve	reserve	reserve	fund	Hedge Reserve	Earnings/ (Losses)			
Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 1st April 2018	89,100,000	7,010,624	12,137	20,491	711,589	944,140	1,317,586	4,444,088	-	-	(27,884,442)	75,676,214	42,306,255	117,982,468
Total Comprehensive Income for the Period														
Profit for the Period	-	-	-	-	-	-	-	-	-	-	789,349	789,349	133,147	922,496
Other Comprehensive Income														
Net Change in Fair Value of Available for Sale Financial Assets	-	-	-	-	-	-	-	(1,521,260)	-	-	4	(1,521,256)	(19,549)	(1,540,805)
Defined Benefit Plan Actuarial Gains (Losses) (Net Of Tax)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reversal of Property , Plant and Equipment	-	42,571	-	-	-	-	-	-	-	-	-	42,571	-	42,571
Reversal of AFS reserve on disposal of AFS Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain on change in Fair Value of Biological Assets	-	-	-	-	-	-	21,421	-	-	-	(9,445)	11,976	9,445	21,421
Cash Flow hedge reserve	-	-	-	-	-	-	-	-	-	56,331	-	56,331	202,214	258,545
Income Tax on Other Comprehensive Income	-	-	-	-	-	-	-	190	-	-	-	190	-	190
Exchange difference on translation of foreign operations	-	-	-	-	-	38,778	-	-	-	-	-	38,778	119,264	158,042
Share of Other Comprehensive Income of Equity-Accounted Investees (Net of Tax)	-	-	-	-	-	-	-	-	-	-	4,656	4,656	(4,656)	-
Total Other Comprehensive Income for the period	-	42,571	-	-	-	38,778	21,421	(1,521,070)	-	56,331	(4,785)	(1,366,754)	306,718	(1,060,036)
Total Comprehensive Income for the period	-	42,571	-	-	-	38,778	21,421	(1,521,070)	-	56,331	784,564	(577,405)	439,865	(137,540)
Transactions with owners directly recorded in the Equity														
Dividends paid to Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-	(107,228)	(107,228)
Share of Net Assets of Equity-Accounted Investees (Net of Tax)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends Paid During the Period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
New Share Issue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred From/To Retained Earnings	-	-	-	-	30	-	21,421	-	-	-	(21,451)	-	-	-
Effect of Business Combinations of Equity accounted Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effect of Changes in Holding percentage without change in control	-	(7)	-	-	-	-	-	149	-	-	(3,900)	(3,578)	6,078	2,320
Acquisition of Non Controlling Interest of Subsidiaries	-	80,390	1,386	-	90,278	23,714	-	303	-	(2,898)	26,326	219,499	(414,654)	(195,155)
Acquisition of control over equity accounted investees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other changes in net assets of equity accounted investees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Contributions by and Distributions to Owners	-	80,383	1,386	-	90,308	23,714	21,421	452	-	(2,898)	975	215,921	(515,804)	(300,063)
Balance as at 30th June 2018	89,100,000	7,133,578	13,523	20,491	801,897	1,006,632	1,360,428	2,923,470	-	53,433	(27,098,903)	75,314,730	42,230,316	117,544,865

MELSTACORP PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

GROUP

	Attributable to equity holders of parent											Non controlling interest	Total equity		
	Stated	Revaluation	Capital	Reserve	General	Exchange fluctuation	Timber	Available for sale	Investment	Cash Flow Hedge Reserve	Retained Earnings/ (Losses)			Total	
	capital Rs.'000	reserve Rs.'000	reserve Rs.'000	fund Rs.'000	reserve Rs.'000	reserve Rs.'000	reserve Rs.'000	reserve Rs.'000	fund Rs.'000	Rs.'000	Rs.'000			Rs.'000	Rs.'000
Balance as at 1st April 2019	89,100,000	8,185,465	12,137	20,491	1,352,238	1,664,032	1,458,578	905,322	-	-	(18,856)	(22,452,538)	80,226,869	44,359,893	124,586,762
Adjustments on initial application of SLFRS-16	-	-	-	-	-	-	-	-	-	-	-	(454,260)	(454,260)	(663,332)	(1,117,592)
Adjusted balance as at 1st April 2019	89,100,000	8,185,465	12,137	20,491	1,352,238	1,664,032	1,458,578	905,322	-	-	(18,856)	(22,906,798)	79,772,609	43,696,561	123,469,170
Total Comprehensive Income for the Period															
Profit for the Period	-	-	-	-	-	-	-	-	-	-	-	1,184,067	1,184,067	13,747	1,197,814
Other Comprehensive Income															
Net Change in Fair Value of FVTOCI Investments	-	-	-	-	-	-	-	(3,071,039)	-	-	-	-	(3,071,039)	(37,341)	(3,108,380)
Net Movement on Cash flow Hedges	-	-	-	-	-	-	-	-	-	(19,047)	-	(19,047)	(65,637)	(84,684)	
Exchange differences on translation of Foreign Operations	-	-	-	-	-	15,771	-	-	-	-	-	15,771	30,066	45,837	
Actuarial Gain/(Losses) on retirement benefit obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Share of Other Comprehensive Income of Equity-Accounted Investees (Net of Tax)	-	-	-	-	-	1,778	-	-	-	-	-	1,778	1,756	3,534	
Income Tax on Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Other Comprehensive Income for the period	-	-	-	-	-	17,550	-	(3,071,039)	-	(19,047)	-	(3,072,536)	(71,156)	(3,143,693)	
Total Comprehensive Income for the period	-	-	-	-	-	17,550	-	(3,071,039)	-	(19,047)	1,184,067	(1,888,470)	(57,409)	(1,945,879)	
Transactions with owners directly recorded in the Equity															
Dividends paid to Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-	(94,234)	(94,234)	
Share of Net Assets of Equity Accounted Investees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transferred From/To Retained Earnings	-	-	-	-	-	-	22,360	-	-	-	(22,360)	-	-	-	
Acquisition of Non Controlling Interest Chnges in % Holding of Subsidiaries	-	17	-	-	-	(3,647)	-	-	-	-	80,172	76,542	(99,865)	(23,323)	
Total Contributions by and Distributions to Owners	-	17	-	-	-	(3,647)	22,360	-	-	-	57,813	76,542	(194,099)	(117,557)	
Balance as at 30th June 2019	89,100,000	8,185,482	12,137	20,491	1,352,238	1,677,934	1,480,938	(2,165,717)	-	(37,904)	(21,664,918)	77,960,681	43,445,053	121,405,734	

MELSTACORP PLC
STATEMENTS OF CHANGES IN EQUITY

COMPANY	Stated capital Rs.'000	Revaluation reserve Rs.'000	Available for sale reserve Rs.'000	Retained earnings/(losses) Rs.'000	Total Rs.'000
Balance as at 1st April 2018	89,100,000	111,691	(1,093,409)	2,421,284	90,539,566
Profit for the Period	-	-	-	266,015	266,015
Other Comprehensive Income					-
Net change in fair value of available for sale financial assets	-	-	(2,621,639)	-	(2,621,639)
Reversal of AFS reserve on disposal of AFS Investments	-	-	-	-	-
Total Other Comprehensive Income for the period	-	-	(2,621,639)	-	(2,621,639)
Total Comprehensive Income for the period	-	-	(2,621,639)	266,015	(2,355,624)
Transactions with Owners of the Company directly recognized into Equity	-	-	-	-	-
Balance as at 30th June 2018	89,100,000	111,691	(3,715,048)	2,687,299	88,183,939
Balance as at 1st April 2019	89,100,000	111,691	(3,819,935)	5,945,377	91,337,134
Profit for the Period	-	-	-	77,073	77,073
Other Comprehensive Income					-
Net change in fair value of available for sale financial assets	-	-	(2,621,639)	-	(2,621,639)
Actuarial Gain/(Losses) on retirement benefit obligations	-	-	-	-	-
Income tax on other comprehensive income	-	-	-	-	-
Total Other Comprehensive Income for the period	-	-	(2,621,639)	-	(2,621,639)
Total Comprehensive Income for the period	-	-	(2,621,639)	77,073	(2,544,566)
Transactions with Owners of the Company directly recognized into Equity	-	-	-	-	-
Balance as at 30th June 2019	89,100,000	111,691	(6,441,574)	6,022,451	88,792,568

MELSTACORP PLC
STATEMENTS OF CASH FLOWS

For the 3 Months ended 30th June,

	GROUP		COMPANY	
	2019 Rs. '000	2018 Rs. '000	2019 Rs. '000	2018 Rs. '000
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Taxation	2,749,604	2,056,732	139,432	333,909
Adjustment for				
Depreciation and amortization of PPE, Biological assets and intangible assets	1,578,908	1,355,594	442	361
Provision for gratuity	95,734	92,895	679	480
Interest Expenses	1,521,565	874,874	621,844	8,755
Interest income	(668,499)	(549,146)	(619,930)	(278,177)
Dividend income	(202,733)	(97,042)	(128,917)	(97,040)
(Gain) / loss on Disposal of Property, Plant and Equipment	(4,074)	(39,302)	-	-
Provision/(Reversal of provisions) for Inventories	3,687	(80)	-	-
Provision/(Reversal) for Bad & Doubtful Debts and impairment	16,369	13,319	-	-
Share of profit of equity-accounted investees (net of tax)	(113,771)	(94,976)	-	-
(Gain)/ Loss on disposal of other financial investments	(1,361)	(11,150)	(369)	(4,578)
Deferred income recognized	-	(870)	-	-
Amortization of Deferred Grants and Subsidies	(2,509)	(4,480)	-	-
(Gain) / loss on Change in Fair Value of Biological Assets	(40,243)	(23,069)	-	-
(Gain)/loss on change in fair value of financial assets at fair value through profit or loss	17,976	24,709	(4,247)	23,442
Operating Profit before Working Capital Changes	4,950,653	3,598,008	8,934	(12,848)
(Increase)/Decrease in Inventories	(1,145,038)	227,598	-	75
(Increase)/Decrease in Receivables	2,680,684	6,871,364	119,660	74,349
(Increase)/Decrease in Related Party Receivable and Payable	436,129	115,437	(25,426)	(61,558)
Increase/(Decrease) in Payables	(2,438,097)	(4,665,223)	14,555	18,883
Cash Generated from Operations	4,484,331	6,147,184	117,723	18,901
Dividend Received	226,813	97,042	128,917	97,040
Interest Paid	(1,444,201)	(924,155)	(504,853)	(8,755)
Income Tax Paid	(1,347,052)	(984,368)	(35,141)	(28,264)
Retiring Gratuity Paid	(49,194)	(56,196)	0	-
Net Cash Flow from Operating Activities	1,870,696	4,279,507	(293,353)	78,922
CASH FLOW FROM INVESTING ACTIVITIES				
Proceeds from disposal of subsidiaries	-	2,557,048	-	2,557,048
Proceeds from settlement of Loans given to Related Companies	-	-	354,016	907,195
Net Acquisition of Non Controlling Interest and proceeds from disposal of shares in subsidiaries	(23,323)	(195,155)	(30,336)	(195,155)
Net proceed from disposal/(Acquisition)of Other Investments	1,055,442	(2,342,722)	1,199,643	(1,585,552)
Acquisition of Property, Plant & Equipment and intangible assets	(2,924,877)	(2,868,994)	(547)	(3,194)
Additions of Mature and Immature Plantations	(40,177)	(49,438)	-	-
Loans disbursed to Subsidiaries and Associates	-	-	(1,432,111)	(2,686,058)
Proceeds on Disposal of Property, Plant & Equipment	29,922	65,138	-	-
Interest Received	668,499	366,362	38,933	173,699
Net Cash Flow Used in Investing Activities	(1,234,514)	(2,467,761)	129,599	(832,017)
CASH FLOW FROM FINANCING ACTIVITIES				
Laons and borrowings Received	3,220,257	2,338,276	639,000	-
Repayments of loan and borrowings	(1,237,745)	(3,045,956)	-	-
Receipt of deferred Income	51,280	64,009	-	-
Dividend paid by subsidiaries to minority share holders	(94,234)	(107,228)	-	-
Net Cash Flow from Financing Activities	1,939,558	(750,899)	639,000	-
Net Increase/Decrease in Cash & Cash Equivalent during the period	2,575,740	1,060,847	475,245	(753,095)
Cash & Cash Equivalents				
At the beginning of the year	(24,924,424)	(6,389,481)	(16,427,302)	243,319
Net movement during the period	2,575,740	-	475,245	(753,095)
At the end of the year (Note A)	(22,348,684)	(5,328,634)	(15,952,057)	(509,776)
Note A-Cash and Equivalents are as follows				
Short Term Deposits	769,077	327	-	-
Cash in Transit	139,342	182,332	-	-
Cash in Hand & Bank	8,677,544	8,480,107	44,221	19,490
Bank overdrafts and other short term borrowings	(31,934,648)	(13,991,400)	(15,996,274)	(529,266)
	(22,348,684)	(5,328,634)	(15,952,057)	(509,776)

MELSTACORP PLC
NOTES TO THE FINANCIAL STATEMENTS

SEGMENTAL INFORMATION

For the 3 Months ended 30th June,

(a) Turnover

	GROUP	
	2019	2018
	Rs.'000	Rs.'000
Beverages	21,519,316	20,844,972
Plantations	1,018,525	1,183,352
Telecommunications	708,094	763,500
Financial services	1,428,651	751,297
Diversified	12,896,629	10,972,203
Gross Turnover	37,571,216	34,515,323
Turnover based Taxes	(14,309,330)	(13,716,580)
Net Turnover	23,261,886	20,798,743

(b) Industry Segment Profit

Beverages	2,945,795	1,659,375
Plantations	(116,134)	40,049
Telecommunications	(372,739)	(437,084)
Financial services	110,562	88,077
Diversified	68,348	611,339
	2,635,833	1,961,756
Share of Other Comprehensive Income of Equity-Accounted Investees (Net of Tax)	113,771	94,976
Net Profit Before Tax	2,749,604	2,056,732
Taxation	(1,551,791)	(1,134,236)
Net Profit After Tax	1,197,814	922,496

MELSTACORP PLC
NOTES TO THE FINANCIAL STATEMENTS

- 1 The interim Financial Statements have been prepared in accordance with the Accounting Policies set out in the most recent Annual Report and are in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting.
- 2 Where appropriate, the previous year's presentation has been amended to conform to current year classifications.
- 3 **Amount due from the Secretary to the Treasury o/a of SLIC Shares**

As per the Judgment delivered by the Supreme Court of the Democratic Socialist Republic of Sri Lanka on June 2009 it was declared and directed that the shares of SLIC purported to have been sold to Distilleries Consortium on 11th April 2003 along with any shares purchased from employees as per SSPA shall be deemed to have been held for and on behalf of the Secretary to the Treasury.

As directed by the said judgment, the Secretary to the Treasury returned the money that was paid by Group Subsidiary Milford Holdings (Pvt) Limited (MHL) to purchase shares from SLIC.

In respect of Profits Earned

Further, MHL was entitled to retain the profits of SLIC derived by MHL from 11 April 2003 to 04st June 2009 in lieu of the interest for the aforesaid investment. The Secretary to the Treasury was directed to cause profits of SLIC to be computed and audited from the date of the last audited Balance Sheet of SLIC to 04th June 2009 to enable MHL to obtain such profits.

However, Secretary to the Treasury has not yet determined the value of profits to be retained by the MHL; hence no adjustments were made to the Financial Statements in this regards.

- 4 **Impact of Revival of Underperforming Enterprises and Underutilized Assets Act – Pelwatte Sugar Industries PLC Group (PSIP)**

Consequent to the enactment and passage of the above Act of Parliament on 9 November 2011, the state officials are occupying the land leased to PSIP and running the operations of PSIP and its related companies. Subsequently a Compensation Tribunal was formed as required by the Act. Without assuming any liability or without any prejudice to, or impact on its rights, PSIP has submitted a claim to the Compensation Tribunal.

On 13 March 2013 Commercial High Court of Western Province (Colombo Civil) issued a winding-up order of Pelwatte Sugar Industries PLC. The Court has appointed P.E.A. Jayewickreme and G.J. David, as the Liquidators.

Since our group is deprived of participating in controlling the financial, operating policies and other relevant activities, the financial statements of PSIP have been deconsolidated from the group financial statements of DCSL PLC in year 2013/14. The investment made in PSIP is classified as a fully impaired long term investment in the group.

5 Non Financial Information

		30-Jun-2019	30-Jun-2018	31-Mar-2019
Net Assets Value per Share	- Group (Rs)	66.90	67.12	68.84
	- Company (Rs)	76.19	76.81	78.37
Market Price per Share	- Last Traded Rs)	41.90	52.50	36.00
	- Highest (Rs)	43.50	62.90	50.30
	- Lowest (Rs)	36.00	52.20	36.00

6 1,165,398,072 ordinary shares represent the Stated Capital , 1,000 shares of which are Non-Voting.

7 Earnings per Share

The Number of shares (1,165,398,072) held as at 30 June 2019 have been used for the purpose of Calculation of Earnings per Share.

8 Business Combinations

8.1 Acquisition of Non Controlling Interest

Melstacorp PLC has acquired 750,000 shares in Aitken Spence PLC. As a result, the percentage Holding has increased from 50.14% to 50.32%.

9 Contingent Liabilities

There has not been a significant change in the nature of the contingent liabilities which were disclosed in the Annual Report for the year ended 31 March 2019.

10 Events occurring after the reporting period

Subsequent to the reporting period, no circumstances have arisen which would require adjustment to or disclosure in the financial statements.

Top 20 Shareholders – 30 June 2019

Rank	Name	No of shares	%
1	MILFORD EXPORTS (CEYLON) (PVT) LIMITED	498,819,000	42.802
2	MR. M.A. YASEEN	158,177,302	13.573
3	LANKA MILK FOODS (CWE) LIMITED	151,846,000	13.030
4	COMMERCIAL BANK OF CEYLON PLC/L.E.M.YASEEN	52,200,000	4.479
5	BNYMSANV RE-NEON LIBERTY LORIKEET MASTER FUND LP	51,724,381	4.438
6	NORTHERN TRUST COMPANY S/A KUROTO FUND LP	23,400,491	2.008
7	MRS. L.E.M. YASEEN	20,425,000	1.753
8	COMMERCIAL BANK OF CEYLON PLC/M.A.YASEEN	16,000,000	1.373
9	LAHUGALA PLANTATION (PRIVATE) LIMITED	14,782,240	1.268
10	BNYM RE-CONSILIUM FRONTIER EQUITY FUND L.P.	13,745,754	1.179
11	MRS. S.M. CHRYSOSTOM	11,390,000	0.977
12	CITIBANK NEWYORK S/A NORGES BANK ACCOUNT 2	10,399,781	0.892
13	STASSEN EXPORTS (PVT) LIMITED	8,746,800	0.751
14	MR. D.HASITHA.S. JAYAWARDENA	7,531,332	0.646
15	MORGAN STANLEY AND CO.LLC-RWC FRONTIER MARKETS EQUITY MASTER FUND	7,295,860	0.626
16	SSBT-PARAMETRIC TAX-MANAGED EMERGING MARKETS FUND	6,203,001	0.532
17	SSBT-PARAMETRIC EMERGING MARKETS FUND	5,523,537	0.474
18	MCSEN RANGE PRIVATE LIMITED	5,459,864	0.468
19	CEYLON INVESTMENT PLC A/C # 02	4,980,244	0.427
20	SSBT-FRANK RUSSELL INVESTMENT COMPANY EMERGING MARKETS FUND-CHE7	4,787,216	0.411
		1,073,437,803	92.109
	Others	91,959,269	7.891
	Total	1,165,397,072	100.000

Percentage of Shares held by the public	42.77%
Total No. of share holders who hold the public holding	10,418

Float Adjusted Market Capitalization

The Public Holding of the Company as at 30 June 2019 was 42.77 % comprising of 10,418 shareholders and the Float adjusted Market Capitalization of Rs.20,885,218,410/-. In terms of Rule 7.13 1(a) of the listing rule of CSE , the Company Qualifies with the Minimum Public Holding Requirement under the Option One.

Directors' Share Holdings as at 30 June 2019

	No of Shares	%
Mr. D. H. S. Jayawardena	Nil	Nil
Mr.A.L. Gooneratne	Nil	Nil
Mr. C. R. Jansz	Nil	Nil
Mr. N. De S. Deva Aditya	Nil	Nil
Mr. K. J. Kahanda	Nil	Nil
Dr. A. N. Balasuriya	Nil	Nil
Mr. D. Hasitha S. Jayawardena	7,531,332	0.646
Mr.R. Seevaratnam	Nil	Nil
Ms. V. J. Senaratne (Alternate Director to Mr. N.De.S.Deva Aditya)	Nil	Nil

MELSTACORP PLC
NOTES TO THE FINANCIAL STATEMENTS

CORPORATE INFORMATION

NAME OF COMPANY

Melstacorp PLC

No.110, Norris Canal Road,
Colombo 10, Sri Lanka.
Tel: 011-5900300,
Fax: 011-5900333 Web: www.melsta.com

COMPANY REGISTRATION NUMBER

PB 11755 PQ

BOARD OF DIRECTORS

Mr.D. H. S.Jayawardena - Chairman
Mr. A. L. Gooneratne - Managing Director
Mr.C. R. Jansz
Mr.N. De S. Deva Aditya
Capt. K. J. Kahanda
Dr.A. N. Balasuriya
Mr. D. Hasitha S. Jayawardena
Mr.R. Seevaratnam
Ms.V. J. Senaratne (Alternate Director to Mr.N. De S. Deva Aditya)

COMPANY SECRETARY

Messrs. Coporate Services (Private) Limited
No.216, De Saram Road,
Colombo 10.

AUDITORS

Messrs. KPMG
Chartered Accountants
No.32A, Sir Mohamed Macan Marker Mawatha,
Colombo 03, Sri Lanka.

REGISTRARS

Central Depository Systems (Private) Limited
Registrar Services and Corporate Actions Unit
No.341/5, Kotte Road,
Rajagiriya, Sri Lanka.

BANKERS

Commercial Bank of Ceylon PLC
DFCC Bank PLC
Bank of Ceylon
Hatton National Bank PLC