

MELSTACORP PLC



INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED

30th SEPTEMBER 2021

MELSTACORP PLC
STATEMENTS OF COMPREHENSIVE INCOME

Rs. '000s For the Six months ended 30th September,	GROUP			COMPANY		
	Unaudited 2021 Rs. '000	Unaudited 2020 Rs. '000	Variance %	Unaudited 2021 Rs. '000	Unaudited 2020 Rs. '000	Variance %
Revenue	71,564,855	61,585,214	16.20	123,199	131,330	(6.19)
Excise duty	(29,185,558)	(27,147,479)	7.51	-	-	-
Cost of sales and net benefits paid	(26,636,465)	(24,659,445)	8.02	(1,055)	(1,545)	(31.72)
Gross Profit	15,742,833	9,778,289	61.00	122,144	129,786	(5.89)
Other Operating Income	764,283	613,882	24.50	3,996,759	2,714,982	47.21
Selling and distribution expenses	(976,234)	(341,222)	186.10	-	-	-
Administrative Expenses	(7,657,962)	(5,801,734)	31.99	(96,281)	(135,719)	(29.06)
Other Operating Expenses	(102,504)	(176,275)	(41.85)	(1,825,530)	-	-
Profit from Operations	7,770,417	4,072,939	90.78	2,197,093	2,709,048	(18.90)
Finance Income	1,514,296	712,258	112.60	476,640	618,400	(22.92)
Finance Cost	(2,566,425)	(2,934,434)	(12.54)	(262,333)	(491,072)	(46.58)
Net Finance Income/(cost)	(1,052,129)	(2,222,176)		214,306	127,328	68.31
Share of Profit of Equity-Accounted Investees (Net of Tax)	290,522	253,157	14.76	-	-	-
Profit before Tax for the year	7,008,810	2,103,921	233.13	2,411,399	2,836,377	(14.98)
Income Tax	(3,818,708)	(3,239,773)	17.87	(270,430)	(325,930)	(17.03)
Profit for the year	3,190,102	(1,135,853)	380.86	2,140,969	2,510,446	(14.72)
Other comprehensive income						
Items that will never be reclassified to profit or loss						
Revaluation of property, plant and equipment	-	-	-	-	-	-
Equity investments at FVOCI – net change in fair value	735,062	(5,802,143)	(112.67)	504,175	(5,246,272)	(109.61)
Actuarial gain/(losses) on retirement benefit obligations	-	-	-	-	-	-
Share of other comprehensive income of equity-accounted investees (net of tax)	-	-	-	-	-	-
Income tax on other comprehensive income	-	-	-	-	-	-
	735,062	(5,802,143)	-	504,175	(5,246,272)	-
Items that are or may be reclassified to profit or loss						
Net change in fair value of available for sale financial assets	-	-	-	-	-	-
Exchange Difference on translation of foreign operations	52,478	(188,491)	(127.84)	-	-	-
Net movement on Cashflow Hedges	53,334	(239,728)	(122.25)	-	-	-
Reversal of AFS Reserves on disposal of AFS Investments	-	-	-	-	-	-
Income Tax on other comprehensive income	-	-	-	-	-	-
Share of other comprehensive income of equity accounted investees	(34,774)	82,936	(141.93)	-	-	-
Reclassification to profit or loss on disposal of AFS	-	-	-	-	-	-
	71,038	(345,283)	(120.57)	-	-	-
Total other comprehensive income for the year	806,100	(6,147,426)	113.11	504,175	(5,246,272)	109.61
Total comprehensive income for the year	3,996,202	(7,283,279)	154.87	2,645,144	(2,735,826)	196.69
Profit Attributable to:						
Equity Holders of the Parent	3,488,472	1,421,382	145.43	2,140,969	2,510,446	(14.72)
Non Controlling Interest	(298,370)	(2,557,235)	88.33	-	-	-
Profit for the year	3,190,102	(1,135,853)		2,140,969	2,510,446	
Total Comprehensive Income Attributable to:						
Equity Holders of the Parent	4,222,097	(4,406,983)	195.80	2,645,144	(2,735,826)	196.69
Non Controlling Interest	(225,895)	(2,876,295)	92.15	-	-	-
Total comprehensive income for the year	3,996,202	(7,283,279)		2,645,144	(2,735,826)	
Earnings per Share (Rs.)						
Basic Earnings per Share	2.99	1.22	145.43	1.84	2.15	(14.72)

MELSTACORP PLC
STATEMENTS OF COMPREHENSIVE INCOME

Rs. '000s For the quarter ended 30th September,	GROUP			COMPANY		
	Unaudited 2021 Rs. '000	Unaudited 2020 Rs. '000	Variance %	Unaudited 2021 Rs. '000	Unaudited 2020 Rs. '000	Variance %
	Revenue	35,960,136	37,301,515	(3.60)	58,675	66,487
Excise duty	(13,469,338)	(16,614,386)	(18.93)	-	-	-
Cost of sales and net benefits paid	(13,181,443)	(14,111,296)	(6.59)	(471)	(750)	(37.23)
Gross Profit	9,309,354	6,575,834	41.57	58,204	65,738	(11.46)
Other Operating Income	282,977	352,467	(19.72)	750,361	375,827	99.66
Selling and distribution expenses	(551,413)	(101,120)	445.31	-	-	-
Administrative Expenses	(3,777,998)	(2,830,642)	33.47	(50,605)	(91,132)	(44.47)
Other Operating Expenses	(50,185)	(65,505)	(23.39)	(1,825,530)	-	-
Profit from Operations	5,212,734	3,931,034	32.60	(1,067,570)	350,432	(404.64)
Finance Income	755,858	255,512	195.82	224,431	283,136	(20.73)
Finance Cost	(1,253,408)	(1,059,536)	18.30	(127,593)	(30,032)	324.85
Net Finance Income/(cost)	(497,550)	(804,024)		96,838	253,104	(61.74)
Share of Profit of Equity-Accounted Investees (Net of Tax)	187,642	123,311	52.17	-	-	-
Profit before Tax for the Quarter	4,902,826	3,250,320	50.84	(970,732)	603,536	(260.84)
Income Tax	(2,017,679)	(2,266,399)	(10.97)	165,543	(269,277)	(161.48)
Profit for the Quarter	2,885,148	983,922	193.23	(805,189)	334,259	(340.89)
Other comprehensive income						
Items that will never be reclassified to profit or loss						
Revaluation of property, plant and equipment	-	-	-	-	-	-
Equity investments at FVOCI – net change in fair value	2,352,857	2,159,850	8.94	1,971,266	1,986,346	(0.76)
Actuarial gain/(losses) on retirement benefit obligations	-	-	-	-	-	-
Share of other comprehensive income of equity-accounted investees (net of tax)	(5,255)	-	(100.00)	-	-	-
Income tax on other comprehensive income	-	-	-	-	-	-
	2,347,602	2,159,850	-	1,971,266	1,986,346	-
Items that are or may be reclassified to profit or loss						
Net change in fair value of available for sale financial assets	-	-	-	-	-	-
Exchange Difference on translation of foreign operations	72,467	14,929	385.41	-	-	-
Net movement on Cashflow Hedges	153,141	(234,796)	(165.22)	-	-	-
Reversal of AFS Reserves on disposal of AFS Investments	-	-	-	-	-	-
Income Tax on other comprehensive income	-	-	-	-	-	-
Share of other comprehensive income of equity accounted investees	(38,449)	28,802	(233.49)	-	-	-
Reclassification to profit or loss on disposal of AFS	-	-	-	-	-	-
	187,159	(191,065)		-	-	
Total other comprehensive income for the quarter	2,534,761	1,968,785	28.75	1,971,266	1,986,346	
Total comprehensive income for the quarter	5,419,909	2,952,707	83.56	1,166,076	2,320,605	
Profit Attributable to:						
Equity Holders of the Parent	2,668,508	1,825,544	46.18	(805,189)	334,259	(340.89)
Non Controlling Interest	216,640	(841,622)	125.74	-	-	-
Profit for the Quarter	2,885,148	983,922		(805,189)	334,259	(340.89)
Total Comprehensive Income Attributable to:						
Equity Holders of the Parent	5,036,865	3,944,337	27.70	1,166,076	2,320,605	(49.75)
Non Controlling Interest	383,043	(991,630)	138.63	-	-	-
Total Comprehensive Income for the Quarter	5,419,909	2,952,707		1,166,076	2,320,605	
Earnings per Share (Rs.)	2.29	1.57		(0.69)	0.29	

MELSTACORP PLC
STATEMENTS OF FINANCIAL POSITION

	GROUP		COMPANY	
	Unaudited 30-Sep-2021 Rs. '000s	Audited 31-Mar-2021 Rs. '000s	Unaudited 30-Sep-2021 Rs. '000s	Audited 31-Mar-2021 Rs. '000s
<i>As at,</i>				
Non-Current Assets				
Property, plant and equipment	111,491,266	111,918,694	10,707	13,307
Intangible assets	6,173,469	6,342,446	957	1,775
Investment property	6,665,256	6,669,705	5,462,676	5,462,676
Biological assets	8,938,922	8,756,097	-	-
Right-of-use assets	14,989,499	15,462,527	32,868	-
Investments in subsidiaries	-	-	61,503,411	60,826,411
Investment in equity accounted investees	7,809,076	7,891,429	1,352,000	1,352,000
Deferred tax asset	1,767,506	3,399,954	2,533	2,533
Other non current financial investments	33,018,777	30,473,257	28,730,041	27,282,341
	190,853,772	190,914,109	97,095,193	94,941,043
Currents Assets				
Inventories	9,795,255	9,425,707	1,005	1,015
Produce on bearer biological assets	9,159	9,701	-	-
Trade and other receivables	24,677,982	26,393,844	19,377	486,424
Amounts due from related companies	261,335	463,544	478,435	642,895
Other current financial investments	19,233,912	18,039,797	10,129,769	10,869,126
Other current assets	486,023	488,599	-	-
Cash and cash equivalents	12,961,606	12,685,900	2,859	10,760
	67,425,272	67,507,092	10,631,444	12,010,220
Assets held for Sale	1,248,187	1,243,219	-	-
Total assets	259,527,231	259,664,420	107,726,637	106,951,263
EQUITY AND LIABILITIES				
Share capital and reserves				
Stated Capital	89,100,000	89,100,000	89,100,000	89,100,000
Reserves	16,801,832	16,013,105	(4,479,373)	(4,983,549)
Retained earnings/(Losses)	(21,221,816)	(21,461,330)	10,867,088	11,930,964
Equity attributable to owners of the Company	84,680,016	83,651,775	95,487,715	96,047,415
Non controlling interest	38,828,070	40,020,776	-	-
Total equity	123,508,087	123,672,551	95,487,715	96,047,415
Non-Current Liabilities				
Interest bearing loans and borrowings	40,495,058	41,262,567	-	-
Lease liabilities	12,120,155	12,556,314	27,085	-
Employee benefits	3,607,373	3,587,806	11,732	10,552
Deferred tax liabilities	9,258,534	10,622,159	601,635	601,634
Other liabilities	631,283	662,754	-	-
	66,112,403	68,691,600	640,451	612,186
Current Liabilities				
Trade and other payables	28,130,276	28,702,777	30,734	32,019
Other liabilities	5,484	5,010	-	-
Amount due to related companies	1,100,959	715,158	448,805	418,232
Income tax payable	2,343,693	3,196,117	208,578	477,308
Interest bearing loans and borrowings	7,107,011	5,248,874	-	-
Lease liabilities	1,848,978	1,965,241	6,110	-
Bank overdrafts and other short term borrowings	29,370,341	27,467,092	10,904,243	9,364,103
	69,906,741	67,300,269	11,598,470	10,291,662
Total liabilities	136,019,144	135,991,869	12,238,922	10,903,848
Total Equity and Liabilities	259,527,231	259,664,420	107,726,637	106,951,263
Net Assets per Share (Rs.)	72.66	71.78	81.94	82.42

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 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
Balance as at 1st April 2020	89,100,000	8,378,097	12,137	20,491	1,998,562	1,971,497	1,605,832	2,887,223	-	(84,496)	(22,215,182)	83,674,161	43,082,421	126,756,582
Adjustment on initial application of SLFRS - 16												-		-
Adjustment on initial application of SLFRS - 23												-		-
Adjusted balance as at 1st April 2020	89,100,000	8,378,097	12,137	20,491	1,998,562	1,971,497	1,605,832	2,887,223	-	(84,496)	(22,215,182)	83,674,161	43,082,421	126,756,582
Total Comprehensive Income for the Period														
Profit for the year	-	-	-	-	-	-	-	-	-	-	1,421,382	1,421,382	(2,557,235)	(1,135,853)
Other Comprehensive Income														
Equity investments at FVOCI – net change in fair value	-	-	-	-	-	-	(5,760,171)	-	-	-	-	(5,760,171)	(41,972)	(5,802,143)
Net movement on Cashflow Hedges	-	-	-	-	-	-	-	-	(53,919)	-	-	(53,919)	(185,809)	(239,728)
Exchange difference on translation of foreign operations	-	-	-	-	-	(56,012)	-	-	-	-	-	(56,012)	(132,479)	(188,491)
Share of Other Comprehensive Income of Equity-Accounted Investees (Net of Tax)	-	-	-	-	-	41,737	-	-	-	-	-	41,737	41,199	82,936
Total Other Comprehensive Income for the period	-	-	-	-	-	(14,275)	-	(5,760,171)	-	(53,919)	-	(5,828,365)	(319,061)	(6,147,426)
Total Comprehensive Income for the period	-	-	-	-	-	(14,275)	-	(5,760,171)	-	(53,919)	1,421,382	(4,406,983)	(2,876,295)	(7,283,279)
Transactions with owners directly recorded in the Equity														
Dividends paid to Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-	(573,685)	(573,685)
Share of Net Assets of Equity-Accounted Investees (Net of Tax)	-	-	-	-	-	-	-	-	-	-	(13,074)	(13,074)	(12,906)	(25,980)
Dividends Paid During the Period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred From/To Retained Earnings	-	-	-	-	-	-	50,440	-	-	-	(50,440)	-	-	-
Total Contributions by and Distributions to Owners	-	-	-	-	-	-	50,440	-	-	-	(63,514)	(13,074)	(586,591)	(599,665)
Balance as at 30th September 2020	89,100,000	8,378,097	12,137	20,491	1,998,562	1,957,222	1,656,272	(2,872,948)	-	(138,416)	(20,857,315)	79,254,103	39,619,535	118,873,638

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
Balance as at 1st April 2021	89,100,000	9,615,953	12,137	20,491	3,005,189	2,493,085	1,813,045	(702,015)	-	(244,780)	(21,461,330)	83,651,775	40,020,776	123,672,550
Total Comprehensive Income for the Period														
Profit for the year	-	-	-	-	-	-	-	-	-	-	3,488,472	3,488,472	(298,370)	3,190,102
Other Comprehensive Income														
Net Change in Fair Value of FVTOCI Investments	-	-	-	-	-	-	-	719,258	-	-	-	719,258	15,804	735,062
Defined Benefit Plan Actuarial Gains (Losses) (Net Of Tax)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation of property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income tax on other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange Difference on translation of foreign operations	-	-	-	-	-	20,544	-	-	-	-	-	20,544	31,934	52,478
Net movement on Cashflow Hedges	-	-	-	-	-	-	-	-	-	11,996	-	11,996	41,338	53,334
Share of Other Comprehensive Income of Equity-Accounted Investees (Net of Tax)	-	(673)	-	-	-	(17,501)	-	-	-	-	-	(18,174)	(16,600)	(34,774)
Total Other Comprehensive Income for the period	-	(673)	-	-	-	3,044	-	719,258	-	11,996	-	733,625	72,475	806,100
Total Comprehensive Income for the period	-	(673)	-	-	-	3,044	-	719,258	-	11,996	3,488,472	4,222,097	(225,895)	3,996,202
Transactions with owners directly recorded in the Equity														
Dividends paid to Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-	(985,138)	(985,138)
Gain on disposal of FVTOCI Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of Net Assets of Equity Accounted Investees	-	-	-	-	-	-	-	-	-	-	10,990	10,990	18,327	29,317
Acquisition of Non Controlling Interest Chnages in % Holding of Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	(3,204,845)	(3,204,845)	-	(3,204,845)
Transferred From/To Retained Earnings	-	-	-	-	-	-	55,103	-	-	-	(55,103)	-	-	-
Total Contributions by and Distributions to Owners	-	-	-	-	-	-	55,103	-	-	-	(3,248,958)	(3,193,855)	(966,811)	(4,160,666)
Balance as at 30th September 2021	89,100,000	9,615,280	12,137	20,491	3,005,189	2,496,129	1,868,148	17,243	-	(232,784)	(21,221,816)	84,680,016	38,828,070	123,508,087

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 2020	89,100,000	111,691	(1,989,609)	8,710,425	95,932,507
Profit for the year	-	-	-	2,510,446	2,510,446
Other Comprehensive Income					
Equity investments at FVOCI – net change in fair value	-	-	(5,246,272)	-	(5,246,272)
Actuarial Gain/(Losses) on retirement benefit obligations	-	-	-	-	-
Income tax on other comprehensive income	-	-	-	-	-
Total Other Comprehensive Income for the period	-	-	(5,246,272)	-	(5,246,272)
Total Comprehensive Income for the period	-	-	(5,246,272)	2,510,446	(2,735,826)
Transactions with Owners of the Company directly recognized into Equity					
Gain on disposal of FVTOCI Investments	-	-	-	-	-
Dividend paid	-	-	-	-	-
Transactions with Owners of the Company directly recognized into Equity	-	-	-	-	-
Balance as at 30th September 2020	89,100,000	111,691	(7,235,881)	11,220,871	93,196,681
Balance as at 1st April 2021	89,100,000	116,308	(5,099,857)	11,930,964	96,047,415
Profit for the year	-	-	-	2,140,969	2,140,969
Other Comprehensive Income					
Equity investments at FVOCI – net change in fair value	-	-	504,175	-	504,175
Actuarial Gain/(Losses) on retirement benefit obligations	-	-	-	-	-
Income tax on other comprehensive income	-	-	-	-	-
Total Other Comprehensive Income for the period	-	-	504,175	-	504,175
Total Comprehensive Income for the period	-	-	504,175	2,140,969	2,645,144
Transactions with Owners of the Company directly recognized into Equity					
Gain on disposal of FVTOCI Investments	-	-	-	-	-
Dividend paid	-	-	-	(3,204,845)	(3,204,845)
Transactions with Owners of the Company directly recognized into Equity	-	-	-	(3,204,845)	(3,204,845)
Balance as at 30th September 2021	89,100,000	116,308	(4,595,682)	10,867,088	95,487,715

MELSTACORP PLC
STATEMENTS OF CASH FLOWS

For the Six months ended 30th September,

	GROUP		COMPANY	
	2021 Rs. '000	2020 Rs. '000	2021 Rs. '000	2020 Rs. '000
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Taxation	7,008,810	2,103,921	2,411,399	2,836,377
Adjustment for				
Depreciation and amortization of PPE,Biological assets, ROU Assets and intangible assets	3,115,128	3,019,888	3,551	1,791
Provision for gratuity	195,313	171,180	1,512	2,241
Interest Expenses	2,365,227	2,391,754	262,333	420,109
Interest income	(872,189)	(572,978)	(387,195)	(618,400)
Dividend income	(97,436)	(216,111)	(3,987,192)	(2,714,981)
(Gain) / loss on Disposal of Property, Plant and Equipment and biological assets	(17,149)	(14,873)	-	-
Amortisation of Right of Use Assets	640,890	591,055	3,652	-
Provision/(Reversal) for Bad & Doubtful Debts and impairment	(29,297)	164,017	-	-
Related party receivables written-off	-	-	1,825,530	-
Gain on bargaining purchases	(119,503)	-	-	-
Share of profit of equity-accounted investees (net of tax)	(290,522)	(253,157)	-	-
(Gain)/ Loss on disposal of other financial investments	(18,714)	-	(9,568)	-
Amortization of Deferred Grants and Subsidies	(6,737)	(7,108)	-	-
(Gain) / loss on Change in Fair Value of Biological Assets	(183,088)	(93,465)	-	-
(Gain)/loss on change in fair value of financial assets at fair value through profit or loss	(238,489)	20,624	(89,445)	70,963
Operating Profit before Working Capital Changes	11,452,245	7,304,746	34,578	(1,900)
(Increase)/Decrease in Inventories	(361,473)	1,249,459	10	8
(Increase)/Decrease in Receivables	1,860,060	1,362,066	466,615	94,875
(Increase)/Decrease in Related Party Receivable and Payable	588,010	511,399	31,966	(173,671)
Increase/(Decrease) in Payables	(591,853)	2,881,853	(1,283)	(5,357)
Cash Generated from Operations	12,946,989	13,309,523	531,887	(86,045)
Dividend Received	464,854	274,176	3,987,192	2,714,981
Interest Paid	(1,667,533)	(1,321,971)	(247,502)	(420,109)
Income Tax Paid	(4,140,984)	(2,417,646)	(539,158)	(158,615)
Retiring Gratuity Paid	(178,741)	(162,150)	(333)	-
Net Cash Flow from Operating Activities	7,424,584	9,681,931	3,732,086	2,050,212
CASH FLOW FROM INVESTING ACTIVITIES				
Acquisition of equity accounted investees	0	(225,000)	-	(225,000)
Investment in Subsidiaries,net of cash equired	(878,612)	-	(517,000)	-
Loans settled by Subsidiaries	-	-	344,500	244,215
Net proceed from disposal/(Acquisition)of Other Investments	(2,747,371)	(1,888,080)	(738,740)	-
Acquisition of Property, Plant & Equipment and intangible assets	(746,182)	(1,845,710)	(133)	(2,396)
Additions of Mature and Immature Plantations	(49,545)	(5,795)	-	-
Right to use of Assets	-	(0)	-	-
Loans disbursed to Subsidiaries and Associates	-	-	(1,160,792)	(784,946)
Proceeds on Disposal of Property, Plant & Equipment	26,640	21,909	-	-
Interest Received	872,189	572,978	1,046	1,260
Net Cash Flow Used in Investing Activities	(3,522,881)	(3,369,699)	(2,071,119)	(766,868)
CASH FLOW FROM FINANCING ACTIVITIES				
Net Advances received from/(repaid to) equity accounted investees	(38,890)	(9,661)	-	-
Laons and borrowings Received	1,238,429	700,446	-	-
Repayments of loan Borrowings and payments to Lessor on Lease Rights	(2,538,802)	(1,105,360)	(4,163)	-
Dividends paid	(3,204,845)	-	(3,204,845)	-
Dividend paid by subsidiaries to minority share holders	(985,138)	(573,685)	-	-
Net Cash Flow from Financing Activities	(5,529,246)	(988,260)	(3,209,007)	-
Net Increase/Decrease in Cash & Cash Equivalent during the period	(1,627,543)	5,323,972	(1,548,041)	1,283,345
Cash & Cash Equivalents				
At the beginning of the year	(14,781,192)	(21,728,513)	(9,353,343)	(10,200,345)
Net movement during the period	(1,627,543)	5,323,972	(1,548,041)	1,283,345
At the end of the year (Note A)	(16,408,735)	(16,404,541)	(10,901,384)	(8,917,000)
Note A-Cash and Equivalents are as follows				
Short Term Deposits	1,881,213	1,110,020	-	-
Cash in Hand & Bank	10,926,263	8,329,025	2,859	9,643
Cash in transit	154,130	93,174	-	-
Bank overdrafts and other short term borrowings	(29,370,341)	(25,936,760)	(10,904,243)	(8,926,643)
	(16,408,735)	(16,404,541)	(10,901,384)	(8,917,000)

MELSTACORP PLC
NOTES TO THE FINANCIAL STATEMENTS

SEGMENTAL INFORMATION

For the Six months ended 30th September,

	GROUP	
	2021	2020
	Rs.'000	Rs.'000
(a) Revenue		
Beverages	44,881,574	41,866,913
Plantations	3,627,856	3,080,314
Telecommunications	1,041,208	1,169,069
Financial services	2,163,100	2,243,870
Diversified	19,851,117	13,225,047
Total gross revenue	71,564,855	61,585,214
Excise duty on beverages	(29,185,558)	(27,147,479)
Total net revenue	42,379,298	34,437,734
(b) Industry Segment Profit		
Beverages	6,976,869	6,416,738
Plantations	223,183	173,369
Telecommunications	(618,004)	(438,977)
Financial services	481,169	240,620
Diversified	(344,930)	(4,540,986)
	6,718,288	1,850,763
Share of Profit of Equity-Accounted Investees (Net of Tax)	290,522	253,157
Net Profit Before Tax	7,008,810	2,103,921
Taxation	(3,818,708)	(3,239,773)
Net Profit After Tax	3,190,102	(1,135,853)

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.

MELSTACORP PLC
NOTES TO THE FINANCIAL STATEMENTS

5 Non Financial Information

		30-Sep-2021	30-Sep-20	31-Mar-2021
Net Assets Value per Share	- Group (Rs)	72.66	68.01	71.78
	- Company (Rs)	81.94	79.97	82.42
Market Price per Share	- Last Traded Rs)	59.80	34.50	44.00
	- Highest (Rs)	61.50	36.00	78.00
	- Lowest (Rs)	45.00	26.70	42.00

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 September 2021 have been used for the purpose of Calculation of Earnings per Share.

8 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 2021.

9 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, other than those disclosed below.

(i) As per the special resolution approved at the Extra-Ordinary Annual General Meeting held on 15/10/2021 the following transactions were taken place.

- The company has repurchased and cancelled the 1,000 non voting shares at a total consideration of Rs.82,500/- held in DCSL PLC

- Reduction of Stated Capital of the Company and transfer of funds from Stated Capital to a Capital Reserve. As a result, Company's Stated Capital was reduced to Rs.70Bn and a new Capital Reserve was created for Rs.19.1Bn

(ii) The Board of Directors of the Company has approved an Interim dividend of Rs.2.70 per voting shares on 10/11/2021 totaling to Rs.3,146,572,094.40.

Top 25 Shareholders – 30-September 2021

Rank	Name	No of shares	%
1	MILFORD EXPORTS (CEYLON) (PVT) LIMITED	498,819,000	42.802
2	LANKA MILK FOODS (CWE) LIMITED	151,846,000	13.030
3	MR. M.A. YASEEN	144,012,745	12.357
4	BNYMSANV RE-NEON LIBERTY LORIKEET MASTER FUND LP	62,349,700	5.350
5	COMMERCIAL BANK OF CEYLON PLC/L.E.M.YASEEN	52,200,000	4.479
6	COMMERCIAL BANK OF CEYLON PLC/M.A.YASEEN	39,000,000	3.346
7	MRS. L.E.M. YASEEN	27,900,152	2.394
8	MR. DON HAROLD STASSEN JAYAWARDENA	14,750,000	1.266
9	MRS. S.M. CHRYSOSTOM	11,390,000	0.977
10	STASSEN EXPORTS (PVT) LIMITED	8,746,800	0.751
11	SEYLAN BANK PLC/ARRC CAPITAL (PVT) LTD	7,561,982	0.649
12	MR. DON HASITHA STASSEN JAYAWARDENA	7,531,332	0.646
13	SSBT-AL MEHWAR COMMERCIAL INVESTMENTS L.L.C.	6,186,000	0.531
14	MCSSEN RANGE PRIVATE LIMITED	5,459,864	0.468
15	PERSHING LLC S/A AVERBACH GRAUSON & CO.	4,177,363	0.358
16	BBH-RWC FRONTIER MARKETS EQUITY MASTER FUND LIMITED	4,077,755	0.350
17	MELLON BANK N.A.-UPS GROUP TRUST	3,066,226	0.263
18	MRS. P.M.P.G.N. PRIYADARSHANI	2,560,000	0.220
19	BNYMSANV RE-NEON LIBERTY EMERGING MARKETS FUND LP	2,442,900	0.210
20	BANK OF CEYLON-NO2 A/C (BOC PTF)	2,285,900	0.196
21	DFCC BANK PLC A/C 1	2,069,940	0.178
22	HATTON NATIONAL BANK PLC/JN LANKA HOLDINGS COMPANY (PVT) LTD	1,675,000	0.144
23	ACQUEST (PRIVATE) LIMITED	1,475,000	0.127
24	MR. M.J. FERNANDO	1,413,308	0.121
25	DEUTSCHE BANK AG AS TRUSTEE TO CAPITAL ALLIANCE QUANTITATIVE EQUITY FUND	1,397,320	0.120
		1,064,394,287	91.333
	Others	101,002,785	8.667
	Total	1,165,397,072	100.000

Percentage of Shares held by the public	41.51%
Total No. of share holders who hold the public holding	13,277

Float Adjusted Market Capitalization

The Public Holding of the Company as at 30 September 2021 was 41.51% comprising of 13,277 shareholders and the Float adjusted Market Capitalization of Rs.28,925,495,612/-. Interm 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 September 2021

	No of Shares	%
Mr. D. H. S. Jayawardena	14,750,000	1.266
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.melstacorp.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