MELSTACORP PLC



INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED

30th SEPTEMBER 2026

MELSTACORP PLC
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30th September,	Note	Group			Company		
		Unaudited 2026 Rs.'000	Unaudited 2025 Rs.'000	Variance %	Unaudited 2026 Rs.'000	Unaudited 2025 Rs.'000	Variance %
Continuing operations							
Revenue		**141,315,433**	130,182,595	*8.55*	**147,683**	112,062	*31.79*
Excise duty		**(57,672,319)**	(50,993,189)	*13.10*	**-**	-	
Cost of sales and net benefits paid		**(46,157,546)**	(41,407,440)	*11.47*	**(8,728)**	(2,063)	*323.06*
Gross Profit		**37,485,568**	37,781,966	*(0.78)*	**138,956**	109,999	*26.32*
Other Operating Income		**2,035,171**	1,337,598	*52.15*	**5,052,773**	5,170,110	*(2.27)*
Selling and Distribution Expenses		**(4,126,754)**	(3,464,211)	*19.13*	**-**	-	
Administrative Expenses		**(18,639,161)**	(16,333,889)	*14.11*	**(282,554)**	(240,794)	*17.34*
Other Operating Expenses		**(160,915)**	(55,207)	*191.48*	**-**	-	
Profit from Operations		**16,593,909**	19,266,257	*(13.87)*	**4,909,174**	5,039,315	*(2.58)*
Finance Income		**3,418,083**	2,446,857	*39.69*	**661,851**	552,091	*19.88*
Finance Cost		**(4,286,444)**	(3,980,252)	*7.69*	**(81,689)**	(211,877)	*(61.44)*
Net Finance Income/(cost)		**(868,362)**	(1,533,394)	*(43.37)*	**580,162**	340,214	*70.53*
Share of Profit of Equity-Accounted Investees (Net of Tax)	11	**2,591,423**	1,028,818	*151.88*	**-**	-	
Profit before Tax for the period		**18,316,970**	18,761,681	*(2.37)*	**5,489,335**	5,379,529	*2.04*
Income Tax		**(9,377,536)**	(9,369,653)	*0.08*	**(194,648)**	(151,609)	*28.39*
Profit after Tax from Continuing Operations for the Period		**8,939,434**	9,392,027	*(4.82)*	**5,294,687**	5,227,921	*1.28*
Discontinued operations							
Profit/ (loss) from discontinued operations (Net of Tax)	12	**242,824**	299,142	*(18.83)*	**-**	-	
Profit for the Period		**9,182,258**	9,691,169	*(5.25)*	**5,294,687**	5,227,921	*1.28*
Other comprehensive income							
Items that will never be reclassified to profit or loss							
Equity investments at FVOCI – net change in fair value		**257,529**	11,314,799	*(97.72)*	**532,942**	10,060,593	*(94.70)*
Share of other comprehensive income of equity-accounted investees (net of tax)		**161**	-	-	**-**	-	
		257,690	11,314,799	*(97.72)*	**532,942**	10,060,593	*(94.70)*
Items that are or may be reclassified to profit or loss							
Exchange difference on translation of foreign operations		**2,284,992**	785,393	*190.94*	**-**	-	
Net movement on cash flow hedges		**(29,534)**	(336,567)	*(91.22)*	**-**	-	
Share of other comprehensive income of equity-accounted investees		**390,640**	181,665	*115.03*	**-**	-	
		2,646,098	630,491	*319.69*	**-**	-	
Total Other Comprehensive Income for the Period		**2,903,788**	11,945,290	*(75.69)*	**532,942**	10,060,593	*(94.70)*
Total Comprehensive Income for the Period		**12,086,046**	21,636,459	*(44.14)*	**5,827,629**	15,288,514	*(61.88)*
Profit attributable to:							
Equity holders of the parent		**8,435,589**	9,269,474	*(9.00)*	**5,294,687**	5,227,920	*1.28*
Non controlling interest		**746,669**	421,695	*77.06*	**-**	-	
Profit for the Period		**9,182,258**	9,691,169	*(5.25)*	**5,294,687**	5,227,920	*1.28*
Total comprehensive income attributable to:							
Equity holders of the parent		**9,715,594**	20,775,213	*(53.23)*	**5,827,629**	15,288,513	*(61.88)*
Non controlling interest		**2,370,452**	861,245	*175.24*	**-**	-	
Total Comprehensive Income for the Period		**12,086,046**	21,636,459	*(44.14)*	**5,827,629**	15,288,513	*(61.88)*
Earnings per share (Rs.)		**7.24**	7.95		**4.54**	4.49	

Comparative information has been re-presented to reflect the classification of discontinued operations as disclosed in Note 12.

MELSTACORP PLC
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group			Company		
	Unaudited	Unaudited		Unaudited	Unaudited	
For the quarter ended 30th September,	**2026**	**2025**	**Variance**	**2026**	**2025**	**Variance**
	Rs.'000	**Rs.'000**	**%**	**Rs.'000**	**Rs.'000**	**%**
Continuing operations						
Revenue	**73,842,945**	67,668,250	*9.12*	**90,467**	56,031	*61.46*
Excise duty	**(29,501,899)**	(25,509,829)	*15.65*	**-**	-	
Cost of sales and net benefits paid	**(23,870,460)**	(22,497,005)	*6.11*	**(4,351)**	(848)	*413.27*
Gross Profit	**20,470,585**	19,661,416	*4.12*	**86,116**	55,183	*56.05*
Other Operating Income	**119,366**	470,762	*(74.64)*	**4,076,692**	4,696,763	*(13.20)*
Selling and Distribution Expenses	**(2,525,996)**	(1,928,814)	*30.96*	**-**	-	
Administrative Expenses	**(9,773,280)**	(8,661,366)	*12.84*	**(158,781)**	(147,065)	*7.97*
Other Operating Expenses	**(6,545)**	(33,053)	*(80.20)*	**-**	-	
Profit from Operations	**8,284,129**	9,508,946	*(12.88)*	**4,004,027**	4,604,881	*(13.05)*
Finance Income	**540,295**	1,210,532	*(55.37)*	**347,050**	283,742	*22.31*
Finance Cost	**(2,076,242)**	(2,040,665)	*1.74*	**(5,359)**	(103,800)	*(94.84)*
Net Finance Income/(cost)	**(1,535,947)**	(830,133)	*85.02*	**341,692**	179,942	*89.89*
Share of Profit of Equity-Accounted Investees (Net of Tax)	**1,649,566**	488,471	*237.70*	**-**	-	
Profit before Tax for the Quarter	**8,397,748**	9,167,283	*(8.39)*	**4,345,719**	4,784,823	*(9.18)*
Income Tax	**(5,154,538)**	(5,134,528)	*0.39*	**(114,209)**	(90,860)	*25.70*
Profit after Tax from Continuing Operations for the Quarter	**3,243,210**	4,032,755	*(19.58)*	**4,231,510**	4,693,963	*(9.85)*
Discontinued operations						
Profit/ (loss) from discontinued operations (Net of Tax)	**141,676**	106,616	*32.88*	**-**	-	
Profit for the Quarter	**3,384,886**	4,139,371	*(18.23)*	**4,231,510**	4,693,963	*(9.85)*
Other comprehensive income						
Items that will never be reclassified to profit or loss						
Equity investments at FVOCI – net change in fair value	**(3,282,062)**	4,794,437	*(168.46)*	**(3,015,642)**	3,993,466	*(175.51)*
	(3,282,062)	4,794,437	*(168.46)*	**(3,015,642)**	3,993,466	*(175.51)*
Items that are or may be reclassified to profit or loss						
Net change in fair value of available for sale financial assets	**1,789**	-		**-**	-	
Exchange difference on translation of foreign operations	**(1,373,604)**	207,928	*(760.61)*	**-**	-	
Net movement on cash flow hedges	**284,996**	207,866	*37.11*	**-**	-	
Share of other comprehensive income of equity-accounted investees	**1,675**	40,171	*(95.83)*	**-**	-	
	(1,085,144)	455,965	*(337.99)*	**-**	-	
Total Other Comprehensive Income for the Quarter	**(4,367,206)**	5,250,402	*(183.18)*	**(3,015,642)**	3,993,466	*(175.51)*
Total Comprehensive Income for the Quarter	**(982,321)**	9,389,773	*(110.46)*	**1,215,868**	8,687,430	*(86.00)*
Profit attributable to:						
Equity holders of the parent	**3,066,713**	4,032,249	*(23.95)*	**4,231,510**	4,693,963	*(9.85)*
Non controlling interest	**318,173**	107,122	*197.02*	**-**	-	
Profit for the Quarter	**3,384,886**	4,139,371	*(18.23)*	**4,231,510**	4,693,963	*(9.85)*
Total comprehensive income attributable to:						
Equity holders of the parent	**(657,336)**	8,898,484	*(107.39)*	**1,215,868**	8,687,430	*(86.00)*
Non controlling interest	**(324,985)**	491,290	*(166.15)*	**-**	-	
Total Comprehensive Income for the Quarter	**(982,321)**	9,389,774	*(110.46)*	**1,215,868**	8,687,430	*(86.00)*
Earnings per share (Rs.)	**2.63**	3.46		**3.63**	4.03	

MELSTACORP PLC
STATEMENTS OF FINANCIAL POSITION

As at,	Group		Company	
	Unaudited 30-Sep-2026 Rs.'000	Audited 31-Mar-2026 Rs.'000	Unaudited 30-Sep-2026 Rs.'000	Audited 31-Mar-2026 Rs.'000
ASSETS				
Non-current assets				
Property, plant and equipment	**167,705,124**	162,236,457	**53,911**	53,855
Intangible assets	**6,303,003**	6,293,887	**1,625**	2,139
Investment property	**11,742,444**	9,233,939	**12,404,162**	9,833,281
Biological assets	**12,971,782**	12,582,775	**-**	-
Right-of-use assets	**30,834,178**	29,899,940	**37,353**	-
Investments in subsidiaries	**-**	-	**65,440,346**	63,854,344
Investment in equity accounted investees	**13,921,129**	12,632,788	**-**	-
Deferred tax asset	**1,293,264**	7,587,497	**-**	-
Other non current financial investments	**66,360,685**	65,187,304	**54,625,294**	54,092,351
	311,131,610	305,654,587	**132,562,691**	127,835,970
Current assets				
Inventories	**16,709,463**	17,519,992	**844**	849
Produce on bearer biological assets	**14,145**	13,684	**-**	-
Trade and other receivables	**46,252,828**	46,378,471	**459,451**	150,530
Amounts due from subsidiaries	**-**	-	**-**	-
Amounts due from related companies	**231,884**	548,687	**1,021,971**	604,258
Other current financial investments	**31,372,711**	32,008,886	**5,192,550**	5,079,714
Other current assets	**9,284**	9,283	**-**	-
Cash and cash equivalents	**30,259,776**	25,911,056	**2,393**	77,803
	124,850,091	122,390,059	**6,677,209**	5,913,154
Assets held for sale	**857,481**	857,481	**-**	-
Total assets	**436,839,181**	428,902,127	**139,239,900**	133,749,124
EQUITY AND LIABILITIES				
Share capital and reserves				
Stated capital	**70,000,000**	70,000,000	**70,000,000**	70,000,000
Reserves	**84,594,753**	83,001,256	**38,460,789**	37,927,846
Retained earnings/(losses)	**6,920,336**	4,109,774	**23,337,520**	21,830,374
Equity attributable to owners of the Company	**161,515,089**	157,111,030	**131,798,309**	129,758,220
Non controlling interest	**74,133,443**	72,644,171	**-**	-
Total equity	**235,648,532**	229,755,201	**131,798,309**	129,758,220
Non current liabilities				
Interest bearing loans and borrowings	**44,119,853**	37,930,948	**-**	-
Lease liabilities	**26,280,143**	25,155,030	**-**	-
Retirement benefit obligations	**5,750,611**	5,483,706	**24,691**	19,945
Deferred tax liabilities	**24,546,301**	30,971,916	**1,385,654**	1,386,785
Other liabilities	**712,754**	290,390	**-**	-
	101,409,663	99,831,990	**1,410,344**	1,406,730
Current liabilities				
Trade and other payables	**51,146,065**	56,987,397	**720,465**	407,693
Other liabilities	**474,566**	-	**-**	-
Amount due to subsidiaries	**-**	-	**-**	-
Amount due to related companies	**2,696,219**	2,195,863	**1,189,396**	681,693
Income tax payable	**4,736,553**	6,522,918	**112,381**	123,946
Interest bearing loans and borrowings	**7,096,514**	6,321,416	**-**	-
Lease liabilities	**2,673,890**	2,428,245	**38,336**	-
Bank overdrafts and other short term borrowings	**30,957,178**	24,859,097	**3,970,667**	1,370,842
	99,780,986	99,314,936	**6,031,246**	2,584,174
Total liabilities	**201,190,649**	199,146,926	**7,441,590**	3,990,904
Total equity and liabilities	**436,839,181**	428,902,127	**139,239,900**	133,749,124
Net assets per share (Rs.)	**138.59**	134.81	**113.09**	111.34

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 the Companies Act No. 07 of 2007.

sgd/-

Prasanna Pinto

Group Financial Controller

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

Signed for and on behalf of the Board;

sgd/-

D. Hasitha S. Jayawardena

Chairman

sgd/-

L.U.D. Fernando

Director

13 November 2026 in Colombo

MELSTACORP PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - GROUP

	Attributable to equity holders of the parent												
	Stated capital	Revaluation reserve	Capital reserve	Reserve fund	General reserve	Exchange fluctuation reserve	Timber reserve	Fair value reserve	Cash flow hedge reserve	Retained earnings	Total	Non controlling interest	Total equity
	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 2025	**70,000,000**	**19,195,246**	**19,112,137**	**20,491**	**4,693,379**	**5,206,513**	**3,846,642**	**18,550,812**	**(468,202)**	**(7,877,962)**	**132,279,056**	**62,902,230**	**195,181,286**
Total comprehensive income for the period													
Profit after tax for the period	-	-	-	-	-	-	-	-	-	9,269,474	9,269,474	421,695	9,691,169
Other comprehensive income													
Equity investments at FVOCI – net change in fair value	-	-	-	-	-	-	-	11,223,128	-	-	11,223,128	91,672	11,314,799
Exchange difference on translation of foreign operations	-	-	-	-	-	93,254	-	-	-	-	93,254	88,411	181,665
Net movement on cash flow hedges	-	-	-	-	-	-	-	-	(77,218)	-	(77,218)	(259,349)	(336,567)
Share of other comprehensive income of equity-accounted investees	-	-	-	-	-	266,575	-	-	-	-	266,575	518,818	785,393
Total other comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**359,829**	**-**	**11,223,128**	**(77,218)**	**-**	**11,505,739**	**439,551**	**11,945,290**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**359,829**	**-**	**11,223,128**	**(77,218)**	**9,269,474**	**20,775,213**	**861,245**	**21,636,459**
Transactions with owners directly recorded in equity													
Dividends paid to non controlling interest	-	-	-	-	-	-	-	-	-	-	-	(1,532,576)	(1,532,576)
Acquisition of non controlling interest and changes in % holding of subsidiaries	-	88,238	1	-	-	-	(64,703)	(13)	-	(282,310)	(258,788)	340,499	81,711
Dividends paid during the period	-	-	-	-	-	-	-	-	-	(2,004,483)	(2,004,483)	-	(2,004,483)
Transferred from/to retained earnings	-	-	-	-	-	-	154,848	-	-	(154,848)	-	-	-
Total contributions by and distributions to owners	**-**	**88,238**	**1**	**-**	**-**	**-**	**90,144**	**(13)**	**-**	**(2,441,641)**	**(2,263,271)**	**(1,192,077)**	**(3,455,348)**
Balance as at 30th September 2025	**70,000,000**	**19,283,484**	**19,112,138**	**20,491**	**4,693,379**	**5,566,342**	**3,936,786**	**29,773,927**	**(545,420)**	**(1,050,128)**	**150,790,999**	**62,571,398**	**213,362,397**

MELSTACORP PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - GROUP

	Attributable to equity holders of the parent												
	Stated capital	Revaluation reserve	Capital reserve	Reserve fund	General reserve	Exchange fluctuation reserve	Timber reserve	Fair value reserve	Cash flow hedge reserve	Retained earnings	Total	Non controlling interest	Total equity
	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 2026	**70,000,000**	**22,869,251**	**19,112,137**	**20,491**	**5,109,359**	**6,193,174**	**4,437,347**	**25,737,475**	**(477,979)**	**4,109,774**	**157,111,030**	**72,644,171**	**229,755,201**
Total comprehensive income for the period													
Profit after tax for the period	-	-	-	-	-	-	-	-	-	8,435,589	8,435,589	746,669	9,182,258
Other comprehensive income													
Equity investments at FVOCI – net change in fair value	-	-	-	-	-	-	-	276,162	-	-	276,162	(18,632)	257,529
Exchange difference on translation of foreign operations	-	-	-	-	-	810,030	-	-	-	-	810,030	1,474,962	2,284,992
Net movement on cash flow hedges	-	-	-	-	-	-	-	-	(6,776)	-	(6,776)	(22,758)	(29,534)
Share of other comprehensive income of equity-accounted investees (net of tax)	-	-	-	-	-	200,527	-	-	-	62	200,589	190,212	390,801
Total other comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**1,010,558**	**-**	**276,162**	**(6,776)**	**62**	**1,280,005**	**1,623,783**	**2,903,788**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**1,010,558**	**-**	**276,162**	**(6,776)**	**8,435,651**	**9,715,594**	**2,370,452**	**12,086,046**
Transactions with owners directly recorded in equity													
Dividends paid to non controlling interest	-	-	-	-	-	-	-	-	-	-	-	(2,205,175)	(2,205,175)
Acquisition of non controlling interest and changes in % holding of subsidiaries	-	65,627	-	-	-	-	-	-	-	(1,589,621)	(1,523,995)	1,323,995	(200,000)
Dividends paid during the period	-	-	-	-	-	-	-	-	-	(3,787,540)	(3,787,540)	-	(3,787,540)
Transferred from/to retained earnings	-	-	-	-	-	-	247,927	-	-	(247,927)	-	-	-
Total contributions by and distributions to owners	**-**	**65,627**	**-**	**-**	**-**	**-**	**247,927**	**-**	**-**	**(5,625,089)**	**(5,311,535)**	**(881,180)**	**(6,192,715)**
Balance as at 30th September 2026	**70,000,000**	**22,934,877**	**19,112,137**	**20,491**	**5,109,359**	**7,203,732**	**4,685,274**	**26,013,637**	**(484,755)**	**6,920,336**	**161,515,089**	**74,133,443**	**235,648,532**

MELSTACORP PLC
STATEMENTS OF CHANGES IN EQUITY - COMPANY

	Stated capital	Revaluation reserve	Capital reserve	Fair value reserve	Retained earnings	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 1st April 2025	**70,000,000**	**109,382**	**19,100,000**	**11,695,161**	**16,108,787**	**117,013,330**
Profit after tax for the period	-	-	-	-	5,227,920	5,227,920
Other comprehensive income						
Equity investments at FVOCI – net change in fair value	-	-	-	10,060,593	-	10,060,593
Total other comprehensive income for the period	**-**	**-**	**-**	**10,060,593**	**-**	**10,060,593**
Total comprehensive income for the period	**-**	**-**	**-**	**10,060,593**	**5,227,920**	**15,288,513**
Transactions with owners of the Company directly recognised in equity						
Dividends paid	-	-	-	-	(2,004,483)	(2,004,483)
Total Transactions with owners of the Company directly recognised in equity	**-**	**-**	**-**	**-**	**(2,004,483)**	**(2,004,483)**
Balance as at 30th September 2025	**70,000,000**	**109,382**	**19,100,000**	**21,755,754**	**19,332,224**	**130,297,360**
Balance as at 1st April 2026	**70,000,000**	**109,382**	**19,100,000**	**18,718,465**	**21,830,374**	**129,758,221**
Profit after tax for the period	-	-	-	-	5,294,687	5,294,687
Other comprehensive income						
Equity investments at FVOCI – net change in fair value	-	-	-	532,942	-	532,942
Total other comprehensive income for the period	**-**	**-**	**-**	**532,942**	**-**	**532,942**
Total comprehensive income for the period	**-**	**-**	**-**	**532,942**	**5,294,687**	**5,827,629**
Transactions with owners of the Company directly recognised in equity						
Dividends paid	-	-	-	-	(3,787,540)	(3,787,540)
Total Transactions with owners of the Company directly recognised in equity	**-**	**-**	**-**	**-**	**(3,787,540)**	**(3,787,540)**
Balance as at 30th September 2026	**70,000,000**	**109,382**	**19,100,000**	**19,251,407**	**23,337,520**	**131,798,309**

MELSTACORP PLC
STATEMENTS OF CASH FLOWS

For the six months ended 30th September,	Group		Company	
	Unaudited 2026 Rs.'000	Unaudited 2025 Rs.'000	Unaudited 2026 Rs.'000	Unaudited 2025 Rs.'000
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before taxation from continuing operations	18,316,970	18,761,681	5,489,335	5,379,529
Profit before taxation from discontinued operations	242,824	299,142	-	-
Profit before tax	**18,559,794**	**19,060,822**	**5,489,335**	**5,379,529**
Adjustment for				
Depreciation and amortization of PPE, biological assets, ROU assets and intangible assets	5,448,731	5,116,063	12,529	5,664
Provision for gratuity	399,466	443,427	4,746	4,444
Interest expenses	3,926,580	3,538,504	81,689	211,877
Interest income	(1,742,931)	(1,625,606)	(661,959)	(504,280)
Dividend income	(758,531)	(482,781)	(5,052,767)	(5,147,020)
(Gain)/loss on disposal/retirement of property, plant and equipment and biological assets	(376,406)	(410,457)	-	-
Amortization of deferred income	(10,445)	(8,792)	-	-
Provision/(reversal) for bad & doubtful debts and impairment	(180,374)	(238,568)	-	-
Share of profit of equity-accounted investees (net of tax)	(2,591,423)	(1,028,818)	-	-
(Gain)/loss on disposal of other financial investments	-	(15,278)	-	-
(Gain) on disposal of Group investments	-	-	-	(23,012)
Impairment of PPE, biological assets and intangible assets	42,769	39,024	-	-
(Gain)/loss on change in fair value of biological assets	(387,894)	(339,903)	-	-
(Gain)/loss on change in fair value of financial assets at FVTPL	(261)	(95,881)	108	(47,811)
Operating profit before working capital changes	**22,329,076**	**23,951,756**	**(126,319)**	**(120,609)**
(Increase)/decrease in inventories	810,067	(2,073,749)	-	5
(Increase)/decrease in receivables	1,086,784	5,499,091	(308,922)	90,177
(Increase)/decrease in related party receivable and payable	817,159	441,320	89,991	752
Increase/(decrease) in payables	(5,366,765)	(3,077,479)	312,779	142,074
Cash generated/(used) from operations	**19,676,320**	**24,740,939**	**(32,471)**	**112,399**
Dividend received	758,531	482,781	5,052,767	5,147,020
Interest paid	(3,183,487)	(2,860,793)	(79,520)	(211,621)
Income tax and surcharge tax paid	(11,295,283)	(9,708,923)	(207,348)	(194,573)
Retiring gratuity paid	(151,332)	(197,931)	-	(220)
Net cash flow from operating activities	**5,804,748**	**12,456,074**	**4,733,428**	**4,853,005**
CASH FLOW FROM INVESTING ACTIVITIES				
Net proceeds from disposal/(acquisition) of investment in equity accounted investees	1,278,571	-	-	-
Dividends received from equity accounted investees	415,312	842,692	-	-
Net cash flows from investment in/disposal of shares in subsidiaries	-	-	(1,586,001)	81,710
Proceeds from settlement of loans given to related companies	-	-	190,289	270,627
Net of acquisition of non controlling interest and proceeds from disposal of shares in subsidiaries	(200,000)	81,710	-	-
Net proceeds from disposal/(acquisition) of other investments	(279,415)	(1,050,956)	-	-
Acquisition of property, plant & equipment, investment property and intangible assets	(9,274,111)	(4,586,165)	(2,578,801)	(929,413)
Additions of mature and immature plantations net of sale of timber	(1,113)	(6,836)	-	-
Loans disbursed to subsidiaries and associates	-	-	(303,233)	(51,914)
Proceeds on retirement of assets held for sale	-	20,800	-	-
Proceeds on disposal of property, plant & equipment	428,937	471,437	-	-
Interest received	1,742,931	1,625,606	661,959	456
Net cash flow generated/(used) in investing activities	**(5,888,888)**	**(2,601,712)**	**(3,615,787)**	**(628,534)**
CASH FLOW FROM FINANCING ACTIVITIES				
Net advances received from/(repaid to) equity accounted investees/subsidiaries	432,809	(39,596)	-	-
Loans and borrowings received	15,506,887	5,719,344	-	-
Repayments of loan borrowings and payments to lessor on lease rights	(11,826,357)	(10,924,272)	(5,338)	(4,707)
Dividends paid	(3,787,540)	(2,004,483)	(3,787,540)	(2,004,483)
Dividend paid by subsidiaries to non-controlling shareholders	(2,205,175)	(1,532,576)	-	-
Net cash flow used in financing activities	**(1,879,376)**	**(8,781,583)**	**(3,792,878)**	**(2,009,190)**
Net increase/(decrease) in cash & cash equivalents during the period	**(1,963,515)**	**1,072,778**	**(2,675,237)**	**2,215,281**
Net Cash & cash equivalents				
At the beginning of the period	1,051,959	(5,414,380)	(1,293,039)	(5,111,699)
Effect of movements in exchange rates	214,154	(38,683)	-	-
Net movement during the period	(1,963,515)	1,072,778	(2,675,237)	2,215,281
At the end of the period (Note A)	**(697,402)**	**(4,380,285)**	**(3,968,276)**	**(2,896,418)**
Note A - Cash and cash equivalents, net of bank overdrafts are as follows				
Short term deposits	9,547,566	9,338,926	-	-
Cash in hand & bank	20,622,476	14,444,929	2,393	5,486
Cash in transit	89,734	207,028	-	-
Bank overdrafts and other short term borrowings	(30,957,178)	(28,371,167)	(3,970,667)	(2,901,904)
	(697,402)	**(4,380,284)**	**(3,968,275)**	**(2,896,418)**

MELSTACORP PLC

NOTES TO THE FINANCIAL STATEMENTS - SEGMENTAL INFORMATION

For the six months ended 30th September,	Group	
	Unaudited 2026 Rs.'000	Unaudited 2025 Rs.'000
(a) Revenue		
Beverages	89,064,746	78,514,953
Plantation	4,213,126	4,459,154
Tourism	25,548,279	25,801,487
Maritime, Freight & Logistics	9,135,399	7,757,665
Strategic Investment	5,225,537	5,533,803
Services	1,601,576	1,879,738
Financial Services	6,526,769	6,235,795
Gross revenue from continuing operations	**141,315,433**	**130,182,595**
(b) Industry segment profit		
Beverages	14,829,238	16,228,180
Plantation	765,482	1,021,979
Tourism	(2,191,489)	(1,346,361)
Maritime, Freight & Logistics	3,445,722	2,163,389
Strategic Investment	(248,987)	(205,455)
Services	1,824,105	648,943
Financial Services	(107,102)	251,005
Profit before tax from continuing operations	**18,316,970**	**18,761,681**
Taxation	(9,377,536)	(9,369,653)
Profit after tax from continuing operations	**8,939,434**	**9,392,027**
Profit/(loss) from discontinued operations (net of tax) (Note 12)	242,824	299,142
Profit for the period	**9,182,258**	**9,691,169**

MELSTACORP PLC

NOTES TO THE FINANCIAL STATEMENTS

1 Basis of preparation

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 Comparative information

Where appropriate, the previous period's presentation has been amended to conform to current period classifications.

3 Amount due from the Secretary to the Treasury o/a of SLIC Shares

a) In respect of Shares

As per the Judgment delivered by the Supreme Court of the Democratic Socialist Republic of Sri Lanka on 4 June 2009 it was declared and directed that the shares of SLIC purported to have been sold to Distilleries Consortium on 11 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 Rs.5,716 Mn in 2010/11 that was paid by Group Subsidiary Milford Holdings (Pvt) Limited (MHL) to purchase shares from SLIC.

b) In respect of Profits Earned

Furthermore, MHL was entitled to retain the profits of SLIC derived by MHL from 11 April 2003 to 04 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 04 June 2009 to enable MHL to obtain such profits.

However, Secretary to the Treasury has not settled the profits made by SLIC to MHL.

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. As the leasing of the land to PSIP was done in 1985, and the above mentioned Act empowers the vesting of land leased during a period of 20 years before the enactment of the Act, the Company believes that the land that was used by PSIP has not been vested in the state. At this moment the management is unable to comment further on the implications on the ruling as the Company is awaiting instructions by the Secretary to the Treasury.

Financial results up to 30 September 2011 were consolidated to Group results for the year ended 31 March 2012. Subsequent financial results have not been incorporated to the Group results due to non accessibility of the information. 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.

Commercial High Court of Western Province (Colombo Civil) issued a winding-up order of Pelwatte Sugar Industries PLC on 13 March 2013. The Court has appointed P.E.A. Jayewickreme and G.J. David, as the Liquidators. The current operator, Lanka Sugar, has agreed to vacate the Company's premises situated at Melbourne Avenue, Colombo 3. The property, comprising approximately 20 perches, has vested in the Liquidator, who will sell the land and utilise the proceeds to settle the creditors' claims. Following the realisation of the Company's assets and settlement of all liabilities, there is a possibility, although not a certainty, that shareholders, including Melstacorp PLC, may receive a small residual distribution, depending on the net proceeds from the sale of the land and the priority and satisfaction of creditor claims. At present, any potential return to shareholders remains uncertain and is likely to be limited.

MELSTACORP PLC

NOTES TO THE FINANCIAL STATEMENTS

5 Non Financial Information

		Quarter ended		
		30-Sep-2026	30-Sep-2025	31-Mar-2026
Net Assets per Share	- Group (Rs)	138.59	129.39	134.81
	- Company (Rs)	113.09	111.81	111.34
Market Price per Share	- Last Traded (Rs)	185.00	171.00	168.00
	- Highest (Rs)	192.50	172.50	186.50
	- Lowest (Rs)	178.00	145.00	158.50

6 The stated capital comprises 1,165,397,072 ordinary shares.

7 Earnings per Share

The number of shares held as at 30th September 2026 have been used for the purpose of calculation of Earnings per Share.

Number of shares used for EPS calculation	1,165,397,072

8 Contingent Liabilities

Contingent Liabilities Relating to Tax/ Duty Assessments and Penalties

There has been no significant change in the contingent liabilities disclosed in the Annual Report for the year ended 31 March 2026, **except as set out below.**

Income tax assessments relating to the Group restructuring

As disclosed in Notes 41.4.1 and 41.4.2 to the financial statements for the year ended 31 March 2026, the Commissioner General of Inland Revenue issued income tax assessments to the Company and its subsidiary, Distilleries Company of Sri Lanka PLC, in respect of the Group's restructuring transactions. Both companies challenged the assessments by way of writ applications to the Court of Appeal. The total amount in dispute, including penalties, is approximately Rs. 23.2 billion (income tax liability of approximately Rs. 15.5 billion, together with a penalty of approximately Rs. 7.7 billion) for the Group, of which Rs. 17.1 billion (income tax liability of approximately Rs. 11.4 billion, together with a penalty of approximately Rs. 5.7 billion) relates to the Company.

On 9 October 2026, after the reporting date, the Court of Appeal dismissed both applications and awarded costs of Rs. 500,000 against each company. Both companies are taking steps to appeal against the judgment to the Supreme Court.

Having considered the procedural and substantive grounds on which the assessments are being contested, and based on legal and tax advice obtained, the Directors are of the view that the assessments are not likely to result in any tax liability to the Company or to Distilleries Company of Sri Lanka PLC. Accordingly, no provision for the assessed amounts has been made in these interim financial statements.

9 Fair value measurement and related fair value disclosures

As at reporting date there were no significant differences in the comparison made between fair value and carrying value of financial assets and liabilities, from what was disclosed in the Annual Report for the year ended 31st March 2026.

There were no transfers between different levels of fair value hierarchy or changes to asset classes classified on recurring and non-recurring basis. Valuation techniques or significant unobservable inputs used for measuring level 3 fair values remain unchanged from 31st March 2026.

During the period under review there were no transfers in and out of level 3 financial instrument measurement and any change in fair values are captured in the statement of comprehensive income.

Unquoted equity shares that are subject to level 3 of fair value measurement hierarchy, were revalued as at the reporting date. Fair value would not significantly vary if one or more unobservable inputs used for valuation were changed.

10 Events occurring after the reporting period

Except as disclosed in Note 8, no circumstances have arisen which would require adjustment to or disclosure in the financial statements.

11 Share of Profit of Equity-Accounted Investees (Net of Tax)

For the six months ended 30th September,	**2026**	**2025**
	Rs.'000	Rs.'000
Share of Profit of Continuing Joint ventures and associates	2,591,423	1,028,818
Total Share of Profit of Equity-Accounted Investees (Net of Tax) from Joint ventures and Associates	**2,591,423**	**1,028,818**

12 Discontinued Operations

During the 2024/25 and 2025/26 financial years, Melstacorp PLC ceased operations in the following entities: Lanka Bell Group (a national CDMA service provider), Melsta Laboratories (Pvt) Ltd (a diagnostic service provider), Texpro Industries (Pvt) Ltd (a manufacturer of dyed and printed woven fabrics), Melsta Pharmaceuticals (Pvt) Ltd (Retail Pharmaceuticals).

Results of discontinued operations

For the six months ended 30th September,	**2026**	**2025**
	Rs.'000	Rs.'000
Revenue	-	48,476
Cost of sales and net benefits paid	(1,235)	(62,057)
Gross Profit	**(1,235)**	**(13,581)**
Other Operating Income	268,737	472,831
Selling and distribution expenses	-	-
Administrative Expenses	(24,703)	(34,735)
Other Operating Expenses	(2,060)	(79,145)
Results from Operating activities	**240,740**	**345,369**
Net Finance Income/(cost)	**2,084**	**(46,228)**
Profit before Tax for the period	**242,824**	**299,142**
Income Tax	-	-
Profit after tax for the period	**242,824**	**299,142**
Gain on disposal of discontinued operations	-	-
Income tax on gain on disposal of discontinued operations	-	-
Profit from discontinued operations (Net of Tax)	**242,824**	**299,142**

13 Issue of Debentures by a Subsidiary

During the quarter ended 30th September 2026, Aitken Spence Hotel Holdings PLC, a subsidiary of Aitken Spence PLC (a subsidiary of the Company), issued 50 million listed, rated, unsecured, senior, redeemable debentures of Rs. 100 each, raising Rs. 5,000 million. The debentures were allotted on 24 September 2026 and listed on the Colombo Stock Exchange on 2 October 2026.

MELSTACORP PLC

TOP 25 SHAREHOLDERS - 30 SEPTEMBER 2026

	Name	Shareholding	%
1	Milford Exports (Ceylon) (Pvt) Ltd	500,819,000	42.97
2	Lanka Milk Foods (CWE) Limited	151,846,000	13.03
3	Mr. M.A. Yaseen	150,294,980	12.90
4	Mrs. L.E.M. Yaseen	82,263,000	7.06
5	Commercial Bank of Ceylon PLC/M.A.Yaseen	39,000,000	3.35
6	Mrs. R.R. Takahashi	27,600,000	2.37
7	Commercial Bank of Ceylon PLC/L.E.M.Yaseen	25,000,000	2.15
8	Mr. D.H.S. Jayawardena	20,545,532	1.76
9	Mrs. P.M.P.G.N. Priyadarshani	17,448,213	1.50
10	Mrs. S.M. Chrysostom	11,390,000	0.98
11	Employees Provident Fund	9,701,761	0.83
12	Stassen Exports (Pvt) Ltd	8,746,800	0.75
13	Rubicond Enterprises Limited	5,943,859	0.51
14	Mcsen Range (Pvt) Ltd	5,459,864	0.47
15	BBH-Redwheel Frontier Markets Equity Master Fund Limited	4,937,755	0.42
16	Hatton National Bank PLC-Senfin Growth Fund	4,271,904	0.37
17	Deutsche Bank AG Trustee to Lynear Wealth Dynamic Opportunities Fund	3,550,165	0.30
18	Hatton National Bank PLC - Capital Alliance Quantitative Equity Fund	2,005,814	0.17
19	Deutsche Bank AG As Trustee for JB Vantage Value Equity Fund	1,998,743	0.17
20	Renuka Hotels PLC	1,800,000	0.15
21	Sam Innovators (Pvt) Ltd	1,450,524	0.12
22	Hatton National Bank PLC A/C No 3 -Employees Retirement & Pension Fund	1,200,000	0.10
23	Mr. M.V. Theagarajah & Mrs. L.Theagarajah	1,200,000	0.10
24	Mrs. S. Balendra	1,106,051	0.09
25	Union Assurance PLC-Universal Life Fund	1,063,116	0.09
	SUB TOTAL	**1,080,643,081**	**92.73**
	OTHERS	**84,753,991**	**7.27**
	TOTAL	**1,165,397,072**	**100.00**

Percentage of shares held by the public	41.48%
Total no. of shareholders who hold the public holding	15,178

Float adjusted market capitalisation

The Public Holding of the Company as of 30th September 2026 was 41.48% comprising 15,178 shareholders and the Float adjusted Market Capitalization of Rs. 89,426,110,855. In terms of Rule 7.13.1(a) of the Listing Rules of the CSE, the Company qualifies with the Minimum Public Holding Requirement under Option One.

Directors' Shareholdings as at 30 September 2026

	No of shares	%
Mr. D. Hasitha S. Jayawardena	20,545,532	1.763
Mr. C. R. Jansz	-	-
Mr. N. De S. Deva Aditya	-	-
Mr. K. J. Kahanda	-	-
Mr. L.U.D. Fernando *	-	-
Ms. D.S.T. Jayawardena	38,600	0.003
Mr. Reyaz Mihular	-	-
Dr. R.A. Fernando	-	-
Mr. A. Goonesekere	-	-
Mr. L. H. A. Lakshman Silva	8,000	0.001
Mr. M.A.N.S Perera (Resigned w.e.f 18/09/2025)	-	-

** Mr. L.U.D. Fernando held 8,757 shares as a joint holder of Mr. L.K.M. Fernando*

MELSTACORP PLC

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. Hasitha S. Jayawardena
Mr. C. R. Jansz
Mr. N. De S. Deva Aditya
Mr. K. J. Kahanda
Ms. D.S.T. Jayawardena
Mr. L.U.D. Fernando
Mr. Reyaz Mihular
Dr. R.A. Fernando
Mr. A. Goonesekere
Mr. L. H. A. Lakshman Silva
Mr. M.A.N.S Perera (Resigned w.e.f 18/09/2025)

Company Secretary

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

Auditors

Messrs. KPMG,
Chartered Accountants
No.32A, Sir Mohamed Macan Markar 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
Sampath Bank PLC