

MELSTACORP PLC



INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED

30th JUNE 2022

MELSTACORP PLC
STATEMENTS OF COMPREHENSIVE INCOME

Rs. '000s For the three months ended 30th June,	GROUP			COMPANY		
	Unaudited 2022 Rs. '000	Unaudited 2021 Rs. '000	Variance %	Unaudited 2022 Rs. '000	Unaudited 2021 Rs. '000	Variance %
	Revenue	59,180,431	35,604,720	66.22	65,118	64,525
Excise duty	(20,702,153)	(15,716,219)	31.72	-	-	-
Cost of sales and net benefits paid	(22,110,137)	(13,455,021)	64.33	(317)	(584)	(45.75)
Gross Profit	16,368,140	6,433,479	154.42	64,801	63,940	1.35
Other Operating Income	429,652	481,307	(10.73)	1,353,967	3,246,398	(58.29)
Selling and distribution expenses	(1,123,634)	(424,820)	164.50	-	-	-
Administrative Expenses	(6,197,328)	(3,879,964)	59.73	(64,349)	(45,675)	40.88
Other Operating Expenses	(104,539)	(52,319)	99.81	-	-	-
Profit from Operations	9,372,292	2,557,683	266.44	1,354,419	3,264,663	(58.51)
Finance Income	7,892,114	758,438	940.57	520,992	252,209	106.57
Finance Cost	(3,381,878)	(1,313,017)	157.57	(473,074)	(134,739)	251.10
Net Finance Income/(cost)	4,510,236	(554,579)		47,918	117,469	(59.21)
Share of Profit of Equity-Accounted Investees (Net of Tax)	322,096	102,880	213.08	-	-	-
Profit before Tax for the period	14,204,625	2,105,984	574.49	1,402,337	3,382,132	(58.54)
Income Tax	(3,773,024)	(1,801,029)	109.49	(138,109)	(435,973)	(68.32)
Profit for the period	10,431,601	304,955	3,320.70	1,264,228	2,946,159	(57.09)
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	(4,372,128)	(1,617,795)	(170.25)	(3,982,307)	(1,467,091)	(171.44)
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	-	-	-	-	-	-
	(4,372,128)	(1,612,540)	-	(3,982,307)	(1,467,091)	-
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	6,210,427	(19,989)	31,169.22	-	-	-
Net movement on Cashflow Hedges	(1,372,884)	(99,807)	(1,275.54)	-	-	-
Reversal of AFS Reserves on disposal of AFS Investments	-	-	-	-	-	-
Income Tax on other comprehensive income	-	-	-	-	-	-
Share of other comprehensive income of equity accounted investees	533,891	3,675	14,427.65	-	-	-
Reclassification to profit or loss on disposal of AFS	-	-	-	-	-	-
	5,371,434	(116,121)	(4,725.72)	-	-	-
Total other comprehensive income for the period	999,306	(1,728,661)	157.81	(3,982,307)	(1,467,091)	(171.44)
Total comprehensive income for the period	11,430,906	(1,423,707)	902.90	(2,718,080)	1,479,069	(283.77)
Profit Attributable to:						
Equity Holders of the Parent	6,890,615	819,964	740.36	1,264,228	2,946,159	(57.09)
Non Controlling Interest	3,540,985	(515,009)	787.56	-	-	-
Profit for the period	10,431,601	304,955		1,264,228	2,946,159	
Total Comprehensive Income Attributable to:						
Equity Holders of the Parent	4,690,123	(814,768)	675.64	(2,718,080)	1,479,069	(283.77)
Non Controlling Interest	6,740,783	(608,938)	1,206.97	-	-	-
Total comprehensive income for the period	11,430,906	(1,423,707)		(2,718,080)	1,479,069	
Earnings per Share (Rs.)						
Basic Earnings per Share	5.91	0.70	740.36	1.08	2.53	(57.09)

MELSTACORP PLC
STATEMENTS OF FINANCIAL POSITION

	GROUP		COMPANY	
	Unaudited 30-Jun-2022 Rs. '000s	Unaudited 31-Mar-2022 Rs. '000s	Unaudited 30-Jun-2022 Rs. '000s	Unaudited 31-Mar-2022 Rs. '000s
<i>As at,</i>				
Non-Current Assets				
Property, plant and equipment	138,986,960	127,585,206	11,745	13,115
Intangible assets	6,119,022	5,977,521	145	586
Investment property	7,357,679	7,357,759	6,586,162	6,586,162
Biological assets	9,404,610	9,231,509	-	-
Right-of-use assets	23,588,024	20,110,436	27,390	29,216
Investments in subsidiaries	-	-	60,716,827	60,716,827
Investment in equity accounted investees	9,838,423	9,138,190	1,352,000	1,352,000
Deferred tax asset	1,342,899	2,049,214	3,056	3,056
Other non current financial investments	27,863,050	31,362,484	22,359,908	26,232,165
	224,500,667	212,812,319	91,057,233	94,933,125
Currents Assets				
Inventories	10,880,353	9,389,465	1,046	1,048
Produce on bearer biological assets	11,464	5,568	-	-
Trade and other receivables	41,583,509	37,357,296	38,521	3,253,561
Amounts due from related companies	473,051	204,263	2,522,284	2,362,584
Other current financial investments	28,728,185	26,643,103	7,328,396	6,928,048
Other current assets	570,859	583,501	-	-
Cash and cash equivalents	33,300,504	24,788,552	743,444	212,665
	115,547,926	98,971,749	10,633,692	12,757,906
Assets held for Sale	164,125	1,751,094	-	-
Total assets	340,212,718	313,535,162	101,690,925	107,691,031
EQUITY AND LIABILITIES				
Share capital and reserves				
Stated Capital	70,000,000	70,000,000	70,000,000	70,000,000
Reserves	36,346,591	38,443,416	8,141,176	12,123,483
Retained earnings/(Losses)	(18,421,274)	(21,418,686)	10,649,147	9,583,297
Equity attributable to owners of the Company	87,925,317	87,024,730	88,790,323	91,706,780
Non controlling interest	54,357,273	48,950,131	-	-
Total equity	142,282,590	135,974,861	88,790,323	91,706,780
Non-Current Liabilities				
Interest bearing loans and borrowings	59,015,172	51,735,930	-	-
Lease liabilities	19,344,510	16,390,999	22,097	23,859
Employee benefits	3,813,428	3,738,288	12,622	11,756
Deferred tax liabilities	9,853,182	10,290,075	780,810	780,810
Other liabilities	794,814	750,263	-	-
	92,821,107	82,905,555	815,529	816,426
Current Liabilities				
Trade and other payables	53,455,883	54,519,290	175,495	3,222,021
Other liabilities	6,860	7,247	-	-
Amount due to related companies	2,163,838	2,184,648	411,942	391,688
Income tax payable	4,921,638	3,487,433	600,498	826,655
Interest bearing loans and borrowings	10,094,018	9,237,236	-	-
Lease liabilities	2,459,237	2,186,524	6,557	6,336
Bank overdrafts and other short term borrowings	32,007,548	23,032,368	10,890,580	10,721,124
	105,109,021	94,654,746	12,085,073	15,167,825
Total liabilities	197,930,128	177,560,301	12,900,602	15,984,251
Total Equity and Liabilities	340,212,718	313,535,162	101,690,925	107,691,031
Net Assets per Share (Rs.)	75.45	74.67	76.19	78.69

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
Head of Finance

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

Signed for and on behalf of the board.

sgd/-
A.L.Gooneratne
Managing Director

sgd/-
C.R.Jansz
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	Fair Value reserve	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	123,672,551
Total Comprehensive Income for the Period														
Profit for the period	-	-	-	-	-	-	-	-	-	-	819,964	819,964	(515,009)	304,955
Other Comprehensive Income														
Equity investments at FVOCI – net change in fair value	-	-	-	-	-	-	-	(1,604,580)	-	-	-	(1,604,580)	(13,215)	(1,617,795)
Net movement on Cashflow Hedges	-	-	-	-	-	-	-	-	-	(22,449)	-	(22,449)	(77,358)	(99,807)
Income Tax on Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange difference on translation of foreign operations	-	-	-	-	-	(11,524)	-	-	-	-	-	(11,524)	(8,465)	(19,989)
Share of Other Comprehensive Income of Equity-Accounted Investees (Net of Tax)	-	1,971	-	-	-	4,493	-	-	-	-	(2,644)	3,820	5,110	8,930
Income tax on other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Comprehensive Income for the period	-	1,971	-	-	-	(7,031)	-	(1,604,580)	-	(22,449)	(2,644)	(1,634,733)	(93,929)	(1,728,661)
Total Comprehensive Income for the period	-	1,971	-	-	-	(7,031)	-	(1,604,580)	-	(22,449)	817,321	(814,768)	(608,938)	(1,423,707)
Transactions with owners directly recorded in the Equity														
Dividends paid to Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-	(466,098)	(466,098)
Share of Net Assets of Equity-Accounted Investees (Net of Tax)	-	-	-	-	-	-	-	-	-	-	10,990	10,990	18,327	29,317
Acquisition of Non Controlling Interest Chnages in % Holding of Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends Paid During the Period	-	-	-	-	-	-	-	-	-	-	(3,204,845)	(3,204,845)	-	(3,204,845)
Transferred From/To Retained Earnings	-	-	-	-	-	-	38,924	-	-	-	(38,924)	-	-	-
Total Contributions by and Distributions to Owners	-	-	-	-	-	-	38,924	-	-	-	(3,232,779)	(3,193,855)	(447,771)	(3,641,626)
Balance as at 30th June 2021	89,100,000	9,617,924	12,137	20,491	3,005,189	2,486,054	1,851,969	(2,306,595)	-	(267,229)	(23,876,788)	79,643,151	38,964,067	118,607,218

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	Fair Value reserve	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 2022	70,000,000	11,078,791	19,112,137	20,491	4,341,675	5,708,382	1,916,713	(2,879,234)	-	(855,538)	(21,418,686)	87,024,730	48,950,131	135,974,861
Adjustment for Surcharge Tax levied under the Surcharge Tax Act No. 14 of 2022	-	-	-	-	-	-	-	-	-	-	(3,761,800)	(3,761,800)	(481,250)	(4,243,050)
Balance as at 1st April 2022 (Adjusted)	70,000,000	11,078,791	19,112,137	20,491	4,341,675	5,708,382	1,916,713	(2,879,234)	-	(855,538)	(25,180,486)	83,262,930	48,468,881	131,731,811
Total Comprehensive Income for the Period														
Profit for the period	-	-	-	-	-	-	-	-	-	-	6,890,615	6,890,615	3,540,985	10,431,601
Other Comprehensive Income														
Net Change in Fair Value of FVTOCI Investments	-	-	-	-	-	-	-	(4,343,702)	-	-	-	(4,343,702)	(28,426)	(4,372,128)
Exchange Difference on translation of foreign operations	-	-	-	-	-	2,183,321	-	-	-	-	-	2,183,321	4,027,106	6,210,427
Net movement on Cashflow Hedges	-	-	-	-	-	-	-	-	-	(308,788)	-	(308,788)	(1,064,096)	(1,372,884)
Share of Other Comprehensive Income of Equity-Accounted Investees (Net of Tax)	-	-	-	-	-	268,676	-	-	-	-	-	268,676	265,215	533,891
Total Other Comprehensive Income for the period	-	-	-	-	-	2,451,997	-	(4,343,702)	-	(308,788)	-	(2,200,492)	3,199,798	999,306
Total Comprehensive Income for the period	-	-	-	-	-	2,451,997	-	(4,343,702)	-	(308,788)	6,890,615	4,690,123	6,740,783	11,430,906
Transactions with owners directly recorded in the Equity														
Dividends paid to Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-	(868,727)	(868,727)
Acquisition of Non Controlling Interest Chnages in % Holding of Subsidiaries	-	-	-	-	-	-	-	-	-	-	(27,736)	(27,736)	16,336	(11,400)
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred From/To Retained Earnings	-	-	-	-	-	-	103,668	-	-	-	(103,668)	-	-	-
Total Contributions by and Distributions to Owners	-	-	-	-	-	-	103,668	-	-	-	(131,404)	(27,736)	(852,391)	(880,127)
Balance as at 30th June 2022	70,000,000	11,078,791	19,112,137	20,491	4,341,675	8,160,379	2,020,380	(7,222,936)	-	(1,164,326)	(18,421,274)	87,925,317	54,357,273	142,282,590

MELSTACORP PLC
STATEMENTS OF CHANGES IN EQUITY

COMPANY	Stated capital Rs.'000	Revaluation reserve Rs.'000	Capital reserve Rs.'000	Available for sale reserve Rs.'000	Retained earnings/(losses) Rs.'000	Total Rs.'000
Balance as at 1st April 2021	89,100,000	116,308	-	(5,099,857)	11,930,964	96,047,415
Profit for the period	-	-	-	-	2,946,159	2,946,159
Other Comprehensive Income						-
Equity investments at FVOCI – net change in fair value	-	-	-	(1,467,091)	-	(1,467,091)
Actuarial Gain/(Losses) on retirement benefit obligations	-	-	-	-	-	-
Income tax on other comprehensive income	-	-	-	-	-	-
Total Other Comprehensive Income for the period	-	-	-	(1,467,091)	-	(1,467,091)
Total Comprehensive Income for the period	-	-	-	(1,467,091)	2,946,159	1,479,069
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 June 2021	89,100,000	116,308	-	(6,566,948)	11,672,278	94,321,639
Balance as at 1st April 2022	70,000,000	116,308	19,100,000	(7,092,825)	9,583,297	91,706,780
Adjustment for Surcharge Tax levied under the Surcharge Tax Act No. 14 of 2022					(198,378)	(198,378)
Balance as at 1st April 2022 (Adjusted)	70,000,000	116,308	19,100,000	(7,092,825)	9,384,920	91,508,402
Profit for the period	-	-	-	-	1,264,228	1,264,228
Other Comprehensive Income						-
Equity investments at FVOCI – net change in fair value	-	-	-	(3,982,307)	-	(3,982,307)
Actuarial Gain/(Losses) on retirement benefit obligations	-	-	-	-	-	-
Income tax on other comprehensive income	-	-	-	-	-	-
Total Other Comprehensive Income for the period	-	-	-	(3,982,307)	-	(3,982,307)
Total Comprehensive Income for the period	-	-	-	(3,982,307)	1,264,228	(2,718,080)
Transactions with Owners of the Company directly recognized into Equity	-	-	-	-	-	-
Balance as at 30th June 2022	70,000,000	116,308	19,100,000	(11,075,132)	10,649,147	88,790,323

MELSTACORP PLC
STATEMENTS OF CASH FLOWS

For the three months ended 30th June,

	GROUP		COMPANY	
	Unaudited	Unaudited	Unaudited	Unaudited
	2022	2021	2022	2021
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Taxation	14,204,625	2,105,984	1,402,337	3,382,132
Adjustment for				
Depreciation and amortization of PPE, Biological assets, ROU Assets and intangible assets	1,843,335	1,506,605	3,716	2,861
Provision for gratuity	95,866	153,278	865	756
Interest Expenses	2,312,790	1,163,547	447,028	127,204
Interest income	(985,699)	(497,640)	(520,992)	(252,209)
Dividend income	(132,874)	(75,344)	(1,353,896)	(3,246,398)
(Gain) / loss on Disposal of Property, Plant and Equipment and biological assets	7,579	(2,897)	-	-
Loss of retiring of Assets held for sale	72,269	-	-	-
Amortisation of Bearer Biological assets	23,555	30,962	-	-
Amortisation of Right of Use Assets	593,351	328,289	-	-
Provision/(Reversal) for Bad & Doubtful Debts and impairment	(21,897)	45,421	-	-
Gain on bargaining purchases	-	(119,503)	-	-
Share of profit of equity-accounted investees (net of tax)	(322,096)	(102,880)	-	-
Amortization of Deferred Grants and Subsidies	(3,185)	(3,163)	-	-
(Gain) / loss on Change in Fair Value of Biological Assets	(97,752)	(82,702)	-	-
(Gain)/loss on change in fair value of financial assets at fair value through profit or loss	(733,643)	(108,142)	26,047	7,536
Operating Profit before Working Capital Changes	16,856,223	4,341,815	5,105	21,882
(Increase)/Decrease in Inventories	(1,496,784)	(729,073)	2	5
(Increase)/Decrease in Receivables	(2,709,342)	3,825,605	(7,190)	263,140
(Increase)/Decrease in Related Party Receivable and Payable	(289,598)	191,126	(13,863)	21,166
Increase/(Decrease) in Payables	(90,174)	(1,452,995)	(139)	(5,273)
Cash Generated from Operations	12,270,324	6,176,478	(16,085)	300,920
Dividend Received	296,128	115,344	4,579,545	3,246,398
Interest Paid	(1,757,002)	(639,054)	(425,406)	(126,556)
Income Tax and surcharge tax Paid	(4,190,922)	(1,567,468)	(463,455)	(299,201)
Retiring Gratuity Paid	(66,638)	(96,223)	-	(0)
Net Cash Flow from Operating Activities	6,551,889	3,989,077	3,674,599	3,121,562
CASH FLOW FROM INVESTING ACTIVITIES				
Acquisition of/ Investment in equity accounted investees	(7,500)	-	-	-
Investment in Subsidiaries, net of cash acquired	(11,400)	(878,610)	-	-
Proceeds from settlement of Loans given to Related Companies	-	-	226,000	173,500
Net proceed from disposal/(Acquisition) of Other Investments	(2,224,133)	(1,437,881)	-	(22,293)
Acquisition of Property, Plant & Equipment, Investment Property and intangible assets	(664,847)	(245,887)	(81)	(135)
Acquisition of intangible assets	(1,227)	708	-	-
Acquisition of Investment properties	-	16,836	-	-
Additions of Mature and Immature Plantations net of sale of timber	(98,904)	(58,518)	-	-
Loans disbursed to Subsidiaries and Associates	-	-	(404,800)	(737,192)
Proceeds on retirement of assets held for sale	1,878,448	-	-	-
Proceeds on Disposal of Property, Plant & Equipment	965	2,255	-	-
Interest Received	985,699	497,640	14,259	5,147
Net Cash Flow Used in Investing Activities	(142,899)	(2,103,456)	(164,622)	(580,974)
CASH FLOW FROM FINANCING ACTIVITIES				
Net Advances received from/(repaid to) equity accounted investees	(32,186)	(19,626)	-	-
Loans and borrowings Received	155,337	109,758	-	-
Repayments of loan Borrowings and payments to Lessor on Lease Rights	(2,980,070)	(1,043,976)	(2,081)	(2,081)
Dividends paid	(3,146,572)	(3,204,845)	(3,146,572)	(3,204,845)
Dividend paid by subsidiaries to minority share holders	(868,727)	(466,098)	-	-
Net Cash Flow from Financing Activities	(6,872,218)	(4,624,787)	(3,148,653)	(3,206,926)
Net Increase/Decrease in Cash & Cash Equivalent during the year	(463,228)	(2,739,167)	361,324	(666,338)
Cash & Cash Equivalents				
At the beginning of the year	1,756,184	(15,251,627)	(10,508,460)	(9,352,347)
Net movement during the period	(463,228)	(2,739,167)	361,324	(666,338)
At the end of the year (Note A)	1,292,956	(17,990,793)	(10,147,136)	(10,018,685)
Note A-Cash and Equivalents are as follows				
Short Term Deposits	12,770,901	2,478,076	681,617	-
Cash in Hand & Bank	20,495,548	7,408,512	61,827	1,931
Cash in transit	34,054	93,656	-	-
Bank overdrafts and other short term borrowings	(32,007,548)	(27,971,038)	(10,890,580)	(10,020,616)
	1,292,956	(17,990,793)	(10,147,136)	(10,018,685)

MELSTACORP PLC
NOTES TO THE FINANCIAL STATEMENTS

SEGMENTAL INFORMATION

For the three months ended 30th June,

	GROUP	
	2022	2021
	Rs.'000	Rs.'000
(a) Revenue		
Beverages	34,005,780	23,089,380
Plantations	1,770,598	1,632,168
Telecommunications	384,679	632,769
Financial services	1,376,306	1,111,296
Diversified	21,643,068	9,139,107
Total gross revenue	59,180,431	35,604,720
Excise duty on beverages	(20,702,153)	(15,716,219)
Total net revenue	38,478,278	19,888,501
(b) Industry Segment Profit		
Beverages	6,518,761	2,660,802
Plantations	609,703	155,340
Telecommunications	(411,920)	(240,143)
Financial services	882,577	222,725
Diversified	6,283,408	(795,620)
	13,882,528	2,003,104
Share of Profit of Equity-Accounted Investees (Net of Tax)	322,096	102,880
Net Profit Before Tax	14,204,625	2,105,984
Taxation	(3,773,024)	(1,801,029)
Net Profit After Tax	10,431,601	304,955

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-Jun-2022	30-Jun-2021	31-Mar-2022
Net Assets Value per Share	- Group (Rs)	75.45	67.77	74.67
	- Company (Rs)	76.19	80.95	78.69
Market Price per Share	- Last Traded Rs)	35.60	46.10	41.10
	- Highest (Rs)	45.00	52.00	68.00
	- Lowest (Rs)	29.50	42.00	39.50

6 1,165,397,072 ordinary shares represent the Stated Capital.

7 Earnings per Share

The Number of shares (1,165,397,072) held as at 30 June 2022 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 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 ending 31st March 2021. There were no transfers between different levels of fair value hierarchy or changes to assets classes classified on recurring and non-recurring basis. Valuation techniques or significant unobservable inputs used for measuring level 3 fair values remains unchanged from 31st March 2021.

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 other comprehensive income.

Unquoted equity shares that are subjected 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 Surcharge Tax

As per the Surcharge Tax Act No. 14 of 2022 which was certified on 8th April 2022, the Group and Company are liable for the surcharge tax of Rs. 4,234 million and Rs.198 mn respectively for the year of assessment 2020/21. The surcharge tax thus calculated shall deemed to be an expenditure for the year ended 31st March 2021. Since the Act supersedes the requirements of the Sri Lanka Accounting Standards, the surcharge tax expense is accounted as recommended by “the Statement of Alternative Treatment (SoAT) on Accounting for Surcharge Tax” issued by the Institute of Chartered Accountants of Sri Lanka, in August 2022. The Group and Company paid Rs. 2,117 million and Rs.99mn respectively, each on 20th April 2022 and 20th July 2022, being 50% of the surcharge tax liability as stipulated by the Surcharge Tax Act.

11 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 25 Shareholders – 30 June 2022

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	136,419,792	11.706
4	COMMERCIAL BANK OF CEYLON PLC/L.E.M.YASEEN	52,200,000	4.479
5	MRS. L.E.M. YASEEN	51,466,445	4.416
6	BNYMSANV RE-NEON LIBERTY LORIKEET MASTER FUND LP	46,470,299	3.988
7	COMMERCIAL BANK OF CEYLON PLC/M.A.YASEEN	39,000,000	3.346
8	MR. D.H.S. JAYAWARDENA	13,014,200	1.117
9	MRS. S.M. CHRYSOSTOM	11,390,000	0.977
10	STASSEN EXPORTS (PVT) LIMITED	8,746,800	0.751
11	DON AND DON HOLDINGS PRIVAT LIMITED	8,371,776	0.718
12	MR. D.HASITHA.S. JAYAWARDENA	7,531,332	0.646
13	SSBT-AL MEHWAR COMMERCIAL INVESTMENTS L.L.C.	6,186,000	0.531
14	MRS. P.M.P.G.N. PRIYADARSHANI	5,684,827	0.488
15	MCSEN RANGE PRIVATE LIMITED	5,459,864	0.468
16	SEYLAN BANK PLC/DON & DON HOLDINGS (PVT) LTD	5,025,000	0.431
17	BBH-REDWHEEL FRONTIER MARKETS EQUITY MASTER FUND LIMITED	4,077,755	0.350
18	MELLON BANK N.A.-UPS GROUP TRUST	3,066,226	0.263
19	PERSHING LLC S/A AVERBACH GRAUSON & CO.	2,416,679	0.207
20	BNYMSANV RE-NEON LIBERTY EMERGING MARKETS FUND LP	2,183,403	0.187
21	DFCC BANK PLC A/C 1	2,069,940	0.178
22	RIL PROPERTY PLC	1,965,539	0.169
23	NATIONAL SAVINGS BANK	1,792,757	0.154
24	BANK OF CEYLON-NO2 A/C (BOC PTF)	1,645,848	0.141
25	MR. M.J. FERNANDO	1,413,308	0.121
		1,068,262,790	91.665
	OTHERS	97,134,282	8.335
	TOTAL	1,165,397,072	100.000

Percentage of Shares held by the public 41.65%
Total No. of share holders who hold the public holding 14,066

Float Adjusted Market Capitalization

The Public Holding of the Company as at 30 June 2022 was 41.65% comprising of 14,066 shareholders and the Float adjusted Market Capitalization of Rs.17,281,654,744/-. 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 2022

	No of Shares	%
Mr. D. H. S. Jayawardena	13,014,200	1.117
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

Sampath Bank PLC