

MELSTACORP PLC



INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED

30th SEPTEMBER 2022

MELSTACORP PLC
STATEMENTS OF COMPREHENSIVE INCOME

Rs. '000s For the six months ended 30th September,	GROUP			COMPANY		
	Unaudited 2022 Rs. '000	Unaudited 2021 Rs. '000	Variance %	Unaudited 2022 Rs. '000	Unaudited 2021 Rs. '000	Variance %
	Revenue	118,469,000	71,564,855	65.54	129,982	123,199
Excise duty	(36,118,048)	(29,185,558)	23.75	-	-	-
Cost of sales and net benefits paid	(46,706,195)	(26,636,465)	75.35	(1,171)	(1,055)	11.01
Gross Profit	35,644,757	15,742,833	126.42	128,811	122,144	5.46
Other Operating Income	729,834	764,283	(4.51)	4,217,403	3,996,759	5.52
Selling and distribution expenses	(2,396,925)	(976,234)	145.53	-	-	-
Administrative Expenses	(12,695,159)	(7,657,962)	65.78	(157,783)	(96,281)	63.88
Other Operating Expenses	(297,148)	(102,504)	189.89	-	(1,825,530)	-
Profit from Operations	20,985,359	7,770,417	170.07	4,188,431	2,197,093	90.64
Finance Income	10,192,769	1,514,296	573.10	1,255,981	476,640	163.51
Finance Cost	(6,923,887)	(2,566,425)	169.79	(1,068,839)	(262,333)	307.44
Net Finance Income/(cost)	3,268,882	(1,052,129)		187,142	214,307	(12.68)
Share of Profit of Equity-Accounted Investees (Net of Tax)	759,178	290,522	161.31	-	-	-
Profit before Tax for the period	25,013,418	7,008,810	256.89	4,375,573	2,411,400	81.45
Income Tax	(8,291,073)	(3,818,708)	117.12	(596,519)	(270,430)	120.58
Profit for the period	16,722,345	3,190,102	424.19	3,779,053	2,140,970	76.51
Other comprehensive income						
Items that will never be reclassified to profit or loss						
Equity investments at FVOCI – net change in fair value	(1,570,809)	735,062	(313.70)	(1,210,876)	504,175	(340.17)
	(1,570,809)	735,062	-	(1,210,876)	504,175	-
Items that are or may be reclassified to profit or loss						
Exchange Difference on translation of foreign operations	6,161,762	52,478	11,641.61	-	-	-
Net movement on Cashflow Hedges	(675,727)	53,334	(1,366.97)	-	-	-
Share of other comprehensive income of equity accounted investees	429,179	(34,774)	1,334.20	-	-	-
	5,915,214	71,038	8,226.83	-	-	-
Total other comprehensive income for the period	4,344,405	806,100	(438.94)	(1,210,876)	504,175	340.17
Total comprehensive income for the period	21,066,749	3,996,202	(427.17)	2,568,177	2,645,145	(2.91)
Profit Attributable to:						
Equity Holders of the Parent	12,357,402	3,488,472	254.24	3,779,053	2,140,970	76.51
Non Controlling Interest	4,364,943	(298,370)	1,562.93	-	-	-
Profit for the period	16,722,345	3,190,102		3,779,053	2,140,970	
Total Comprehensive Income Attributable to:						
Equity Holders of the Parent	13,034,792	4,222,097	208.73	2,568,177	2,645,145	(2.91)
Non Controlling Interest	8,031,957	(225,895)	3,655.62	-	-	-
Total comprehensive income for the period	21,066,749	3,996,202		2,568,177	2,645,145	
Earnings per Share (Rs.)						
Basic Earnings per Share	10.60	2.99	254.24	3.24	1.84	76.51

MELSTACORP PLC
STATEMENTS OF COMPREHENSIVE INCOME

Rs. '000s For the quarter ended 30th September,	GROUP			COMPANY		
	Unaudited 2022 Rs. '000	Unaudited 2021 Rs. '000	Variance %	Unaudited 2022 Rs. '000	Unaudited 2021 Rs. '000	Variance %
Revenue	59,288,569	35,960,136	64.87	64,864	58,675	10.55
Excise duty	(15,415,895)	(13,469,338)	14.45	-	-	-
Cost of sales and net benefits paid	(24,596,057)	(13,181,443)	86.60	(854)	(471)	81.45
Gross Profit	19,276,617	9,309,354	107.07	64,010	58,204	9.97
Other Operating Income	300,182	282,977	6.08	2,863,436	750,361	281.61
Selling and distribution expenses	(1,273,291)	(551,413)	130.91	-	-	-
Administrative Expenses	(6,497,832)	(3,777,998)	71.99	(93,434)	(50,605)	84.63
Other Operating Expenses	(192,609)	(50,185)	283.80	-	(1,825,530)	(100.00)
Profit from Operations	11,613,066	5,212,734	122.78	2,834,012	(1,067,570)	(365.46)
Finance Income	2,300,656	755,858	204.38	734,989	224,431	227.49
Finance Cost	(3,542,009)	(1,253,408)	182.59	(595,765)	(127,593)	366.92
Net Finance Income/(cost)	(1,241,353)	(497,550)		139,224	96,838	43.77
Share of Profit of Equity-Accounted Investees (Net of Tax)	437,081	187,642	132.93	-	-	-
Profit before Tax for the Quarter	10,808,794	4,902,826	120.46	2,973,236	(970,732)	(406.29)
Income Tax	(4,518,050)	(2,017,679)	123.92	(458,410)	165,543	(376.91)
Profit for the Quarter	6,290,744	2,885,148	118.04	2,514,826	(805,189)	(412.33)
Other comprehensive income						
Items that will never be reclassified to profit or loss						
Equity investments at FVOCI – net change in fair value	2,801,319	2,352,857	19.06	2,771,431	1,971,266	40.59
Share of other comprehensive income of equity-accounted investees (net of tax)	-	(5,255)	(100.00)	-	-	-
	2,801,319	2,347,602	-	2,771,431	1,971,266	-
Items that are or may be reclassified to profit or loss						
Exchange Difference on translation of foreign operations	(48,665)	72,467	167.15	-	-	-
Net movement on Cashflow Hedges	697,157	153,141	355.24	-	-	-
Share of other comprehensive income of equity accounted investees	(104,712)	(38,449)	(172.34)	-	-	-
	543,780	187,159		-	-	
Total other comprehensive income for the quarter	3,345,099	2,534,761	31.97	2,771,431	1,971,266	40.59
Total comprehensive income for the quarter	9,635,843	5,419,910	77.79	5,286,257	1,166,076	353.34
Profit Attributable to:						
Equity Holders of the Parent	5,466,786	2,668,508	104.86	2,514,826	(805,189)	412.33
Non Controlling Interest	823,958	216,640	280.34	-	-	-
Profit for the Quarter	6,290,744	2,885,148		2,514,826	(805,189)	(412.33)
Total Comprehensive Income Attributable to:						
Equity Holders of the Parent	8,344,669	5,036,865	65.67	5,286,257	1,166,076	353.34
Non Controlling Interest	1,291,174	383,044	237.08	-	-	-
Total Comprehensive Income for the Quarter	9,635,843	5,419,910		5,286,257	1,166,076	
Earnings per Share (Rs.)	4.69	2.29		2.16	(0.69)	

MELSTACORP PLC
STATEMENTS OF FINANCIAL POSITION

As at,	GROUP		COMPANY	
	Unaudited 30-Sep-2022 Rs. '000s	Audited 31-Mar-2022 Rs. '000s	Unaudited 30-Sep-2022 Rs. '000s	Audited 31-Mar-2022 Rs. '000s
Non-Current Assets				
Property, plant and equipment	140,259,661	127,785,816	12,264	13,113
Intangible assets	6,409,635	5,978,579	1,743	586
Investment property	7,455,895	7,473,414	6,586,162	6,586,161
Biological assets	9,608,276	9,232,870	-	-
Right-of-use assets	23,698,335	20,522,615	25,564	29,217
Investments in subsidiaries	-	-	61,569,144	60,950,002
Investment in equity accounted investees	9,668,322	9,233,260	1,352,000	1,352,000
Deferred tax asset	1,942,342	3,572,382	3,056	3,057
Other non current financial investments	28,777,162	30,107,057	25,135,009	26,181,711
	227,819,628	213,905,993	94,684,940	95,115,847
Currents Assets				
Inventories	14,309,010	9,708,008	1,045	1,048
Produce on bearer biological assets	15,366	5,568	-	-
Trade and other receivables	38,986,781	32,871,963	36,739	3,253,557
Amounts due from related companies	437,436	217,959	2,715,855	2,313,973
Other current financial investments	31,002,490	28,000,520	7,578,633	6,787,575
Other current assets	567,982	583,502	-	-
Cash and cash equivalents	26,369,823	24,902,636	15,032	212,665
	111,688,888	96,290,156	10,347,304	12,568,818
Assets held for Sale	164,125	1,751,094	-	-
Total assets	339,672,641	311,947,243	105,032,245	107,684,665
EQUITY AND LIABILITIES				
Share capital and reserves				
Stated Capital	70,000,000	70,000,000	70,000,000	70,000,000
Reserves	39,763,095	38,785,120	10,912,607	12,123,483
Retained earnings/(Losses)	(12,935,604)	(21,472,548)	13,156,504	9,575,828
Equity attributable to owners of the Company	96,827,491	87,312,572	94,069,111	91,699,311
Non controlling interest	54,049,352	49,020,474	-	-
Total equity	150,876,843	136,333,046	94,069,111	91,699,311
Non-Current Liabilities				
Interest bearing loans and borrowings	57,790,321	51,767,396	-	-
Lease liabilities	19,408,975	17,031,476	20,303	23,859
Employee benefits	4,011,808	3,912,802	13,487	11,756
Deferred tax liabilities	10,253,906	11,577,145	780,810	780,810
Other liabilities	979,574	740,368	-	-
	92,444,582	85,029,187	814,601	816,425
Current Liabilities				
Trade and other payables	43,892,331	50,324,333	80,326	3,223,020
Other liabilities	30,629	5,150	-	-
Amount due to related companies	2,850,753	1,966,519	433,661	391,688
Income tax payable	6,111,396	3,424,693	526,811	826,742
Interest bearing loans and borrowings	9,218,486	9,200,270	-	-
Lease liabilities	2,584,065	2,240,653	6,782	6,336
Bank overdrafts and other short term borrowings	31,663,557	23,423,392	9,100,953	10,721,143
	96,351,216	90,585,010	10,148,533	15,168,929
Total liabilities	188,795,798	175,614,197	10,963,134	15,985,354
Total Equity and Liabilities	339,672,641	311,947,243	105,032,245	107,684,665
Net Assets per Share (Rs.)	83.09	74.92	80.72	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/-
D.H.S. Jayawardena
Chairman

sgd/-
L.U.D.Fernando
Managing Director (Actg)

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	-	-	-	-	-	-	-	-	-	-	3,488,472	3,488,472	(298,370)	3,190,102
Other Comprehensive Income														
Equity investments at FVOCI – net change in fair value	-	-	-	-	-	-	-	719,258	-	-	-	719,258	15,804	735,062
Net movement on Cashflow Hedges	-	-	-	-	-	-	-	-	-	11,996	-	11,996	41,338	53,334
Income Tax on Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange difference on translation of foreign operations	-	-	-	-	-	20,544	-	-	-	-	-	20,544	31,934	52,478
Share of Other Comprehensive Income of Equity-Accounted Investees (Net of Tax)	-	(673)	-	-	-	(17,501)	-	-	-	-	-	(18,174)	(16,600)	(34,774)
Income tax on other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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)
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	-	-	-	-	-	-	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)	84,680,017	38,828,070	123,508,087

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	11,287,818	19,112,137	20,491	4,341,675	5,708,382	2,045,527	(2,875,372)	-	(855,538)	(21,472,548)	87,312,572	49,020,474	136,333,046
Adjustment for Surcharge Tax levied under the Surcharge Tax Act No. 14 of 2022	-	-	-	-	-	-	-	-	-	-	(3,679,154)	(3,679,154)	(480,759)	(4,159,912)
Balance as at 1st April 2022 (Adjusted)	70,000,000	11,287,818	19,112,137	20,491	4,341,675	5,708,382	2,045,527	(2,875,372)	-	(855,538)	(25,151,702)	83,633,418	48,539,715	132,173,134
Total Comprehensive Income for the Period														
Profit for the period	-	-	-	-	-	-	-	-	-	-	12,357,402	12,357,402	4,364,943	16,722,345
Other Comprehensive Income														
Net Change in Fair Value of FVTOCI Investments	-	-	-	-	-	-	-	(1,547,475)	-	-	-	(1,547,475)	(23,335)	(1,570,809)
Exchange Difference on translation of foreign operations	-	-	-	-	-	2,160,868	-	-	-	-	-	2,160,868	4,000,894	6,161,762
Net movement on Cashflow Hedges	-	-	-	-	-	-	-	-	-	(151,984)	-	(151,984)	(523,743)	(675,727)
Share of Other Comprehensive Income of Equity-Accounted Investees (Net of Tax)	-	-	-	-	-	215,981	-	-	-	-	-	215,981	213,198	429,179
Total Other Comprehensive Income for the period	-	-	-	-	-	2,376,849	-	(1,547,475)	-	(151,984)	-	677,391	3,667,014	4,344,405
Total Comprehensive Income for the period	-	-	-	-	-	2,376,849	-	(1,547,475)	-	(151,984)	12,357,402	13,034,792	8,031,957	21,066,749
Transactions with owners directly recorded in the Equity														
Dividends paid to Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-	(1,734,981)	(1,734,981)
Share of Net Assets of Equity Accounted Investees	-	-	-	-	-	-	-	-	-	-	47	47	(47)	-
Acquisition of Non Controlling Interest Changes in % Holding of Subsidiaries	-	9,598	-	-	72,775	143,158	(7,898)	(518)	-	(20,199)	(37,683)	159,233	(787,292)	(628,059)
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred From/To Retained Earnings	-	-	-	-	-	-	103,668	-	-	-	(103,668)	-	-	-
Total Contributions by and Distributions to Owners	-	9,598	-	-	72,775	143,158	95,769	(518)	-	(20,199)	(141,304)	159,280	(2,522,320)	(2,363,040)
Balance as at 30th September 2022	70,000,000	11,297,416	19,112,137	20,491	4,414,450	8,228,390	2,141,296	(4,423,365)	-	(1,027,721)	(12,935,604)	96,827,491	54,049,352	150,876,843

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	-	-	-	-	2,140,970	2,140,970
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	2,140,970	2,645,145
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)	10,867,089	95,487,715
Balance as at 1st April 2022	70,000,000	116,308	19,100,000	(7,092,825)	9,575,828	91,699,311
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)	9,377,450	91,500,933
Profit for the period	-	-	-	-	3,779,053	3,779,053
Other Comprehensive Income						-
Equity investments at FVOCI – net change in fair value	-	-	-	(1,210,876)	-	(1,210,876)
Actuarial Gain/(Losses) on retirement benefit obligations	-	-	-	-	-	-
Income tax on other comprehensive income	-	-	-	-	-	-
Total Other Comprehensive Income for the period	-	-	-	(1,210,876)	-	(1,210,876)
Total Comprehensive Income for the period	-	-	-	(1,210,876)	3,779,053	2,568,177
Transactions with Owners of the Company directly recognized into Equity	-	-	-	-	-	-
Balance as at 30th September 2022	70,000,000	116,308	19,100,000	(8,303,701)	13,156,504	94,069,111

MELSTACORP PLC
STATEMENTS OF CASH FLOWS

For the six months ended 30th September,

	GROUP		COMPANY	
	Unaudited 2022 Rs. '000	Unaudited 2021 Rs. '000	Unaudited 2022 Rs. '000	Unaudited 2021 Rs. '000
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Taxation	25,013,418	7,008,810	4,375,573	2,411,399
Adjustment for				
Depreciation and amortization of PPE, Biological assets, ROU Assets and intangible assets	3,782,319	3,115,128	6,698	3,551
Provision for gratuity	196,529	195,313	1,731	1,512
Interest Expenses	5,837,192	2,365,227	1,068,839	262,333
Interest income	(2,212,041)	(872,189)	(1,240,845)	(387,195)
Dividend income	(167,053)	(97,436)	(4,202,231)	(3,987,192)
(Gain) / loss on Disposal of Property, Plant and Equipment and biological assets	3,540	(17,149)	-	-
Loss of retiring of Assets held for sale	72,269	-	-	-
Amortisation of Right of Use Assets	1,038,753	640,890	-	3,652
Provision/(Reversal) for Bad & Doubtful Debts and impairment	136,636	(29,297)	-	-
Related party receivables written-off	-	-	-	1,825,530
Gain on bargaining purchases	-	(119,503)	-	-
Share of profit of equity-accounted investees (net of tax)	(759,178)	(290,522)	-	-
(Gain)/ Loss on disposal of other financial investments	(12,616)	(18,714)	(12,616)	(9,568)
(Gain) on disposal of Group Investments	-	-	(2,485)	-
Amortization of Deferred Grants and Subsidies	(8,173)	(6,737)	-	-
(Gain) / loss on Change in Fair Value of Biological Assets	(196,209)	(183,088)	-	-
(Gain)/loss on change in fair value of financial assets at fair value through profit or loss	(1,458,839)	(238,489)	(15,136)	(89,445)
Operating Profit before Working Capital Changes	31,266,548	11,452,245	(20,472)	34,578
(Increase)/Decrease in Inventories	(4,610,800)	(361,473)	3	10
(Increase)/Decrease in Receivables	(4,363,189)	1,860,060	(8,833)	466,615
(Increase)/Decrease in Related Party Receivable and Payable	664,757	588,010	(31,139)	31,966
Increase/(Decrease) in Payables	(3,399,536)	(591,853)	3,881	(1,283)
Cash Generated from Operations	19,557,780	12,946,989	(56,560)	531,887
Dividend Received	927,846	464,854	7,427,880	3,987,192
Interest Paid	(4,814,988)	(1,667,533)	(1,019,562)	(247,502)
Income Tax and surcharge tax Paid	(9,465,298)	(4,140,984)	(1,094,830)	(539,158)
Retiring Gratuity Paid	(141,282,81)	(178,741)	-	(333)
Net Cash Flow from Operating Activities	6,064,057	7,424,584	5,256,928	3,732,086
CASH FLOW FROM INVESTING ACTIVITIES				
Acquisition of/ Investment in equity accounted investees	(7,500)	-	-	-
Investment in Subsidiaries, net of cash acquired	(1,499,440)	(878,612)	(622,798)	(517,000)
Proceeds from settlement of Loans given to Related Companies	-	-	596,791	344,500
Net Acquisition of Non Controlling Interest and proceeds from disposal of shares in subsidiaries	(628,059)	-	6,142	-
Net proceed from disposal/(Acquisition) of Other Investments	(1,771,430)	(2,747,371)	39,147	(738,740)
Acquisition of Property, Plant & Equipment, Investment Property and intangible assets	(1,358,092)	(746,182)	(3,352)	(133)
Additions of Mature and Immature Plantations net of sale of timber	(231,178)	(49,545)	-	-
Loans disbursed to Subsidiaries and Associates	-	-	(735,991)	(1,160,792)
Proceeds on retirement of assets held for sale	1,878,448	-	-	-
Proceeds on Disposal of Property, Plant & Equipment	14,936	26,640	-	-
Interest Received	2,212,041	872,189	36,425	1,046
Net Cash Flow Used in Investing Activities	(1,390,274)	(3,522,881)	(683,636)	(2,071,119)
CASH FLOW FROM FINANCING ACTIVITIES				
Net Advances received from/(repaid to) equity accounted investees/ Subsidiaries	(65,031)	(38,890)	-	-
Loans and borrowings Received	333,004	1,238,429	-	-
Repayments of loan Borrowings and payments to Lessor on Lease Rights	(6,833,181)	(2,538,802)	(4,163)	(4,163)
Dividends paid	(3,146,572)	(3,204,845)	(3,146,572)	(3,204,845)
Dividend paid by subsidiaries to minority share holders	(1,734,981)	(985,138)	-	-
Net Cash Flow from Financing Activities	(11,446,761)	(5,529,246)	(3,150,735)	(3,209,007)
Net Increase/Decrease in Cash & Cash Equivalent during the year	(6,772,978)	(1,627,543)	1,422,557	(1,548,041)
Cash & Cash Equivalents				
At the beginning of the year	1,479,244	(14,781,192)	(10,508,478)	(9,353,343)
Net Cash and Cash Equivalents of Acquisition of Subsidiaries	-	-	-	-
Net movement during the period	(6,772,978)	(1,627,543)	1,422,557	(1,548,041)
At the end of the year (Note A)	(5,293,734)	(16,408,735)	(9,085,921)	(10,901,384)
Note A-Cash and Equivalents are as follows				
Short Term Deposits	6,749,825	1,881,213	1,880	-
Cash in Hand & Bank	19,539,771	10,926,263	13,152	2,859
Cash in transit	80,227	154,130	-	-
Bank overdrafts and other short term borrowings	(31,663,557)	(29,370,341)	(9,100,953)	(10,904,243)
	(5,293,734)	(16,408,735)	(9,085,921)	(10,901,384)

MELSTACORP PLC
NOTES TO THE FINANCIAL STATEMENTS

SEGMENTAL INFORMATION

For the six months ended 30th September,

	GROUP	
	2022	2021
	Rs.'000	Rs.'000
(a) Revenue		
Beverages	65,578,349	44,881,574
Plantations	4,833,211	3,627,856
Telecommunications	983,380	1,041,208
Financial services	2,943,345	2,163,100
Diversified	44,130,715	19,851,117
Total gross revenue	118,469,000	71,564,855
Excise duty on beverages	(36,118,048)	(29,185,558)
Total net revenue	82,350,952	42,379,298
(b) Industry Segment Profit		
Beverages	14,664,895	6,976,869
Plantations	1,812,924	223,183
Telecommunications	(478,932)	(618,004)
Financial services	1,712,688	481,169
Diversified	6,542,666	(344,930)
	24,254,241	6,718,288
Share of Profit of Equity-Accounted Investees (Net of Tax)	759,178	290,522
Net Profit Before Tax	25,013,418	7,008,810
Taxation	(8,291,073)	(3,818,708)
Net Profit After Tax	16,722,345	3,190,102

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-2022	30-Sep-2021	31-Mar-2022
Net Assets Value per Share	- Group (Rs)	83.09	72.66	74.92
	- Company (Rs)	80.72	81.94	78.69
Market Price per Share	- Last Traded Rs)	54.70	59.80	41.10
	- Highest (Rs)	60.80	61.50	68.00
	- Lowest (Rs)	35.00	45.00	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 September 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 2022.

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 2022. 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 2022.

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, 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 except for those disclosed below.

- Melstacorp PLC has declared its 1st Interim Dividend for 2022/23 at Rs.2.35 per share amounting to Rs.2,738,683,119.20

Top 25 Shareholders – 30 September 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	142,675,605	12.243
4	COMMERCIAL BANK OF CEYLON PLC/L.E.M.YASEEN	52,200,000	4.479
5	MRS. L.E.M. YASEEN	51,966,445	4.459
6	COMMERCIAL BANK OF CEYLON PLC/M.A.YASEEN	39,000,000	3.346
7	MR. DON HAROLD STASSEN JAYAWARDENA	13,014,200	1.117
8	MRS. S.M. CHRYSOSTOM	11,390,000	0.977
9	STASSEN EXPORTS (PVT) LIMITED	8,746,800	0.751
10	DON AND DON HOLDINGS PRIVAT LIMITED	8,371,776	0.718
11	MR. DON HASITHA STASSEN JAYAWARDENA	7,531,332	0.646
12	SSBT-AL MEHWAR COMMERCIAL INVESTMENTS L.L.C.	6,186,000	0.531
13	SEYLAN BANK PLC/ARRC CAPITAL (PVT) LTD	6,165,291	0.529
14	MR. L.E. BADER	6,113,000	0.525
15	MRS. P.M.P.G.N. PRIYADARSHANI	5,711,502	0.490
16	MCSEN RANGE PRIVATE LIMITED	5,459,864	0.468
17	SEYLAN BANK PLC/DON & DON HOLDINGS (PVT) LTD	5,025,000	0.431
18	BBH-REDWHEEL FRONTIER MARKETS EQUITY MASTER FUND LIMITED	4,937,755	0.424
19	MR. U.K. SHARMA	4,262,647	0.366
20	RUBICOND ENTERPRISES LIMITED	3,390,074	0.291
21	MELON BANK N.A.-UPS GROUP TRUST	3,066,226	0.263
22	PERSHING LLC S/A AVERBACH GRAUSON & CO.	2,822,679	0.242
23	RIL PROPERTY PLC	2,165,539	0.186
24	DFCC BANK PLC A/C 1	2,069,940	0.178
25	HATTON NATIONAL BANK PLC/JN LANKA HOLDINGS COMPANY (PVT) LTD	1,700,000	0.146
		1,044,636,675	89.638
	OTHERS	120,760,397	10.362
	TOTAL	1,165,397,072	100.000

Percentage of Shares held by the public 41.60%
Total No. of share holders who hold the public holding 14,278

Float Adjusted Market Capitalization

The Public Holding of the Company as at 30 September 2022 was 41.60% comprising of 14,278 shareholders and the Float adjusted Market Capitalization of Rs.26,516,378,126.40. 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 2022

	No of Shares	%
Mr. D. H. S. Jayawardena	13,014,200	1.117%
Mr.L.U.D.Fernando (w.e.f. 22/09/2022)		
Mr. C. R. Jansz		
Mr. N. De S. Deva Aditya		
Mr. K. J. Kahanda		
Dr. A. N. Balasuriya		
Mr. D. Hasitha S. Jayawardena	7,531,332	0.646%
Ms.D.S.T. Jayawardena (w.e.f. 15/09/2022)	38,600	0.003%
Mr.R. Seevaratnam		
Ms. V. J. Senaratne (Alternate Director to Mr. N.De.S.Deva Aditya)		

* Mr.L.U.D. Fernando held 641,028 shares as a joint holder of Mr.L.K.M. Fernando

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. L.U.D. Fernando - Managing Director (Actg)

Mr.C. R. Jansz

Mr.N. De S. Deva Aditya

Capt. K. J. Kahanda

Dr.A. N. Balasuriya

Mr. D. Hasitha S. Jayawardena

Ms. D.S.T. 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