

# MELSTACORP PLC



**INTERIM FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31st MARCH 2023**

**MELSTACORP PLC**  
**STATEMENTS OF COMPREHENSIVE INCOME**

Rs. '000s For the year ended 31st March,	GROUP			COMPANY		
	Unaudited 2023 Rs. '000	Audited 2022 Rs. '000	Variance %	Unaudited 2023 Rs. '000	Audited 2022 Rs. '000	Variance %
	<b>Revenue</b>	<b>247,273,820</b>	182,989,902	35.13	<b>259,234</b>	263,618
Excise duty	(69,945,431)	(76,919,114)	(9.07)	-	-	-
Cost of sales and net benefits paid	(94,759,527)	(64,915,239)	45.97	(8,453)	(7,002)	20.72
<b>Gross Profit</b>	<b>82,568,862</b>	41,155,549	100.63	<b>250,781</b>	256,616	(2.27)
Other Operating Income	2,410,157	2,463,061	(2.15)	<b>12,710,763</b>	11,955,680	6.32
Selling and distribution expenses	(4,708,165)	(2,731,111)	72.39	-	-	-
Administrative Expenses	(29,747,423)	(17,699,218)	68.07	(308,240)	(232,004)	32.86
Other Operating Expenses	(779,766)	(536,982)	45.21	(2,539,568)	(3,699,084)	(100.00)
<b>Profit from Operations</b>	<b>49,743,664</b>	22,651,299	119.61	<b>10,113,736</b>	8,281,208	22.13
Finance Income	10,587,236	10,099,406	4.83	<b>2,730,758</b>	1,005,956	171.46
Finance Cost	(16,626,735)	(6,329,380)	162.69	(2,346,276)	(673,625)	248.31
<b>Net Finance Income/(cost)</b>	<b>(6,039,498)</b>	3,770,026		<b>384,481</b>	332,331	15.69
Share of Profit of Equity-Accounted Investees (Net of Tax)	1,115,713	441,977	152.44	-	-	-
<b>Profit before Tax for the Year</b>	<b>44,819,879</b>	26,863,302	66.84	<b>10,498,218</b>	8,613,539	21.88
Income Tax	(19,226,473)	(9,228,574)	108.34	(1,615,305)	(1,472,318)	9.71
<b>Profit for the Year</b>	<b>25,593,406</b>	17,634,728	45.13	<b>8,882,913</b>	7,141,221	24.39
<b>Other comprehensive income</b>						
<b>Items that will never be reclassified to profit or loss</b>						
Revaluation of property, plant and equipment	4,862,707	2,556,722	90.19	-	-	-
Equity investments at FVOCI – net change in fair value	(197,166)	(2,178,760)	(90.95)	(436,981)	(1,992,968)	(78.07)
Actuarial gain/(losses) on retirement benefit obligations	(68,717)	51,542	(233.32)	-	2,257	(100.00)
Share of other comprehensive income of equity-accounted investees (net of tax)	60,348	12,453	384.61	-	-	-
Income tax on other comprehensive income	(2,330,457)	(231,944)	904.75	(6,926)	(542)	1,177.81
	<b>2,326,715</b>	210,013	-	<b>(443,907)</b>	(1,991,253)	-
<b>Items that are or may be reclassified to profit or loss</b>						
Exchange Difference on translation of foreign operations	2,770,806	7,949,214	(65.14)	-	-	-
Net movement on Cashflow Hedges	(417,788)	(2,715,462)	(84.61)	-	-	-
Reversal of AFS Reserves on disposal of AFS Investments	-	-	-	-	-	-
Income Tax on other comprehensive income	-	-	-	-	-	-
Share of other comprehensive income of equity accounted investees	168,399	1,057,476	84.08	-	-	-
Reclassification to profit or loss on disposal of AFS	-	-	-	-	-	-
	<b>2,521,417</b>	6,291,228	(59.92)	-	-	-
<b>Total other comprehensive income for the year</b>	<b>4,848,132</b>	6,501,241	(25.43)	<b>(443,907)</b>	(1,991,253)	(77.71)
<b>Total comprehensive income for the year</b>	<b>30,441,538</b>	24,135,969	26.13	<b>8,439,006</b>	5,149,968	(63.87)
<b>Profit Attributable to:</b>						
Equity Holders of the Parent	19,614,903	10,969,116	78.82	<b>8,882,913</b>	7,141,221	24.39
Non Controlling Interest	5,978,503	6,665,612	10.31	-	-	-
<b>Profit for the Year</b>	<b>25,593,406</b>	17,634,728		<b>8,882,913</b>	7,141,221	
<b>Total Comprehensive Income Attributable to:</b>						
Equity Holders of the Parent	22,004,495	13,085,694	68.16	<b>8,439,006</b>	5,149,968	63.87
Non Controlling Interest	8,437,043	11,050,275	23.65	-	-	-
<b>Total comprehensive income for the year</b>	<b>30,441,538</b>	24,135,969		<b>8,439,006</b>	5,149,968	
<b>Earnings per Share (Rs.)</b>						
Basic Earnings per Share	16.83	9.41	78.82	7.62	6.13	24.39

**MELSTACORP PLC**  
**STATEMENTS OF COMPREHENSIVE INCOME**

Rs. '000s For the quarter ended 31st March,	GROUP			COMPANY		
	Unaudited 2023 Rs. '000	Unaudited 2022 Rs. '000	Variance %	Unaudited 2023 Rs. '000	Unaudited 2022 Rs. '000	Variance %
	<b>Revenue</b>	<b>67,752,724</b>	60,637,353	11.73	<b>64,635</b>	80,644
Excise duty	(17,919,234)	(24,989,942)	(28.29)	-	-	-
Cost of sales and net benefits paid	(25,573,738)	(21,942,884)	16.55	(3,144)	(1,814)	73.37
<b>Gross Profit</b>	<b>24,259,752</b>	13,704,527	77.02	<b>61,491</b>	78,831	(22.00)
Other Operating Income	1,268,088	1,267,030	0.08	5,813,085	4,052,237	43.45
Selling and distribution expenses	(414,275)	(1,004,991)	(58.78)	-	-	-
Administrative Expenses	(9,855,600)	(5,460,523)	80.49	(88,544)	(60,069)	47.40
Other Operating Expenses	(323,982)	(409,572)	(20.90)	(2,539,568)	(1,873,554)	-
<b>Profit from Operations</b>	<b>14,933,983</b>	8,096,471	84.45	<b>3,246,464</b>	2,197,445	47.74
Finance Income	(1,015,914)	7,829,487	(112.98)	619,432	147,696	319.40
Finance Cost	(5,399,855)	(2,442,001)	121.12	(555,422)	(225,598)	146.20
<b>Net Finance Income/(cost)</b>	<b>(6,415,768)</b>	5,387,486		<b>64,010</b>	(77,902)	(182.17)
Share of Profit of Equity-Accounted Investees (Net of Tax)	180,065	(10,098)	(1,883.23)	-	-	-
<b>Profit before Tax for the Quarter</b>	<b>8,698,279</b>	13,473,859	(35.44)	<b>3,310,474</b>	2,119,543	56.19
Income Tax	(5,227,881)	(2,926,919)	78.61	(574,091)	(673,072)	(14.71)
<b>Profit for the Quarter</b>	<b>3,470,398</b>	10,546,940	(67.10)	<b>2,736,382</b>	1,446,471	89.18
<b>Other comprehensive income</b>						
<b>Items that will never be reclassified to profit or loss</b>						
Revaluation of property, plant and equipment	4,862,707	2,556,722	90.19	-	-	-
Equity investments at FVOCI – net change in fair value	2,532,732	(3,720,634)	(168.07)	1,824,757	(3,388,106)	(153.86)
Actuarial gain/(losses) on retirement benefit obligations	(68,717)	51,542	-	-	2,257	(100.00)
Share of other comprehensive income of equity-accounted investees (net of tax)	60,348	12,453	384.61	-	-	-
Income tax on other comprehensive income	(2,330,457)	(231,944)	904.75	(6,926)	(542)	1,177.81
	5,056,613	(1,331,861)	-	1,817,831	(3,386,391)	-
<b>Items that are or may be reclassified to profit or loss</b>						
Net change in fair value of available for sale financial assets	-	-	-	-	-	-
Exchange Difference on translation of foreign operations	(3,479,944)	7,940,386	143.83	-	-	-
Net movement on Cashflow Hedges	1,103,867	(2,922,112)	(137.78)	-	-	-
Reversal of AFS Reserves on disposal of AFS Investments	-	-	-	-	-	-
Income Tax on other comprehensive income	-	-	-	-	-	-
Share of other comprehensive income of equity accounted investees	(405,304)	1,104,815	136.69	-	-	-
Reclassification to profit or loss on disposal of AFS	-	-	-	-	-	-
	(2,781,381)	6,123,089		-	-	
<b>Total other comprehensive income for the quarter</b>	<b>2,275,232</b>	4,791,228	(52.51)	<b>1,817,831</b>	(3,386,391)	153.68
<b>Total comprehensive income for the quarter</b>	<b>5,745,629</b>	15,338,169	(62.54)	<b>4,554,214</b>	(1,939,920)	334.76
<b>Profit Attributable to:</b>						
Equity Holders of the Parent	2,260,206	5,262,396	(57.05)	2,736,382	1,446,471	89.18
Non Controlling Interest	1,210,192	5,284,544	(77.10)	-	-	-
<b>Profit for the Quarter</b>	<b>3,470,398</b>	10,546,940		<b>2,736,382</b>	1,446,471	89.18
<b>Total Comprehensive Income Attributable to:</b>						
Equity Holders of the Parent	5,150,244	5,822,301	(11.54)	4,554,214	(1,939,920)	334.76
Non Controlling Interest	595,386	9,515,868	(93.74)	-	-	-
<b>Total Comprehensive Income for the Quarter</b>	<b>5,745,629</b>	15,338,169		<b>4,554,214</b>	(1,939,920)	
<b>Earnings per Share (Rs.)</b>	<b>1.94</b>	4.52		<b>2.35</b>	1.24	

**MELSTACORP PLC**  
**STATEMENTS OF FINANCIAL POSITION**

	GROUP		COMPANY	
	Unaudited 31-Mar-2023 Rs. '000s	Audited 31-Mar-2022 Rs. '000s	Unaudited 31-Mar-2023 Rs. '000s	Audited 31-Mar-2022 Rs. '000s
<i>As at,</i>				
<b>Non-Current Assets</b>				
Property, plant and equipment	137,106,390	127,785,816	10,603	13,113
Intangible assets	6,215,470	5,978,579	1,573	586
Investment property	8,133,911	7,473,414	7,510,570	6,586,161
Biological assets	9,765,311	9,232,870	-	-
Right-of-use assets	20,750,567	20,522,615	21,912	29,217
Investments in subsidiaries	-	-	63,349,195	60,950,002
Investment in equity accounted investees	10,061,239	9,233,260	590,690	1,352,000
Deferred tax asset	2,201,711	3,572,382	3,242	3,057
Other non current financial investments	32,516,885	30,107,057	25,213,733	26,181,711
	<b>226,751,483</b>	<b>213,905,993</b>	<b>96,701,517</b>	<b>95,115,847</b>
<b>Currents Assets</b>				
Inventories	15,896,205	9,708,008	969	1,048
Produce on bearer biological assets	11,406	5,568	-	-
Trade and other receivables	33,224,111	32,871,963	32,982	3,253,557
Amounts due from related companies	1,293,581	217,959	2,980,455	2,313,973
Other current financial investments	32,184,787	28,000,520	5,327,478	6,787,575
Other current assets	566,398	583,502	-	-
Cash and cash equivalents	25,000,511	24,902,636	170,043	212,665
	<b>108,176,999</b>	<b>96,290,156</b>	<b>8,511,927</b>	<b>12,568,818</b>
Assets held for Sale	169,423	1,751,094	-	-
<b>Total assets</b>	<b>335,097,905</b>	<b>311,947,243</b>	<b>105,213,444</b>	<b>107,684,665</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Share capital and reserves</b>				
Stated Capital	70,000,000	70,000,000	70,000,000	70,000,000
Reserves	43,307,493	38,785,120	11,679,576	12,123,483
Retained earnings/(Losses)	(11,954,055)	(21,472,548)	13,540,506	9,575,828
<b>Equity attributable to owners of the Company</b>	<b>101,353,439</b>	<b>87,312,572</b>	<b>95,220,082</b>	<b>91,699,311</b>
<b>Non controlling interest</b>	<b>52,917,749</b>	<b>49,020,474</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>154,271,188</b>	<b>136,333,046</b>	<b>95,220,082</b>	<b>91,699,311</b>
<b>Non-Current Liabilities</b>				
Interest bearing loans and borrowings	49,228,281	51,767,396	-	-
Lease liabilities	16,572,654	17,031,476	16,617	23,859
Employee benefits	4,150,086	3,912,802	11,456	11,756
Deferred tax liabilities	13,500,912	11,577,145	1,253,938	780,810
Other liabilities	679,320	740,368	-	-
	<b>84,131,253</b>	<b>85,029,187</b>	<b>1,282,011</b>	<b>816,425</b>
<b>Current Liabilities</b>				
Trade and other payables	43,395,335	50,324,333	98,698	3,223,020
Other liabilities	6,285	5,150	-	-
Amount due to related companies	2,593,905	1,966,519	463,923	391,688
Income tax payable	6,428,900	3,424,693	490,730	826,742
Interest bearing loans and borrowings	10,285,382	9,200,270	-	-
Lease liabilities	2,554,745	2,240,653	7,243	6,336
Bank overdrafts and other short term borrowings	31,430,912	23,423,392	7,650,757	10,721,143
	<b>96,695,464</b>	<b>90,585,010</b>	<b>8,711,351</b>	<b>15,168,929</b>
<b>Total liabilities</b>	<b>180,826,717</b>	<b>175,614,197</b>	<b>9,993,362</b>	<b>15,985,354</b>
<b>Total Equity and Liabilities</b>	<b>335,097,905</b>	<b>311,947,243</b>	<b>105,213,444</b>	<b>107,684,665</b>
Net Assets per Share (Rs.)	86.97	74.92	81.71	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.S.C.Mallawaarachchi  
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/-  
M.A.N.S.Perera  
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
<b>Balance as at 1st April 2021</b>	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
<b>Total Comprehensive Income for the Period</b>														
Profit for the Year	-	-	-	-	-	-	-	-	-	-	10,969,116	10,969,116	6,665,612	17,634,728
<b>Other Comprehensive Income</b>														
Equity investments at FVOCI – net change in fair value	-	-	-	-	-	-	-	(2,162,699)	-	-	-	(2,162,699)	(16,061)	(2,178,760)
Defined Benefit Plan Actuarial Gains (Losses) (Net Of Tax)	-	-	-	-	-	-	-	-	-	-	24,053	24,053	27,489	51,542
Revaluation of property, plant and equipment	-	1,900,887	-	-	-	-	-	-	-	-	-	1,900,887	655,835	2,556,722
Share of other comprehensive income of equity-accounted	-	(673)	-	-	-	532,166	-	-	-	-	6,193	537,686	532,243	1,069,929
Net movement on Cashflow Hedges	-	-	-	-	-	-	-	-	-	(610,758)	-	(610,758)	(2,104,704)	(2,715,462)
Income Tax on Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange difference on translation of foreign operations	-	-	-	-	-	2,683,131	-	-	-	-	-	2,683,131	5,266,083	7,949,214
Income tax on other comprehensive income	-	(228,349)	-	-	-	-	-	6,439	-	-	(33,812)	(255,722)	23,778	(231,944)
<b>Total Other Comprehensive Income for the period</b>	-	1,671,865	-	-	-	3,215,297	-	(2,156,260)	-	(610,758)	(3,566)	2,116,578	4,384,663	6,501,241
<b>Total Comprehensive Income for the period</b>	-	1,671,865	-	-	-	3,215,297	-	(2,156,260)	-	(610,758)	10,965,550	13,085,694	11,050,275	24,135,969
<b>Transactions with owners directly recorded in the Equity</b>														
Dividends paid to Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-	(2,126,756)	(2,126,756)
Reduction of stated capital (Note-9 (ii))	(19,100,000)	-	19,100,000	-	-	-	-	-	-	-	-	-	-	-
Repurchase of Non voting shares (Note-9 (i))	-	-	-	-	-	-	-	-	-	-	(64)	(64)	-	(64)
Share of Net Assets of Equity-Accounted Investees (Net of Tax)	-	-	-	-	-	-	-	-	-	-	71,388	71,388	77,947	149,335
Acquisition of Non Controlling Interest Chnages in % Holding of Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends Paid During the Period	-	-	-	-	-	-	-	-	-	-	(9,497,989)	(9,497,989)	-	(9,497,989)
Transferred From/To Retained Earnings	-	-	-	-	1,336,486	-	232,482	-	-	-	(1,568,968)	-	-	-
Effect of Changes in Holding percentage without change in control	-	-	-	-	-	-	-	-	-	-	1,768	1,768	(1,768)	-
Gain on disposal of FVTOCI Investments	-	-	-	-	-	-	-	(17,097)	-	-	17,097	-	-	-
<b>Total Contributions by and Distributions to Owners</b>	(19,100,000)	-	19,100,000	-	1,336,486	-	232,482	(17,097)	-	-	(10,976,768)	(9,424,897)	(2,050,577)	(11,475,474)
<b>Balance as at 31st March 2022</b>	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

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		
<b>Balance as at 1st April 2022</b>	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	-	-	-	-	-	-	-	-	-	-	(3,761,800)	(3,761,800)	(481,250)	(4,243,050)
<b>Balance as at 1st April 2022 (Adjusted)</b>	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)	(25,234,348)	83,550,772	48,539,224	132,089,996
<b>Total Comprehensive Income for the Period</b>														
Profit for the Year	-	-	-	-	-	-	-	-	-	-	19,614,903	19,614,903	5,978,503	25,593,406
<b>Other Comprehensive Income</b>														
Net Change in Fair Value of FVTOCI Investments	-	-	-	-	-	-	-	(218,535)	-	-	-	(218,535)	21,370	(197,166)
Defined Benefit Plan Actuarial Gains (Losses) (Net Of Tax)	-	-	-	-	-	-	-	-	-	-	(54,100)	(54,100)	558	(53,542)
Revaluation of property, plant and equipment	-	3,007,917	-	-	-	-	-	-	-	-	-	3,007,917	1,854,791	4,862,707
Income tax on other comprehensive income	-	(1,097,399)	-	-	-	-	-	(178,783)	-	-	(38,462)	(1,314,644)	(1,030,988)	(2,345,632)
Exchange Difference on translation of foreign operations	-	-	-	-	-	947,624	-	-	-	-	-	947,624	1,823,182	2,770,806
Net movement on Cashflow Hedges	-	-	-	-	-	-	-	-	-	(92,805)	-	(92,805)	(324,983)	(417,788)
Share of Other Comprehensive Income of Equity-Accounted Investees (Net of Tax)	-	31,286	-	-	-	86,444	-	-	-	-	(3,594)	114,137	114,610	228,747
Income Tax on Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Other Comprehensive Income for the period</b>	-	1,941,803	-	-	-	1,034,068	-	(397,319)	-	(92,805)	(96,155)	2,389,592	2,458,540	4,848,132
<b>Total Comprehensive Income for the period</b>	-	1,941,803	-	-	-	1,034,068	-	(397,319)	-	(92,805)	19,518,748	22,004,495	8,437,043	30,441,538
<b>Transactions with owners directly recorded in the Equity</b>														
Dividends paid to Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-	(3,245,298)	(3,245,298)
Share of Net Assets of Equity Accounted Investees	-	-	-	-	-	-	-	-	-	-	100,051	100,051	94,763	194,814
Acquisition of Non Controlling Interest Chnges in % Holding of Subsidiaries	-	217,000	-	-	72,775	143,161	351,297	(511)	-	(20,199)	(345,545)	417,979	(907,984)	(490,004)
Dividends paid	-	-	-	-	-	-	-	-	-	-	(4,719,858)	(4,719,858)	-	(4,719,858)
Transferred From/To Retained Earnings	-	-	-	-	1,151,542	-	121,559	-	-	-	(1,273,101)	-	-	-
<b>Total Contributions by and Distributions to Owners</b>	-	217,000	-	-	1,224,317	143,161	472,856	(511)	-	(20,199)	(6,238,453)	(4,201,828)	(4,058,518)	(8,260,346)
<b>Balance as at 31st March 2023</b>	70,000,000	13,446,621	19,112,137	20,491	5,565,992	6,885,611	2,518,383	(3,273,201)	-	(968,542)	(11,954,054)	101,353,439	52,917,749	154,271,188

**MELSTACORP PLC**  
**STATEMENTS OF CHANGES IN EQUITY**

<b>COMPANY</b>	<b>Stated capital Rs.'000</b>	<b>Revaluation reserve Rs.'000</b>	<b>Capital reserve Rs.'000</b>	<b>Available for sale reserve Rs.'000</b>	<b>Retained earnings/(losses) Rs.'000</b>	<b>Total Rs.'000</b>
<b>Balance as at 1st April 2021</b>	<b>89,100,000</b>	<b>116,308</b>	<b>-</b>	<b>(5,099,857)</b>	<b>11,930,964</b>	<b>96,047,415</b>
Profit for the Year	-	-	-	-	7,141,221	7,141,221
<b>Other Comprehensive Income</b>						-
Equity investments at FVOCI – net change in fair value	-	-	-	(1,992,968)	-	(1,992,968)
Actuarial Gain/(Losses) on retirement benefit obligations	-	-	-	-	2,257	2,257
Income tax on other comprehensive income	-	-	-	-	(542)	(542)
<b>Total Other Comprehensive Income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,992,968)</b>	<b>1,715</b>	<b>(1,991,253)</b>
<b>Total Comprehensive Income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,992,968)</b>	<b>7,142,936</b>	<b>5,149,968</b>
<b>Transactions with Owners of the Company directly recognized into Equity</b>						
Reduction of stated capital (Note-9 (ii))	(19,100,000)	-	19,100,000	-	-	-
Repurchase of Non voting shares (Note-9 (i))	-	-	-	-	(83)	(83)
Dividend paid	-	-	-	-	(9,497,989)	(9,497,989)
<b>Transactions with Owners of the Company directly recognized into Equity</b>	<b>(19,100,000)</b>	<b>-</b>	<b>19,100,000</b>	<b>-</b>	<b>(9,498,072)</b>	<b>(9,498,072)</b>
<b>Balance as at 31st March 2022</b>	<b>70,000,000</b>	<b>116,308</b>	<b>19,100,000</b>	<b>(7,092,825)</b>	<b>9,575,828</b>	<b>91,699,311</b>
<b>Balance as at 1st April 2022</b>	<b>70,000,000</b>	<b>116,308</b>	<b>19,100,000</b>	<b>(7,092,825)</b>	<b>9,575,828</b>	<b>91,699,311</b>
Adjustment for Surcharge Tax levied under the Surcharge Tax Act No. 14 of 2022					(198,378)	(198,378)
<b>Balance as at 1st April 2022 (Adjusted)</b>	<b>70,000,000</b>	<b>116,308</b>	<b>19,100,000</b>	<b>(7,092,825)</b>	<b>9,377,450</b>	<b>91,500,933</b>
Profit for the Year	-	-	-	-	8,882,913	8,882,913
<b>Other Comprehensive Income</b>						-
Equity investments at FVOCI – net change in fair value	-	-	-	(436,981)	-	(436,981)
Actuarial Gain/(Losses) on retirement benefit obligations	-	-	-	-	-	-
Income tax on other comprehensive income	-	(6,926)	-	-	-	(6,926)
<b>Total Other Comprehensive Income for the period</b>	<b>-</b>	<b>(6,926)</b>	<b>-</b>	<b>(436,981)</b>	<b>-</b>	<b>(443,907)</b>
<b>Total Comprehensive Income for the period</b>	<b>-</b>	<b>(6,926)</b>	<b>-</b>	<b>(436,981)</b>	<b>8,882,913</b>	<b>8,439,006</b>
<b>Transactions with Owners of the Company directly recognized into Equity</b>						
	-	-	-	-	(4,719,858)	(4,719,858)
<b>Balance as at 31st March 2023</b>	<b>70,000,000</b>	<b>109,382</b>	<b>19,100,000</b>	<b>(7,529,806)</b>	<b>13,540,506</b>	<b>95,220,082</b>

**MELSTACORP PLC**  
**STATEMENTS OF CASH FLOWS**

For the year ended 31st March,

	GROUP		COMPANY	
	Unaudited 2023 Rs. '000	Audited 2022 Rs. '000	Unaudited 2023 Rs. '000	Audited 2022 Rs. '000
<b>Cash Flow from Operating Activities</b>				
Profit before tax	44,819,879	26,863,302	10,498,218	8,613,539
<b>Adjustments for;</b>				
(Gain)/Loss on disposal of property, plant and equipment	(1,990)	(28,897)	-	-
Depreciation and amortization of PPE, Biological assets, ROU Assets and intangible assets	9,172,541	7,729,638	13,000	14,854
Provision for Retirement benefit obligation	560,946	683,990	2,596	3,461
Provision/ (reversal) for inventories	-	41,646	-	-
Provision/(reversal) of bad & doubtful debts and impairment of financial assets at amortized cost	593,398	85,901	-	-
Provision/(reversal) of impairment of equity accounted investees	-	30,570	-	-
Impairment of balance receivable from related parties	-	-	1,507,271	1,320,146
Write-off of amounts receivable from subsidiaries	-	-	-	1,825,530
Impairment of investments in subsidiaries and Joint ventures	-	-	1,032,298	553,408
Impairment of goodwill on acquisition of subsidiaries	-	352,640	-	-
Share of profit of equity-accounted investees, net of tax	(1,115,713)	(441,977)	-	-
(Gain)/loss on change in fair value of financial assets at fair value through profit or loss	(1,634,068)	(262,450)	(86,059)	(221,462)
(Gain)/loss on disposal of financial investments	(118,178)	(176,329)	(97,185)	(83,382)
Deferred income recognized	(15,101)	(28,183)	-	-
Dividend Income	(388,488)	(598,046)	(11,687,830)	(11,199,120)
(Gain)/loss on change in fair value of Biological Assets	(420,769)	(412,477)	-	-
Gain on Disposal of Assets Held for Sale	72,269	-	-	-
Fair value gain on investment property	(575,108)	(449,267)	(923,165)	(673,168)
Gain on Disposal of shares of Subsidiaries	-	-	(2,485)	-
Provision for Impairment of Investment in Subsidiaries	-	-	-	-
Gain on bargain purchase	-	(145,613)	-	-
Interest income	(4,337,295)	(2,002,323)	(2,644,699)	(784,494)
Interest expense	13,495,850	5,042,590	2,346,276	673,625
<b>Operating profit/(loss) before working capital changes</b>	<b>60,108,173</b>	<b>36,284,714</b>	<b>(41,764)</b>	<b>42,937</b>
(Increase)/decrease in inventories	(6,194,035)	(316,414)	79	(33)
(Increase)/decrease in receivables	1,458,992	(4,807,516)	(5,074)	253,406
Increase/(decrease) in payables	(3,896,532)	18,444,195	22,253	44,428
(Increase) / decrease in Related Party Receivables / Payables	(448,236)	1,496,946	(79,737)	22,556
<b>Cash flows generated from/(used in) operations</b>	<b>51,028,362</b>	<b>51,101,926</b>	<b>(104,243)</b>	<b>363,294</b>
Interest paid	(10,994,199)	(3,227,046)	(2,227,106)	(638,591)
Income Tax paid	(15,281,276)	(8,358,412)	(1,485,302)	(944,769)
Surcharge Tax Paid	(4,243,050)	-	(198,378)	-
Retiring Gratuity paid	(426,817.46)	(379,297)	(2,896)	-
Dividends Received	388,488	598,046	14,913,479	8,178,149
<b>Net Cash flows generated from/(used in) operations</b>	<b>20,471,508</b>	<b>39,735,217</b>	<b>10,895,554</b>	<b>6,958,083</b>
<b>Cash Flow from Investing Activities</b>				
Acquisition of Property, Plant & Equipment, Investment Property and intangible assets	(3,029,375)	(2,200,009)	(5,416)	(263,485)
Proceeds from disposal of shares of subsidiaries	-	-	6,142	-
Additions of Mature and Immature Plantations net of sale of timber	(218,378)	(227,124)	-	-
Proceeds from disposal of Assets held for sale	1,873,150	-	-	-
Investment in Associates	(17,498.80)	(148,821)	-	-
Investment in joint ventures	(100,000)	(5,000)	(100,000)	-
Proceeds from sale of Property, plant and equipment	43,436	122,912	-	-
Interest received	4,337,295	2,002,323	40,473	7,842
Acquisition of non controlling interest	(650,556)	-	-	-
Net Proceeds from Disposal / (Acquisition) of Other Financial Investments	(5,039,014)	(11,256,164)	350,956	127,423
Acquisition of subsidiaries net of cash acquired	(1,499,440)	(852,500)	-	-
Investment in subsidiaries	-	-	(2,573,837)	(517,000)
Loans disbursed to Subsidiaries and Associates	-	-	(1,133,930)	(4,836,867)
Proceeds from settlement of Loans given to Subsidiaries	-	-	3,441,579	3,728,695
Dividend received from equity accounted investees	828,794	442,662	-	-
<b>Net Cash flows generated from/(used in) investing activities</b>	<b>(3,471,587)</b>	<b>(12,121,720)</b>	<b>25,967</b>	<b>(1,753,392)</b>
<b>Cash Flow from Financing Activities</b>				
Net Advances received from/(Settled to)subsidiaries and equity accounted investees	(130,408)	(96,057)	(19,000)	-
Proceeds from interest bearing loans and borrowings	568,054	1,472,563	-	-
Repayments of loan Borrowings and payments to Lessor on Lease Rights	(13,391,906)	(5,783,113)	(8,325)	(8,326)
Dividend paid	(7,866,430)	(6,351,417)	(7,866,430)	(6,351,417)
Dividends paid by subsidiaries to minority shareholders	(3,245,298)	(2,126,756)	-	-
Funds received fro rights issue by subsidiaries to minority shareholders	160,551	-	-	-
Repurchase of non voting shares	-	(64)	-	(83)
Receipt of Deferred Income	10,029	14,779	-	-
<b>Net Cash flows generated from/(used in) financing activities</b>	<b>(23,895,406)</b>	<b>(12,870,065)</b>	<b>(7,893,755)</b>	<b>(6,359,826)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(6,895,485)</b>	<b>14,743,431</b>	<b>3,027,766</b>	<b>(1,155,135)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1,479,244</b>	<b>(14,781,192)</b>	<b>(10,508,479)</b>	<b>(9,353,343)</b>
<b>Effect of movements in exchange rates</b>	<b>(1,014,160)</b>	<b>1,517,005</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the year (Note A)</b>	<b>(6,430,401)</b>	<b>1,479,244</b>	<b>(7,480,713)</b>	<b>(10,508,478)</b>
<b>Note A-Cash and Equivalents are as follows</b>				
Short Term Deposits	6,680,306	3,328,455	-	-
Cash in Hand & Bank	18,383,978	21,524,736	170,043	212,665
Cash in transit	(63,774)	49,445	-	-
Bank overdrafts and other short term borrowings	(31,430,912)	(23,423,392)	(7,650,757)	(10,721,143)
	<b>(6,430,401)</b>	<b>1,479,244</b>	<b>(7,480,713)</b>	<b>(10,508,478)</b>



**MELSTACORP PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**

**SEGMENTAL INFORMATION**

*For the year ended 31st March,*

**(a) Revenue**

	<b>GROUP</b>	
	<b>2023</b>	2022
	<b>Rs.'000</b>	Rs.'000
Beverages	<b>128,816,798</b>	111,915,714
Plantations	<b>10,243,898</b>	7,102,338
Telecommunications	<b>1,593,971</b>	1,928,701
Financial services	<b>6,358,469</b>	4,355,033
Diversified	<b>100,260,684</b>	57,688,116
<b>Total gross revenue</b>	<b>247,273,820</b>	182,989,902
<b>Excise duty on beverages</b>	<b>(69,945,431)</b>	(76,919,114)
<b>Total net revenue</b>	<b>177,328,389</b>	106,070,788

**(b) Industry Segment Profit**

Beverages	<b>31,359,337</b>	13,921,585
Plantations	<b>2,869,253</b>	(46,037)
Telecommunications	<b>(1,831,855)</b>	(1,720,872)
Financial services	<b>2,390,160</b>	1,001,366
Diversified	<b>8,917,272</b>	13,265,283
	<b>43,704,166</b>	26,421,325
Share of Profit of Equity-Accounted Investees (Net of Tax)	<b>1,115,713</b>	441,977
<b>Net Profit Before Tax</b>	<b>44,819,879</b>	26,863,302
Taxation	<b>(19,226,473)</b>	(9,228,574)
<b>Net Profit After Tax</b>	<b>25,593,406</b>	17,634,728

**MELSTACORP PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**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 04th 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.

The Group has initiated legal actions to recover the said dues.

**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 in year 2013/14. The investment made in PSIP is classified as a fully impaired long term investment in the group.

**5 Non Financial Information**

		<b>31-Mar-2023</b>	<b>31-Mar-2022</b>
Net Assets Value per Share	- Group (Rs)	86.97	74.92
	- Company (Rs)	81.71	78.69
Market Price per Share	- Last Traded Rs)	54.90	41.10
	- Highest (Rs)	61.60	68.00
	- Lowest (Rs)	45.50	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 31 March 2023 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.

Top 25 Shareholders – 31 March 2023

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	136,776,670	11.736
4	MRS. L.E.M. YASEEN	54,759,348	4.699
5	COMMERCIAL BANK OF CEYLON PLC/L.E.M.YASEEN	52,200,000	4.479
6	COMMERCIAL BANK OF CEYLON PLC/M.A.YASEEN	39,000,000	3.346
7	MR. L.E. BADER	13,439,523	1.153
8	MR. D.H.S. JAYAWARDENA	13,014,200	1.117
9	MRS. S.M. CHRYSOSTOM	11,390,000	0.977
10	MRS. P.M.P.G.N. PRIYADARSHANI	9,374,922	0.804
11	STASSEN EXPORTS (PVT) LIMITED	8,746,800	0.751
12	DON AND DON HOLDINGS PRIVAT LIMITED	8,138,799	0.698
13	SEYLAN BANK PLC/ARRC CAPITAL (PVT) LTD	7,801,185	0.669
14	MR. D.H.S. JAYAWARDENA	7,531,332	0.646
15	SSBT-AL MEHWAR COMMERCIAL INVESTMENTS L.L.C.	6,186,000	0.531
16	RUBICOND ENTERPRISES LIMITED	5,943,859	0.510
17	MCSSEN RANGE PRIVATE LIMITED	5,459,864	0.468
18	BBH-REDWHEEL FRONTIER MARKETS EQUITY MASTER FUND LIMITED	4,937,755	0.424
19	MELLON BANK N.A.-UPS GROUP TRUST	3,066,226	0.263
20	DEUTSCHE BANK AG AS TRUSTEE TO CAPITAL ALLIANCE QUANTITATIVE EQUITY FUND	2,845,200	0.244
21	HATTON NATIONAL BANK PLC/JN LANKA HOLDINGS COMPANY (PVT) LTD	2,372,194	0.204
22	RIL PROPERTY PLC	2,165,539	0.186
23	DFCC BANK PLC A/C 1	2,069,940	0.178
24	RENUKA HOTELS PLC	2,000,000	0.172
25	FINCO HOLDINGS (PRIVATE) LIMITED	1,700,325	0.146
		1,051,584,681	90.234
	OTHERS	113,812,391	9.766
	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 13,619

**Float Adjusted Market Capitalization**

The Public Holding of the Company as at 31 March 2023 was 41.60% comprising of 13,619 shareholders and the Float adjusted Market Capitalization of Rs.26,613,330,148.80. Intems 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' Shareholdings as at 31 March 2023**

	No of Shares	%
Mr. D. H. S. Jayawardena	13,014,200	1.117%
Mr.M.A.N.S Perera (Appointed w.e.f. 02/01/2023)	-	0.000%
Mr. C. R. Jansz	-	0.000%
Mr. N. De S. Deva Aditya	-	0.000%
Mr. K. J. Kahanda	-	0.000%
Dr. A. N. Balasuriya	-	0.000%
Mr. D. Hasitha S. Jayawardena	7,531,332	0.646%
Mr.R. Seevaratnam (Demised on 19/01/2023)	-	0.000%
Mr.L.U.D.Fernando (Appointed w.e.f. 22/09/2022)*	-	0.000%
Ms.D.S.T. Jayawardena (Appointed w.e.f. 15/09/2022)	38,600	0.003%
Ms. V. J. Senaratne (Alternate Director to Mr. N.De.S.Deva Aditya)	-	0.000%

\* 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**

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**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

Mr.M.A.N.S Perera (Appointed w.e.f.02/01/2023)

Mr. C. R. Jansz

Mr. N. De S. Deva Aditya

Mr. K. J. Kahanda

Dr. A. N. Balasuriya

Mr. D. Hasitha S. Jayawardena

Mr.R. Seevaratnam (Demised on 19/01/2023)

Ms.D.S.T. Jayawardena (Appointed w.e.f. 15/09/2022)

Mr.L.U.D.Fernando (Appointed w.e.f. 22/09/2022)

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