

# MELSTACORP PLC



**INTERIM FINANCIAL STATEMENTS**

**FOR THE THREE MONTHS ENDED**

**30TH JUNE 2020**

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

Rs. '000s For the 3 months ended 30th June,	GROUP			COMPANY		
	Unaudited 2020 Rs. '000	Unaudited 2019 Rs. '000	Variance %	Unaudited 2020 Rs. '000	Unaudited 2019 Rs. '000	Variance %
<b>Revenue</b>	<b>24,603,934</b>	37,571,216	(34.51)	<b>64,843</b>	55,107	17.67
Excise duty	(10,533,093)	(14,309,330)	(26.39)	-	-	-
Cost of sales and net benefits paid	(10,548,150)	(15,297,676)	(31.05)	(795)	(463)	71.72
<b>Gross Profit</b>	<b>3,522,691</b>	7,964,210	(55.77)	<b>64,048</b>	54,644	17.21
Other Operating Income	261,415	370,301	(29.40)	2,339,155	129,286	1,709.29
Selling and distribution expenses	(240,102)	(570,588)	(57.92)	-	-	-
Administrative Expenses	(3,291,328)	(4,231,628)	(22.22)	(44,587)	(46,830)	(4.79)
Other Operating Expenses	(110,770)	(11,947)	827.18	-	-	-
<b>Profit from Operations</b>	<b>141,906</b>	3,520,348	(95.97)	<b>2,358,616</b>	137,100	1,620.36
Finance Income	456,746	727,410	(37.21)	335,264	624,176	(46.29)
Finance Cost	(1,874,898)	(1,611,924)	16.31	(461,039)	(621,844)	(25.86)
<b>Net Finance Income/(cost)</b>	<b>(1,418,152)</b>	(884,514)		<b>(125,776)</b>	2,332	(5,493.49)
Share of Profit of Equity-Accounted Investees (Net of Tax)	129,847	113,771	14.13	-	-	-
<b>Profit before Tax for the period</b>	<b>(1,146,400)</b>	2,749,605	(141.69)	<b>2,232,840</b>	139,432	1,501.38
Income Tax	(973,375)	(1,551,791)	(37.27)	(56,654)	(62,358)	(9.15)
<b>Profit for the period</b>	<b>(2,119,774)</b>	1,197,814	(276.97)	<b>2,176,186</b>	77,074	2,723.50
<b>Other comprehensive income</b>						
<b>Items that will never be reclassified to profit or loss</b>						
Revaluation of property, plant and equipment	-	-	-	-	-	-
Equity investments at FVOCI – net change in fair value	(7,961,993)	(3,108,380)	156.15	(7,232,618)	(2,621,639)	175.88
Actuarial gain/(losses) on retirement benefit obligations	-	-	-	-	-	-
Share of other comprehensive income of equity-accounted investees (net of tax)	-	3,534	(100.00)	-	-	-
Income tax on other comprehensive income	-	-	-	-	-	-
	(7,961,993)	(3,104,846)	-	(7,232,618)	(2,621,639)	-
<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	(203,420)	45,837	(543.79)	-	-	-
Net movement on Cashflow Hedges	(4,932)	(84,684)	(94.18)	-	-	-
Reversal of AFS Reserves on disposal of AFS Investments	-	-	-	-	-	-
Income Tax on other comprehensive income	-	-	-	-	-	-
Share of other comprehensive income of equity accounted investees	54,134	-	100.00	-	-	-
Reclassification to profit or loss on disposal of AFS	-	-	-	-	-	-
	(154,218)	(38,847)	296.99	-	-	-
<b>Total other comprehensive income for the period</b>	<b>(8,116,211)</b>	(3,143,693)	158.17	<b>(7,232,618)</b>	(2,621,639)	175.88
<b>Total comprehensive income for the period</b>	<b>(10,235,985)</b>	(1,945,879)	426.03	<b>(5,056,432)</b>	(2,544,565)	98.71
<b>Profit Attributable to:</b>						
Equity Holders of the Parent	(404,162)	1,184,067	(134.13)	2,176,186	77,074	2,723.50
Non Controlling Interest	(1,715,612)	13,747	(12,579.90)	-	-	-
<b>Profit for the period</b>	<b>(2,119,774)</b>	1,197,814		<b>2,176,186</b>	77,074	
<b>Total Comprehensive Income Attributable to:</b>						
Equity Holders of the Parent	(8,351,320)	(1,888,470)	342.23	(5,056,432)	(2,544,565)	98.71
Non Controlling Interest	(1,884,665)	(57,409)	3,182.87	-	-	-
<b>Total comprehensive income for the period</b>	<b>(10,235,985)</b>	(1,945,879)		<b>(5,056,432)</b>	(2,544,565)	
<b>Earnings per Share (Rs.)</b>						
Basic Earnings per Share	(0.35)	1.02	(134.13)	1.87	0.07	2,723.50

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

	GROUP		COMPANY	
	Unaudited 30-Jun-2020 Rs. '000s	Unaudited 31-Mar-2020 Rs. '000s	Unaudited 30-Jun-2020 Rs. '000s	Unaudited 31-Mar-2020 Rs. '000s
<i>As at,</i>				
<b>Non-Current Assets</b>				
Property, plant and equipment	109,952,071	111,006,807	16,070	16,448
Intangible assets	6,448,562	6,549,051	2,800	3,081
Investment property	6,112,695	6,140,184	5,128,149	5,128,149
Biological assets	8,352,017	8,331,693	-	-
Right-of-Use Assets	13,580,814	13,927,342	-	-
Investments in subsidiaries	0	0	61,342,506	61,342,506
Investment in equity accounted investees	7,608,221	7,225,219	1,352,000	1,127,000
Deferred tax asset	962,451	1,599,040	3,366	3,366
Other non current financial investments	26,093,131	33,959,085	23,241,314	30,472,384
	<b>179,109,962</b>	<b>188,738,422</b>	<b>91,086,206</b>	<b>98,092,934</b>
<b>Currents Assets</b>				
Inventories	8,928,163	9,983,368	1,027	1,034
Produce on Bearer Biological Assets	6,052	3,887	-	-
Trade and Other Receivables	26,129,956	27,594,566	30,116	123,952
Amounts due from Related Companies	405,355	398,688	516,810	412,881
Other Current Financial Investments	13,061,739	14,441,225	9,258,880	8,876,161
Cash and cash equivalents	8,593,107	9,038,648	18,264	64,883
	<b>57,124,373</b>	<b>61,460,380</b>	<b>9,825,098</b>	<b>9,478,911</b>
Assets held for Sale	1,169,400	1,189,650	-	-
<b>Total assets</b>	<b>237,403,735</b>	<b>251,388,453</b>	<b>100,911,303</b>	<b>107,571,846</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Share capital and reserves</b>				
Stated Capital	89,100,000	89,100,000	89,100,000	89,100,000
Reserve	8,534,717	16,456,655	(9,185,705)	(1,953,087)
Retained Earnings	(22,494,053)	(22,051,597)	10,915,179	8,738,993
<b>Equity attributable to owners of the Company</b>	<b>75,140,664</b>	<b>83,505,057</b>	<b>90,829,474</b>	<b>95,885,906</b>
<b>Non controlling interest</b>	<b>40,842,255</b>	<b>43,182,803</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>115,982,919</b>	<b>126,687,860</b>	<b>90,829,474</b>	<b>95,885,906</b>
<b>Non-Current Liabilities</b>				
Interest Bearing Loans and Borrowings	49,998,141	48,607,818	-	-
Employee Benefits	3,092,202	3,078,330	13,141	12,020
Deferred Tax Liabilities	8,285,012	8,977,941	579,904	579,904
Other Liabilities	663,470	669,749	-	-
	<b>62,038,825</b>	<b>61,333,838</b>	<b>593,046</b>	<b>591,925</b>
<b>Current Liabilities</b>				
Trade and Other Payables	28,379,255	25,116,441	34,779	40,516
Other Liabilities	1,724	32,757	-	-
Amount due to Related Companies	717,349	761,922	758,801	773,543
Income Tax Payable	1,100,176	1,212,089	32,083	17,189
Interest Bearing Loans and Borrowings	3,838,841	5,349,492	-	-
Bank Overdrafts and Other Short Term Borrowings	25,344,646	30,894,055	8,663,120	10,262,766
	<b>59,381,991</b>	<b>63,366,755</b>	<b>9,488,783</b>	<b>11,094,014</b>
<b>Total liabilities</b>	<b>121,420,815</b>	<b>124,700,593</b>	<b>10,081,829</b>	<b>11,685,939</b>
<b>Total Equity and Liabilities</b>	<b>237,403,735</b>	<b>251,388,453</b>	<b>100,911,303</b>	<b>107,571,846</b>
Net Assets per Share (Rs.)	64.48	71.65	77.94	82.28

The above unaudited figures are provisional and subject to audit.

I certify that the Financial Statements have been prepared & presented in compliance with the requirements of Companies Act No. 07 of 2007.

sgd/-

D.M.Welikandage  
Manager-Finance

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

Signed for and on behalf of the board

sgd/-

D.H.S. Jayawardena  
Chairman

sgd/-

A.L.Goeneratne  
Managing Director

MELSTACORP PLC  
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

GROUP

	Attributable to equity holders of parent											Non controlling interest	Total equity	
	Stated	Revaluation	Capital	Reserve	General	Exchange fluctuation	Timber	Available for sale	Investment	Cash Flow Hedge Reserve	Retained Earnings/ (Losses)			Total
	capital Rs.'000	reserve Rs.'000	reserve Rs.'000	fund Rs.'000	reserve Rs.'000	reserve Rs.'000	reserve Rs.'000	reserve Rs.'000	fund Rs.'000	Rs.'000	Rs.'000			Rs.'000
<b>Balance as at 1st April 2019</b>	89,100,000	8,185,465	12,137	20,491	1,352,238	1,664,032	1,458,578	905,322	-	(18,856)	(22,452,538)	80,226,869	44,359,892	124,586,761
Adjustment on initial application of SLFRS - 9	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment on initial application of SLFRS - 16	-	-	-	-	-	-	-	-	-	-	(454,260)	(454,260)	(663,332)	(1,117,592)
<b>Adjusted balance as at 1st April 2019</b>	<b>89,100,000</b>	<b>8,185,465</b>	<b>12,137</b>	<b>20,491</b>	<b>1,352,238</b>	<b>1,664,032</b>	<b>1,458,578</b>	<b>905,322</b>	<b>-</b>	<b>(18,856)</b>	<b>(22,906,798)</b>	<b>79,772,609</b>	<b>43,696,560</b>	<b>123,469,169</b>
<b>Total Comprehensive Income for the Period</b>														
Profit for the period	-	-	-	-	-	-	-	-	-	-	1,184,067	1,184,067	13,747	1,197,814
<b>Other Comprehensive Income</b>														
Equity investments at FVOCI – net change in fair value	-	-	-	-	-	-	-	(3,071,039)	-	-	-	(3,071,039)	(37,341)	(3,108,380)
Net movement on Cashflow Hedges	-	-	-	-	-	-	-	-	-	(19,047)	-	(19,047)	(65,637)	(84,684)
Exchange difference on translation of foreign operations	-	-	-	-	-	15,771	-	-	-	-	-	15,771	30,066	45,837
Share of Other Comprehensive Income of Equity-Accounted Investees (Net of Tax)	-	-	-	-	-	1,778	-	-	-	-	-	1,778	1,756	3,534
<b>Total Other Comprehensive Income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,549</b>	<b>-</b>	<b>(3,071,039)</b>	<b>-</b>	<b>(19,047)</b>	<b>-</b>	<b>(3,072,537)</b>	<b>(71,156)</b>	<b>(3,143,693)</b>
<b>Total Comprehensive Income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,549</b>	<b>-</b>	<b>(3,071,039)</b>	<b>-</b>	<b>(19,047)</b>	<b>1,184,067</b>	<b>(1,888,470)</b>	<b>(57,409)</b>	<b>(1,945,879)</b>
<b>Transactions with owners directly recorded in the Equity</b>														
Dividends paid to Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-	(94,234)	(94,234)
Transferred From/To Retained Earnings	-	-	-	-	-	-	22,360	-	-	-	(22,360)	-	-	-
Acquisition of Non Controlling Interest of Subsidiaries	-	17	-	-	-	(3,647)	-	-	-	-	80,172	76,542	(99,865)	(23,323)
<b>Total Contributions by and Distributions to Owners</b>	<b>-</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,647)</b>	<b>22,360</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>57,812</b>	<b>76,542</b>	<b>(194,099)</b>	<b>(117,557)</b>
<b>Balance as at 30th June 2019</b>	<b>89,100,000</b>	<b>8,185,482</b>	<b>12,137</b>	<b>20,491</b>	<b>1,352,238</b>	<b>1,677,934</b>	<b>1,480,938</b>	<b>(2,165,717)</b>	<b>-</b>	<b>(37,903)</b>	<b>(21,664,920)</b>	<b>77,960,681</b>	<b>43,445,051</b>	<b>121,405,730</b>

MELSTACORP PLC  
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

GROUP

	Attributable to equity holders of parent											Non controlling interest	Total equity	
	Stated	Revaluation	Capital	Reserve	General	Exchange fluctuation	Timber	Available for sale	Investment	Cash Flow Hedge Reserve	Retained Earnings/ (Losses)			Total
	capital Rs.'000	reserve Rs.'000	reserve Rs.'000	fund Rs.'000	reserve Rs.'000	reserve Rs.'000	reserve Rs.'000	reserve Rs.'000	fund Rs.'000	Rs.'000	Rs.'000			Rs.'000
<b>Balance as at 1st April 2020</b>	89,100,000	8,295,368	12,137	20,491	1,998,562	1,969,450	1,605,831	2,639,312	-	(84,496)	(22,051,597)	83,505,059	43,182,803	126,687,860
Adjustments on initial application of SLFRS-16												-	-	-
<b>Adjusted balance as at 1st April 2020</b>	89,100,000	8,295,368	12,137	20,491	1,998,562	1,969,450	1,605,831	2,639,312	-	(84,496)	(22,051,597)	83,505,059	43,182,803	126,687,860
<b>Total Comprehensive Income for the Period</b>														
Profit for the period	-	-	-	-	-	-	-	-	-	-	(404,162)	(404,162)	(1,715,612)	(2,119,774)
<b>Other Comprehensive Income</b>														
Net Change in Fair Value of FVTOCI Investments	-	-	-	-	-	-	(7,906,752)	-	-	-	-	(7,906,752)	(55,240)	(7,961,993)
Exchange Difference on translation of foreign operations	-	-	-	-	-	(66,539)	-	-	-	-	-	(66,539)	(136,881)	(203,420)
Net movement on Cashflow Hedges	-	-	-	-	-	-	-	-	(1,110)	-	-	(1,110)	(3,822)	(4,932)
Share of Other Comprehensive Income of Equity-Accounted Investees (Net of Tax)	-	-	-	-	-	27,242	-	-	-	-	-	27,242	26,892	54,134
<b>Total Other Comprehensive Income for the period</b>	-	-	-	-	-	(39,296)	-	(7,906,752)	-	(1,110)	-	(7,947,158)	(169,052)	(8,116,211)
<b>Total Comprehensive Income for the period</b>	-	-	-	-	-	(39,296)	-	(7,906,752)	-	(1,110)	(404,162)	(8,351,320)	(1,884,665)	(10,235,985)
<b>Transactions with owners directly recorded in the Equity</b>														
Dividends paid to Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-	(442,978)	(442,978)
Gain on disposal of FVTOCI Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of Net Assets of Equity Accounted Investees	-	-	-	-	-	-	-	-	-	(13,074)	(13,074)	(13,074)	(12,906)	(25,980)
Dividends paid	-	-	-	-	-	-	-	-	-	0	0	0	-	0
Transferred From/To Retained Earnings	-	-	-	-	-	-	25,220	-	-	(25,220)	-	-	-	-
<b>Total Contributions by and Distributions to Owners</b>	-	-	-	-	-	-	25,220	-	-	(38,294)	-	(13,074)	(455,883)	(468,957)
<b>Balance as at 30th June 2020</b>	89,100,000	8,295,368	12,137	20,491	1,998,562	1,930,153	1,631,052	(5,267,441)	-	(85,606)	(22,494,053)	75,140,664	40,842,255	115,982,919

MELSTACORP PLC  
STATEMENTS OF CHANGES IN EQUITY

COMPANY	Stated capital Rs.'000	Revaluation reserve Rs.'000	Available for sale reserve Rs.'000	Retained earnings/(losses) Rs.'000	Total Rs.'000
<b>Balance as at 1st April 2019</b>	89,100,000	111,691	(3,819,935)	5,945,379	91,337,135
Adjustment on initial application of SLFRS - 9	-	-	-	-	-
<b>Adjusted balance as at 1st April 2019</b>	89,100,000	111,691	(3,819,935)	5,945,379	91,337,135
Profit for the period	-	-	-	77,074	77,074
<b>Other Comprehensive Income</b>					-
Equity investments at FVOCI – net change in fair value	-	-	(2,621,639)	-	(2,621,639)
Actuarial Gain/(Losses) on retirement benefit obligations	-	-	-	-	-
Income tax on other comprehensive income	-	-	-	-	-
<b>Total Other Comprehensive Income for the period</b>	-	-	(2,621,639)	-	(2,621,639)
<b>Total Comprehensive Income for the period</b>	-	-	(2,621,639)	77,074	(2,544,565)
<b>Transactions with Owners of the Company directly recognized into Equity</b>					
Gain on disposal of FVTOCI Investments	-	-	-	-	-
<b>Transactions with Owners of the Company directly recognized into Equity</b>	-	-	-	-	-
<b>Balance as at 30th June 2019</b>	89,100,000	111,691	(6,441,574)	6,022,453	88,792,570
<b>Balance as at 1st April 2020</b>	89,100,000	111,691	(2,064,778)	8,738,993	95,885,905
Profit for the period	-	-	-	2,176,186	2,176,186
<b>Other Comprehensive Income</b>					-
Equity investments at FVOCI – net change in fair value	-	-	(7,232,618)	-	(7,232,618)
Actuarial Gain/(Losses) on retirement benefit obligations	-	-	-	-	-
Income tax on other comprehensive income	-	-	-	-	-
<b>Total Other Comprehensive Income for the period</b>	-	-	(7,232,618)	-	(7,232,618)
<b>Total Comprehensive Income for the period</b>	-	-	(7,232,618)	2,176,186	(5,056,432)
<b>Transactions with Owners of the Company directly recognized into Equity</b>					
Gain on disposal of FVTOCI Investments	-	-	-	-	-
Dividend paid	-	-	-	-	-
<b>Transactions with Owners of the Company directly recognized into Equity</b>	-	-	-	-	-
<b>Balance as at 30th June 2020</b>	89,100,000	111,691	(9,297,396)	10,915,179	90,829,476

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

For the 3 months ended 30th June,

	GROUP		COMPANY	
	2020 Rs. '000	2019 Rs. '000	2020 Rs. '000	2019 Rs. '000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Profit before Taxation</b>	<b>(1,146,400)</b>	2,749,605	<b>2,232,840</b>	139,432
<b>Adjustment for</b>				
Depreciation and amortization of PPE, Biological assets, ROU Assets and intangible assets	1,591,129	1,578,908	896	442
Provision for gratuity	98,240	95,734	1,121	679
Interest Expenses	1,299,885	1,521,565	241,423	621,844
Interest income	(318,056)	(668,499)	(335,264)	(619,930)
Dividend income	(92,934)	(202,733)	(2,339,155)	(128,917)
(Gain) / loss on Disposal of Property, Plant and Equipment and biological assets	(1,743)	(4,074)	-	-
Amortisation of Bearer Biological assets	67,607	40,243	-	-
Amortisation of Right of Use Assets	276,327	-	-	-
Provision/ (Reversal of provisions) for Inventories	-	3,687	-	-
Provision/(Reversal) for Bad & Doubtful Debts and impairment	107,773	16,369	-	-
Share of profit of equity-accounted investees (net of tax)	(129,847)	(113,771)	-	-
(Gain)/ Loss on disposal of other financial investments	-	(1,361)	-	(369)
Amortization of Deferred Grants and Subsidies	(3,486)	(2,509)	-	-
(Gain) / loss on Change in Fair Value of Biological Assets	(45,109)	-	-	-
(Gain)/loss on change in fair value of financial assets at fair value through profit or loss	156,323	17,976	219,616	(4,247)
<b>Operating Profit before Working Capital Changes</b>	<b>1,859,709</b>	5,031,140	<b>21,476</b>	8,934
(Increase)/Decrease in Inventories	1,053,040	(1,145,038)	8	-
(Increase)/Decrease in Receivables	1,259,393	2,600,195	95,380	119,665
(Increase)/Decrease in Related Party Receivable and Payable	(51,240)	436,129	(19,199)	(25,426)
Increase/(Decrease) in Payables	3,262,814	(2,438,097)	(6,341)	14,555
<b>Cash Generated from Operations</b>	<b>7,383,716</b>	4,484,329	<b>91,324</b>	117,728
Dividend Received	92,934	226,813	2,339,155	128,917
Interest Paid	(1,066,848)	(1,444,201)	(234,219)	(504,853)
Income Tax Paid	(1,144,133)	(1,347,052)	(42,833)	(35,141)
Retiring Gratuity Paid	(84,880)	(49,194)	-	-
<b>Net Cash Flow from Operating Activities</b>	<b>5,180,789</b>	1,870,695	<b>2,153,427</b>	(293,349)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Acquisition of equity accounted investees	(225,000)	-	(225,000)	-
Loans settled by Subsidiaries	-	-	281,230	354,016
Net Acquisition of Non Controlling Interest and proceeds from disposal of shares in subsidiaries	-	(23,323)	-	(30,336)
Net proceed from disposal/(Acquisition)of Other Investments	1,127,124	1,055,442	0	1,199,643
Acquisition of Property, Plant & Equipment and intangible assets	(1,074,720)	(2,924,877)	(237)	(547)
Additions of Mature and Immature Plantations	(42,823)	(40,177)	-	-
Loans disbursed to Subsidiaries and Associates	-	-	(654,883)	(1,432,111)
Proceeds on Disposal of Property, Plant & Equipment	5,605	29,922	-	-
Interest Received	318,056	668,499	486	38,933
<b>Net Cash Flow Used in Investing Activities</b>	<b>108,243</b>	<b>(1,234,514)</b>	<b>(598,404)</b>	<b>129,598</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Repayment of short term borrowings to subsidiaries	-	-	(2,000)	-
Loans and borrowings Received	581,295	3,220,257	-	639,000
Repayments of loan and borrowings	(357,309)	(1,237,745)	-	-
Receipt of deferred Income	33,826	51,280	-	-
Dividends paid	-	-	-	-
Dividend paid by subsidiaries to minority share holders	(442,978)	(94,234)	-	-
<b>Net Cash Flow from Financing Activities</b>	<b>(185,165)</b>	1,939,558	<b>(2,000)</b>	639,000
<b>Net Increase/Decrease in Cash &amp; Cash Equivalent during the period</b>	<b>5,103,867</b>	2,575,739	<b>1,553,023</b>	475,249
<b>Cash &amp; Cash Equivalents</b>				
At the beginning of the year	(21,855,406)	(24,924,424)	(10,197,883)	(16,427,302)
Net movement during the period	5,103,867	2,575,739	1,553,023	475,249
<b>At the end of the year (Note A)</b>	<b>(16,751,539)</b>	<b>(22,348,685)</b>	<b>(8,644,860)</b>	<b>(15,952,053)</b>
<b>Note A-Cash and Equivalents are as follows</b>				
Short Term Deposits	833,115	769,077	-	-
Cash in Hand & Bank	7,631,609	8,677,544	18,264	44,221
Cash in transit	128,384	139,342	-	-
Bank overdrafts and other short term borrowings	(25,344,646)	(31,934,648)	(8,663,120)	(15,996,274)
	<b>(16,751,539)</b>	<b>(22,348,685)</b>	<b>(8,644,860)</b>	<b>(15,952,053)</b>

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

**SEGMENTAL INFORMATION**

*For the 3 months ended 30th June,*

**(a) Revenue**

Beverages

Plantations

Telecommunications

Financial services

Diversified

**Total revenue**

**(b) Industry Segment Profit**

Beverages

Plantations

Telecommunications

Financial services

Diversified

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

**Net Profit Before Tax**

Taxation

**Net Profit After Tax**

**GROUP**

	<b>2020</b>	2019
	<b>Rs.'000</b>	Rs.'000
	<b>15,522,722</b>	21,519,316
	<b>1,061,810</b>	1,018,525
	<b>822,706</b>	708,094
	<b>1,313,858</b>	1,428,651
	<b>5,882,837</b>	12,896,629
	<b>24,603,934</b>	37,571,215
	<b>1,844,193</b>	2,945,796
	<b>(29,444)</b>	(116,134)
	<b>(200,369)</b>	(372,739)
	<b>156,164</b>	110,562
	<b>(3,046,791)</b>	68,348
	<b>(1,276,247)</b>	2,635,834
	<b>129,847</b>	113,771
	<b>(1,146,400)</b>	2,749,605
	<b>(973,375)</b>	(1,551,791)
	<b>(2,119,774)</b>	1,197,814



**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 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.

**5 Non Financial Information**

		<b>30-Jun-2020</b>	<b>30Jun-2019</b>	<b>31-Mar-2020</b>
Net Assets Value per Share	- Group (Rs)	64.48	66.90	71.65
	- Company (Rs)	77.94	76.19	82.28
Market Price per Share	- Last Traded Rs)	31.00	41.90	36.00
	- Highest (Rs)	32.00	43.50	50.30
	- Lowest (Rs)	16.00	36.00	36.00

**6** 1,165,398,072 ordinary shares represent the Stated Capital , 1,000 shares of which are Non-Voting.

**7 Earnings per Share**

The Number of shares (1,165,398,072) held as at 30 June 2020 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 2019.

**9 Events occurring after the reporting period**

Subsequent to the reporting period, no circumstances have arisen which would require adjustment to or disclosure in the financial statements.

Top 20 Shareholders – 30 June 2020

Rank	Name	No of shares	%
1	MILFORD EXPORTS (CEYLON) (PVT) LIMITED	498,819,000	42.802
2	MR. M.A. YASEEN	167,012,745	14.331
3	LANKA MILK FOODS (CWE) LIMITED	151,846,000	13.030
4	BNYMSANV RE-NEON LIBERTY LORIKEET MASTER FUND LP	63,895,700	5.483
5	COMMERCIAL BANK OF CEYLON PLC/L.E.M.YASEEN	52,200,000	4.479
6	MRS. L.E.M. YASEEN	25,343,109	2.175
7	COMMERCIAL BANK OF CEYLON PLC/M.A.YASEEN	16,000,000	1.373
8	LAHUGALA PLANTATION (PRIVATE) LIMITED	14,782,240	1.268
9	MRS. S.M. CHRYSOSTOM	11,390,000	0.977
10	STASSEN EXPORTS (PVT) LIMITED	8,746,800	0.751
11	MR. D.H.S. JAYAWARDENA	7,531,332	0.646
12	SSBT-PARAMETRIC TAX-MANAGED EMERGING MARKETS FUND	6,203,001	0.532
13	BNYMSANV RE-NEON LIBERTY EMERGING MARKETS FUND LP	6,021,000	0.517
14	CITIBANK NEWYORK S/A NORGES BANK ACCOUNT 2	5,932,697	0.509
15	BNYM RE-CONSILIUM FRONTIER EQUITY FUNDLP.	5,724,010	0.491
16	MCSSEN RANGE PRIVATE LIMITED	5,459,864	0.468
17	MORGAN STANLEY AND CO.LLC-RWC FRONTIER MARKETS EQUITY MASTER FUND	5,291,565	0.454
18	CEYLON INVESTMENT PLC A/C # 02	4,980,244	0.427
19	SSBT-FRANK RUSSELL INVESTMENT COMPANY EMERGING MARKETS FUND-CHE7	4,787,216	0.411
20	MELLON BANK N.A.-UPS GROUP TRUST	4,680,000	0.402
		1,066,646,523	91.526
	OTHERS	98,750,549	8.474
	TOTAL	1,165,397,072	100.000

Percentage of Shares held by the public 42.77%  
Total No. of share holders who hold the public holding 10,774

**Float Adjusted Market Capitalization**

The Public Holding of the Company as at 30 June 2020 was **42.77 %** comprising of **10,774** shareholders and the Float adjusted Market Capitalization of **Rs.15,452,072,140/-**. 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 June 2020**

	No of Shares	%
Mr. D. H. S. Jayawardena	Nil	Nil
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**

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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.melsta.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