

MELSTACORP PLC



INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED

30th JUNE 2025

MELSTACORP PLC
STATEMENTS OF COMPREHENSIVE INCOME

		GROUP			COMPANY		
Rs. '000s		Unaudited 2025 Rs. '000	Unaudited 2024 Rs. '000	Variance %	Unaudited 2025 Rs. '000	Unaudited 2024 Rs. '000	Variance %
<i>For the three months ended 30th June,</i>	Note						
<u>Continuing operations</u>							
Revenue		62,514,345	56,901,921	9.86	56,031	45,918	22.02
Excise duty		(25,483,360)	(20,663,474)	23.33	-	-	-
Cost of sales and net benefits paid		(18,910,435)	(19,221,098)	(1.62)	(1,216)	(1,779)	(31.66)
Gross Profit		18,120,550	17,017,349	6.48	54,815	44,139	24.19
Other Operating Income		866,836	756,569	14.57	473,347	3,294,132	(85.63)
Selling and distribution expenses		(1,535,397)	(1,371,948)	11.91	-	-	-
Administrative Expenses		(7,672,523)	(7,625,900)	0.61	(93,729)	(84,704)	10.65
Other Operating Expenses		(22,154)	(50,118)	(55.80)	-	-	-
Profit from Operations		9,757,312	8,725,952	11.82	434,434	3,253,567	(86.65)
Finance Income		1,236,326	1,353,768	(8.68)	268,349	288,833	(7.09)
Finance Cost		(1,939,587)	(2,523,287)	(23.13)	(108,077)	(126,396)	(14.49)
Net Finance Income/(cost)		(703,261)	(1,169,519)	(39.87)	160,272	162,437	(1.33)
Share of Profit of Equity-Accounted Investees (Net of Tax)	11	540,347	268,804	101.02	-	-	-
Profit before Tax for the period		9,594,397	7,825,237	22.61	594,706	3,416,004	(82.59)
Income Tax		(4,235,125)	(4,027,082)	5.17	(60,749)	(48,663)	24.84
Profit after tax from continuing operations for the period		5,359,272	3,798,156	41.10	533,957	3,367,341	(84.14)
<u>Discontinued Operations</u>							
Profit/ (loss) from discontinued operations (Net of Tax)	12	192,526	(109,746)	(275.43)	-	-	-
Profit for the year		5,551,798	3,688,409	50.52	533,957	3,367,341	(84.14)
Other comprehensive income							
Items that will never be reclassified to profit or loss							
Equity investments at FVOCI – net change in fair value		6,520,362	2,396,247	172.11	6,067,127	2,022,848	199.93
		6,520,362	2,396,247	172.11	6,067,127	2,022,848	199.93
Items that are or may be reclassified to profit or loss							
Exchange Difference on translation of foreign operations		577,465	682,591	15.40	-	-	-
Net movement on Cash flow Hedges		(544,433)	115,572	(571.08)	-	-	-
Share of other comprehensive income of equity accounted investees		141,494	110,075	(28.54)	-	-	-
		174,526	908,238	(80.78)	-	-	-
Total other comprehensive income for the period		6,694,888	3,304,485	102.60	6,067,127	2,022,848	199.93
Total comprehensive income for the period		12,246,686	6,992,895	75.13	6,601,084	5,390,189	22.46
Profit Attributable to:							
Equity Holders of the Parent		5,237,225	3,730,367	40.39	533,957	3,367,341	(84.14)
Non Controlling Interest		314,574	(41,957)	849.74	-	-	-
Profit after tax from continuing operations for the period		5,551,798	3,688,409	50.52	533,957	3,367,341	(84.14)
Total Comprehensive Income Attributable to:							
Equity Holders of the Parent		11,876,730	6,441,574	84.38	6,601,084	5,390,189	22.46
Non Controlling Interest		369,955	551,320	(32.90)	-	-	-
Total comprehensive income for the period		12,246,686	6,992,895	75.13	6,601,084	5,390,189	22.46
Earnings per Share (Rs.)							
Basic Earnings per Share		4.49	3.20	40.39	0.46	2.89	(84.14)

Comparative information has been re-presented to reflect the classification of discontinued operations as disclosed in Note No.12 to these Financial Statements.

MELSTACORP PLC
STATEMENTS OF FINANCIAL POSITION

	GROUP		COMPANY	
	Unaudited	Unaudited	Unaudited	Unaudited
	30-Jun-2025	31-Mar-2025	30-Jun-2025	31-Mar-2025
	Rs. '000s	Rs. '000s	Rs. '000s	Rs. '000s
<i>As at,</i>				
Non-Current Assets				
Property, plant and equipment	147,622,627	147,918,574	11,936	10,933
Intangible assets	6,333,968	6,346,543	2,517	1,528
Investment property	9,292,923	9,082,309	7,998,391	7,790,986
Biological assets	11,793,505	11,596,526	-	-
Right-of-use assets	18,230,376	16,172,772	5,477	7,303
Investments in subsidiaries	-	-	63,964,296	63,964,296
Investment in equity accounted investees	11,157,644	10,928,868	-	-
Deferred tax asset	3,220,508	3,285,471	10,722	8,530
Other non current financial investments	63,718,204	57,720,184	53,136,777	47,069,048
	271,369,755	263,051,248	125,130,116	118,852,625
Currents Assets				
Inventories	15,694,818	14,191,704	913	918
Produce on bearer biological assets	33,231	14,159	-	-
Trade and other receivables	36,115,261	44,883,046	505,299	260,388
Amounts due from related companies	530,944	519,619	671,938	526,254
Other current financial investments	28,767,662	28,794,571	5,160,122	5,085,746
Other current assets	9,284	9,284	-	-
Cash and cash equivalents	27,200,849	21,880,704	3,005	4,503
	108,352,049	110,293,087	6,341,276	5,877,810
Assets held for Sale	922,243	918,681	-	-
Total assets	380,644,047	374,263,015	131,471,392	124,730,435
EQUITY AND LIABILITIES				
Share capital and reserves				
Stated Capital	70,000,000	70,000,000	70,000,000	70,000,000
Reserves	77,128,508	70,371,915	36,971,670	30,904,543
Retained earnings/(Losses)	(2,654,137)	(7,526,599)	16,638,429	16,104,471
Equity attributable to owners of the Company	144,474,371	132,845,317	123,610,099	117,009,014
Non controlling interest	62,797,315	62,248,223	-	-
Total equity	207,271,686	195,093,540	123,610,099	117,009,014
Non-Current Liabilities				
Interest bearing loans and borrowings	36,053,079	35,388,391	-	-
Lease liabilities	14,923,617	12,523,346	-	-
Retirement benefit obligations	5,119,639	5,038,072	29,134	26,912
Deferred tax liabilities	23,170,667	23,162,460	1,377,331	1,372,541
Other liabilities	386,223	407,552	-	-
	79,653,225	76,519,820	1,406,465	1,399,453
Current Liabilities				
Trade and other payables	44,898,440	53,179,314	418,290	405,885
Other liabilities	11,335	1,040	-	-
Amount due to related companies	2,893,732	2,453,899	603,285	618,095
Income tax payable	5,323,310	5,472,260	206,672	172,958
Interest bearing loans and borrowings	11,755,166	12,380,278	-	-
Lease liabilities	1,453,479	1,831,331	6,622	8,828
Bank overdrafts and other short term borrowings	27,383,674	27,331,532	5,219,959	5,116,202
	93,719,135	102,649,655	6,454,828	6,321,968
Total liabilities	173,372,361	179,169,475	7,861,293	7,721,421
Total Equity and Liabilities	380,644,047	374,263,015	131,471,392	124,730,435
Net Assets per Share (Rs.)	123.97	113.99	106.07	100.40

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/-
Prasanna Pinto
Group Financial Controller

The Directors are responsible for the preparation and presentation of these Financial Statements.
Signed for and on behalf of the board.

sgd/-
D. Hasitha S. Jayawardena
Chairman

sgd/-
M.A.N.S.Perera
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	Fair Value reserve	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	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 1st April 2024	70,000,000	18,380,963	19,112,137	20,491	4,732,351	5,547,659	3,351,210	9,072,958	(624,044)	(15,362,297)	114,231,427	59,879,836	174,111,262
Total Comprehensive Income for the Period													
Profit after tax for the year	-									3,730,367	3,730,367	(41,957)	3,688,409
Other Comprehensive Income													
Equity investments at FVOCI – net change in fair value	-	-	-	-	-	-	-	2,369,070	-	-	2,369,070	27,178	2,396,247
Defined Benefit Plan Actuarial Gains (Losses) (Net Of Tax)										-	-		-
Revaluation of property, plant and equipment										-	-		-
Share of other comprehensive income of equity-accounted	-	-	-	-	-	56,505	-	-	-	-	56,505	53,570	110,075
Net movement on Cash flow Hedges	-	-	-	-	-	-	-	-	26,516	-	26,516	89,056	115,572
Exchange difference on translation of foreign operations	-	-	-	-	-	259,118	-	-	-	-	259,118	423,474	682,591
Income tax on other comprehensive income										-	-		-
Total Other Comprehensive Income for the period	-	-	-	-	-	315,623	-	2,369,070	26,516	-	2,711,208	593,278	3,304,485
Total Comprehensive Income for the period	-	-	-	-	-	315,623	-	2,369,070	26,516	3,730,367	6,441,574	551,320	6,992,895
Transactions with owners directly recorded in the Equity													
Dividends paid to Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	(395,611)	(395,611)
Share of Net Assets of Equity-Accounted Investees (Net of Tax)											-		-
Acquisition of Non Controlling Interest Chnages in % Holding of Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	8,120	8,120
Dividends Paid During the Period	-	-	-	-	-	-	-	-	-	(2,330,794)	(2,330,794)	-	(2,330,794)
Acquisition of Subsidiaries											-		-
Transferred From/To Retained Earnings	-	-	-	-	-	-	78,109	-	-	(78,109)	-	-	-
Total Contributions by and Distributions to Owners	-	-	-	-	-	-	78,109	-	-	(2,408,903)	(2,330,794)	(387,491)	(2,718,285)
Balance as at 30th June 2024	70,000,000	18,380,963	19,112,137	20,491	4,732,351	5,863,282	3,429,319	11,442,027	(597,529)	(14,040,834)	118,342,207	60,043,665	178,385,872

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	Timber	Fair Value	Cash Flow	Retained	Total		
	capital	reserve	reserve	fund	reserve	fluctuation	reserve	reserve	Hedge Reserve	Earnings/ (Losses)			
	<u>Rs.'000</u>	<u>Rs.'000</u>	<u>Rs.'000</u>	<u>Rs.'000</u>	<u>Rs.'000</u>	<u>Rs.'000</u>	<u>Rs.'000</u>	<u>Rs.'000</u>	<u>Rs.'000</u>	<u>Rs.'000</u>	<u>Rs.'000</u>	<u>Rs.'000</u>	<u>Rs.'000</u>
Balance as at 1st April 2025	70,000,000	19,413,540	19,112,137	20,491	4,693,379	5,206,513	3,845,629	18,548,431	(468,202)	(7,526,604)	132,845,314	62,248,221	195,093,535
Total Comprehensive Income for the Period													
Profit after tax for the year	-	-	-	-	-	-	-	-	-	5,237,225	5,237,225	314,573	5,551,798
Other Comprehensive Income													
Net Change in Fair Value of FVTOCI Investments	-	-	-	-	-	-	-	6,487,387	-	-	6,487,387	32,975	6,520,362
Defined Benefit Plan Actuarial Gains (Losses) (Net Of Tax)	-	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation of property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange Difference on translation of foreign operations	-	-	-	-	-	204,393	-	-	-	-	204,393	373,072	577,465
Net movement on Cash flow Hedges	-	-	-	-	-	-	-	-	(124,908)	-	(124,908)	(419,525)	(544,433)
Share of Other Comprehensive Income of Equity-Accounted Investees (Net of Tax)	-	-	-	-	-	72,633	-	-	-	-	72,633	68,861	141,494
Income Tax on Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Comprehensive Income for the period	-	-	-	-	-	277,026	-	6,487,387	(124,908)	-	6,639,505	55,382	6,694,888
Total Comprehensive Income for the period	-	-	-	-	-	277,026	-	6,487,387	(124,908)	5,237,225	11,876,730	369,954	12,246,685
Transactions with owners directly recorded in the Equity													
Dividends paid to Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	(68,540)	(68,540)
Share of Net Assets of Equity Accounted Investees	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition of Non Controlling Interest and Changes in % Holding of Subsidiaries	-	-	-	-	-	-	-	-	-	(247,677)	(247,677)	247,677	-
Dividends paid/declared	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred From/To Retained Earnings	-	-	-	-	-	-	117,086	-	-	(117,086)	-	-	-
Direct costs on shares issued by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Contributions by and Distributions to Owners	-	-	-	-	-	-	117,086	-	-	(364,763)	(247,677)	179,137	(68,540)
Balance as at 30th June 2025	70,000,000	19,413,540	19,112,137	20,491	4,693,379	5,483,539	3,962,715	25,035,819	(593,111)	(2,654,137)	144,474,371	62,797,315	207,271,686

MELSTACORP PLC
STATEMENTS OF CHANGES IN EQUITY

COMPANY	Stated capital Rs.'000	Revaluation reserve Rs.'000	Capital reserve Rs.'000	Fair Value reserve Rs.'000	Retained earnings/(losses) Rs.'000	Total Rs.'000
Balance as at 1st April 2024	70,000,000	109,382	19,100,000	3,924,913	14,023,909	107,158,203
Profit after tax for the year	-	-	-	-	3,367,341	3,367,341
Other Comprehensive Income						-
Equity investments at FVOCI – net change in fair value	-	-	-	2,022,848	-	2,022,848
Actuarial Gain/(Losses) on retirement benefit obligations					-	-
Income tax on other comprehensive income					-	-
Total Other Comprehensive Income for the period	-	-	-	2,022,848	-	2,022,848
Total Comprehensive Income for the period	-	-	-	2,022,848	3,367,341	5,390,189
Transactions with Owners of the Company directly recognized into Equity						
Dividend paid	-	-	-	-	(2,330,794)	(2,330,794)
Transactions with Owners of the Company directly recognized into Equity	-	-	-	-	(2,330,794)	(2,330,794)
Balance as at 30th June 2024	70,000,000	109,382	19,100,000	5,947,761	15,060,456	110,217,598
Balance as at 1st April 2025	70,000,000	109,382	19,100,000	11,695,161	16,104,472	117,009,015
Profit after tax for the year	-	-	-	-	533,957	533,957
Other Comprehensive Income						-
Equity investments at FVOCI – net change in fair value	-	-	-	6,067,127	-	6,067,127
Actuarial Gain/(Losses) on retirement benefit obligations					-	-
Income tax on other comprehensive income	-	-	-	-	-	-
Total Other Comprehensive Income for the period	-	-	-	6,067,127	-	6,067,127
Total Comprehensive Income for the period	-	-	-	6,067,127	533,957	6,601,084
Transactions with Owners of the Company directly recognized into Equity						
Dividend paid	-	-	-	-	-	-
Transactions with Owners of the Company directly recognized into Equity	-	-	-	-	-	-
Balance as at 30th June 2025	70,000,000	109,382	19,100,000	17,762,288	16,638,429	123,610,099

MELSTACORP PLC
STATEMENTS OF CASH FLOWS

For the three months ended 30th June,

CASH FLOW FROM OPERATING ACTIVITIES

Profit before taxation from continuing operations
Profit before taxation from discontinued operations
Profit before tax

Adjustment for

Depreciation and amortization of PPE, Biological assets, ROU Assets and intangible assets
Provision for gratuity
Interest Expenses
Interest income
Dividend income
(Gain) / loss on Disposal/Retire of Property, Plant and Equipment and biological assets
Share of profit of equity-accounted investees (net of tax)
(Gain)/ Loss on disposal of other financial investments
Impairment of property Plant and Equipment, biological assets and Intangible Assets
Amortization of Deferred Grants and Subsidies
(Gain) / loss on Change in Fair Value of Biological Assets
(Gain)/loss on change in fair value of financial assets at fair value through profit or loss

Operating Profit before Working Capital Changes

(Increase)/Decrease in Inventories
(Increase)/Decrease in Receivables
(Increase)/Decrease in Related Party Receivable and Payable
Increase/(Decrease) in Payables

Cash Generated from Operations

Dividend Received
Interest Paid
Income Tax and surcharge tax Paid
Retiring Gratuity Paid

Net Cash Flow from Operating Activities

CASH FLOW FROM INVESTING ACTIVITIES

Acquisition of/ Investment in equity accounted investees/Joint ventures
Dividends received from equity accounted investees
Proceeds from settlement of Loans given to Related Companies

Net of Acquisition of Non Controlling Interest and proceeds from disposal of shares in subsidiaries

Net proceed from disposal/(Acquisition)of Other Investments
Acquisition of Property, Plant & Equipment, Investment Property and intangible assets
Acquisition of intangible assets
Acquisition of Investment properties
Additions of Mature and Immature Plantations net of sale of timber
Loans disbursed to Subsidiaries and Associates
Proceeds on Disposal of Property, Plant & Equipment
Interest Received

Net Cash Flow Used in Investing Activities

CASH FLOW FROM FINANCING ACTIVITIES

Net Advances received from/(repaid to) equity accounted investees/ Subsidiaries
Loans and borrowings Received
Repayments of loan Borrowings and payments to Lessor on Lease Rights
Payment to Lessor on Lease Rights
Dividend paid by subsidiaries to minority share holders

Net Cash Flow from Financing Activities

Net Increase/Decrease in Cash & Cash Equivalent during the year

Cash & Cash Equivalents

At the beginning of the year
Effect of movements in exchange rates
Net movement during the period

At the end of the year (Note A)

Note A-Cash and Equivalents are as follows

Short Term Deposits
Cash in Hand & Bank
Cash in transit
Bank overdrafts and other short term borrowings

	GROUP		COMPANY	
	Unaudited 2025 Rs. '000	Audited 2024 Rs. '000	Unaudited 2025 Rs. '000	Audited 2024 Rs. '000
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before taxation from continuing operations	9,594,397	7,715,491	594,706	3,416,004
Profit before taxation from discontinued operations	192,526	-	-	-
Profit before tax	9,786,923	7,715,491	594,706	3,416,004
Adjustment for				
Depreciation and amortization of PPE, Biological assets, ROU Assets and intangible assets	2,472,020	2,562,337	2,658	2,639
Provision for gratuity	217,301	372,505	2,222	1,747
Interest Expenses	1,758,972	2,224,723	108,077	127,706
Interest income	(753,004)	(715,238)	(252,435)	(288,833)
Dividend income	(480,688)	(310,871)	(473,347)	(3,260,656)
(Gain) / loss on Disposal/Retire of Property, Plant and Equipment and biological assets	(289,868)	175	-	-
Share of profit of equity-accounted investees (net of tax)	(540,347)	(268,804)	-	-
(Gain)/ Loss on disposal of other financial investments	(44,290)	(1,333)	-	-
Impairment of property Plant and Equipment, biological assets and Intangible Assets	19,434	19,520	-	-
Amortization of Deferred Grants and Subsidies	(4,297)	(3,250)	-	-
(Gain) / loss on Change in Fair Value of Biological Assets	(178,372)	(146,734)	-	-
(Gain)/loss on change in fair value of financial assets at fair value through profit or loss	(44,290)	(8,331)	(15,914)	(1,310)
Operating Profit before Working Capital Changes	11,963,784	11,440,189	(34,033)	(2,703)
(Increase)/Decrease in Inventories	(1,522,185)	1,469,466	-	2
(Increase)/Decrease in Receivables	8,830,358	2,874,828	(254,369)	(5,826)
(Increase)/Decrease in Related Party Receivable and Payable	428,507	66,000	(42,331)	14,549
Increase/(Decrease) in Payables	(8,280,874)	(5,722,423)	17,199	(464,152)
Cash Generated from Operations	11,419,590	10,128,060	(313,534)	(458,130)
Dividend Received	480,688	310,871	473,347	759,620
Interest Paid	(1,272,285)	(2,198,662)	(94,145)	(111,784)
Income Tax and surcharge tax Paid	(4,310,906)	(4,374,542)	(27,034)	(130,644)
Retiring Gratuity Paid	(128,397)	(322,464)	-	-
Net Cash Flow from Operating Activities	6,188,690	3,543,263	38,634	59,062
CASH FLOW FROM INVESTING ACTIVITIES				
Acquisition of/ Investment in equity accounted investees/Joint ventures	-	(15,294)	-	-
Dividends received from equity accounted investees	453,065	604,135	-	-
Proceeds from settlement of Loans given to Related Companies	-	-	113,720	-
Net of Acquisition of Non Controlling Interest and proceeds from disposal of shares in subsidiaries	-	8,120	-	-
Net proceed from disposal/(Acquisition)of Other Investments	593,542.12	2,671,415	-	-
Acquisition of Property, Plant & Equipment, Investment Property and intangible assets	(1,012,457)	(806,352)	(203,355)	(627)
Acquisition of intangible assets	(12,611)	-	-	-
Acquisition of Investment properties	(211,643)	-	-	-
Additions of Mature and Immature Plantations net of sale of timber	(45,477)	(44,283)	-	-
Loans disbursed to Subsidiaries and Associates	-	-	(51,914)	(173,697)
Proceeds on Disposal of Property, Plant & Equipment	346,553	4,796	-	-
Interest Received	753,004	715,238	13	238,046
Net Cash Flow Used in Investing Activities	863,976	3,137,775	(141,536)	63,722
CASH FLOW FROM FINANCING ACTIVITIES				
Net Advances received from/(repaid to) equity accounted investees/ Subsidiaries	(6,737)	(26,781)	-	-
Loans and borrowings Received	1,538,772	734,165	-	-
Repayments of loan Borrowings and payments to Lessor on Lease Rights	(2,659,068)	(2,906,397)	(2,353)	(2,914)
Payment to Lessor on Lease Rights	(682,603)	-	-	-
Dividend paid by subsidiaries to minority share holders	(68,540)	(395,611)	-	-
Net Cash Flow from Financing Activities	(1,878,176)	(2,594,623)	(2,353)	(2,914)
Net Increase/Decrease in Cash & Cash Equivalent during the year	5,174,490	4,086,415	(105,255)	119,870
Cash & Cash Equivalents				
At the beginning of the year	(5,450,828)	(14,450,297)	(5,111,699)	(4,888,070)
Effect of movements in exchange rates	93,512	226,729	-	-
Net movement during the period	5,174,490	4,086,415	(105,255)	119,870
At the end of the year (Note A)	(182,825)	(10,137,154)	(5,216,954)	(4,768,200)
Note A-Cash and Equivalents are as follows				
Short Term Deposits	13,134,166	6,889,706	-	-
Cash in Hand & Bank	13,837,793	12,096,340	3,005	37,533
Cash in transit	228,890	146,093	-	-
Bank overdrafts and other short term borrowings	(27,383,674)	(29,269,293)	(5,219,959)	(4,805,734)
	(182,825)	(10,137,154)	(5,216,954)	(4,768,200)

MELSTACORP PLC
NOTES TO THE FINANCIAL STATEMENTS

SEGMENTAL INFORMATION

For the three months ended 30th June,

(a) Revenue

	GROUP	
	2025	2024
	Rs.'000	Rs.'000
Beverages	38,387,546	33,244,801
Plantation	1,910,107	2,185,652
Tourism	12,654,395	11,789,700
Maritime, Freight & Logistics	3,539,323	3,648,948
Strategic Investment	2,179,768	2,712,627
Services	926,905	652,306
Financial Services	2,916,301	2,667,888
Gross revenue from continuing operations	62,514,345	56,901,921

(b) Industry Segment Profit

Beverages	8,024,555	6,618,642
Plantation	390,815	506,776
Tourism	(501,792)	(1,292,640)
Maritime, Freight & Logistics	1,068,512	993,708
Strategic Investment	142,113	673,863
Services	362,010	(16,588)
Financial Services	108,185	341,476
Profit Before Tax from continuing operations	9,594,397	7,825,237
Taxation	(4,235,125)	(4,027,082)
Profit After Tax from continuing operations	5,359,272	3,798,156
Profit/ (loss) from discontinued operations (Net of Tax)	192,526	(109,746)
Profit for the year	5,551,798	3,688,409

(Note-12)

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 settled the profits made by SLIC to MHL.

4 Impact of Revival of Underperforming Enterprises and Underutilized Assets Act – Pelwatte Sugar Industries PLC Group (PSIP)

Consequent to the enactment and passage of the above Act of Parliament on 9 November 2011, the state officials are occupying the land leased to PSIP 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

		Quarter ended		
		30-Jun-2025	30-Jun-24	31-Mar-2025
Net Assets Value per Share	- Group (Rs)	123.97	101.55	113.99
	- Company (Rs)	106.07	94.58	100.40
Market Price per Share	- Last Traded Rs)	146.50	85.00	127.00
	- Highest (Rs)	149.00	93.70	143.00
	- Lowest (Rs)	117.50	84.90	118.00

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

7 Earnings per Share

The number of shares (1,165,397,072) held as at 30th June 2025 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 2024 except the items disclosed below.

(a) Tax Disputes Relating to Share Buyback Transactions – Periceyl (Pvt) Ltd

The Group is contesting two further tax assessments issued by the Commissioner General of Inland Revenue (CGIR) concerning share repurchase transactions carried out by Periceyl (Pvt) Ltd, a wholly owned subsidiary of Melstacorp PLC.

(i) Year of Assessment 2016/2017

The total assessed amount is Rs.886.14 million, comprising dividend tax of Rs. 590.76 million and a penalty of Rs. 295.38 million. In July 2016, Periceyl (Pvt) Ltd repurchased 38,500 shares from Melstacorp PLC for Rs. 2.5 billion. The Commissioner General of Inland Revenue (CGIR) has challenged this transaction, treating it as a distribution of retained earnings subject to dividend tax.

The company appealed the assessment to the Tax Appeals Commission (TAC) on 25 November 2024 and has submitted a bank guarantee of Rs. 221.54 million on 31st January 2025. The matter is currently under hearing, with the next session scheduled for 09th June 2025.

The company has obtained legal and tax advice on the matter and, based on this advice, has not made any provision for the assessed amount in these financial statements.

(ii) Year of Assessment 2018/2019

The total assessed amount is Rs.125.95 million, comprising dividend tax of Rs. 66.64 million, interest and penalty thereon, Rs. 59.31 million. In March 2018, Periceyl (Pvt) Ltd repurchased 140 million shares from Melstacorp PLC for Rs.546 million. The Commissioner General of Inland Revenue (CGIR) has challenged this transaction, treating it as a distribution of retained earnings subject to dividend tax (WHT).

The matter was initially heard by the Tax Appeals Commission (TAC) and is currently under appeal before the Court of Appeal.

The company has obtained legal and tax advice on the matter and, based on this advice, has not made any provision for the assessed amount in these financial statements.

9 Fair value measurement and related fair value disclosures

As at reporting date there were no significant differences in the comparison made between fair value and carrying value of financial assets and liabilities, from what was disclosed in the annual report for the year ending 31st March 2024. 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 2024.

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 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.

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

For the three months ended 30th June,

	2025	2024
	<u>Rs.000</u>	<u>Rs.000</u>
Share of Profit of Continuing Joint ventures and associates	540,347	332,165
Share of Profit of Joint venture disposed during the years	(a) -	(63,361)
Total Share of Profit of Equity-Accounted Investees (Net of Tax) from Joint ventures and Associates	540,347	268,804

(a) Disposal of Joint Ventures - Melsta GAMA (Pvt) Ltd

The Group disposed of its investment in Melsta GAMA (Pvt) Ltd—a cement importing, packaging, and distribution project located at the Colombo Port—for a total consideration of Rs. 650 million, effective 31 October 2024.

12 Discontinued Operations

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

Results of discontinued operations

For the year ended 31st March,

	2025	2024
	<u>Rs. '000</u>	<u>Rs. '000</u>
Revenue	34,194	203,263
Cost of sales and net benefits paid	(14,341)	(194,430)
Gross Profit	19,854	8,834
Other Operating Income	281,829	5,368
Selling and distribution expenses	-	807
Administrative Expenses	(12,400)	(30,940)
Other Operating Expenses	(56,699)	(56,260)
Results from Operating activities	232,583	(72,192)
Finance Income	76	0
Finance Cost	(40,134)	(37,555)
Net Finance Income/(cost)	(40,058)	(37,555)
Results from Operating activities	192,526	(109,746)
Income Tax	(0)	-
Results from Operating activities (net of tax)	192,526	(109,746)
Gain on disposal of discontinued operations	-	-
Income tax on gain on disposal of discontinued operations	-	-
Loss from continued operations (Net of Tax)	192,526	(109,746)

Top 25 Shareholders – 30 June 2025

ROW NO	NAME	SHAREHOLDING	%
1	MILFORD EXPORTS (CEYLON) (PVT) LIMITED	498,819,000	42.80
2	LANKA MILK FOODS (CWE) LIMITED	151,846,000	13.03
3	MR. M.A. YASEEN	148,794,980	12.77
4	MRS. L.E.M. YASEEN	80,258,788	6.89
5	COMMERCIAL BANK OF CEYLON PLC/M.A.YASEEN	39,000,000	3.35
6	MRS. R.R. TAKAHASHI	31,100,000	2.67
7	COMMERCIAL BANK OF CEYLON PLC/L.E.M.YASEEN	25,000,000	2.15
8	MR. D.HASITHA.S. JAYAWARDENA	20,545,532	1.76
9	MRS. P.M.P.G.N. PRIYADARSHANI	17,448,213	1.50
10	MRS. S.M. CHRYSOSTOM	11,390,000	0.98
11	CITIBANK NEWYORK S/A NORGES BANK ACCOUNT 2	10,561,629	0.91
12	STASSEN EXPORTS (PVT) LIMITED	8,746,800	0.75
13	MR. L.E. BADER	7,463,747	0.64
14	SEYLAN BANK PLC/ARRC CAPITAL (PVT) LTD	6,089,712	0.52
15	RUBICOND ENTERPRISES LIMITED	5,943,859	0.51
16	MCSEN RANGE PRIVATE LIMITED	5,459,864	0.47
17	BBH-REDWHEEL FRONTIER MARKETS EQUITY MASTER FUND LIMITED	4,937,755	0.42
18	HATTON NATIONAL BANK PLC-SENFIN GROWTH FUND	2,944,742	0.25
19	UNION ASSURANCE PLC-UNIVERSAL LIFE FUND	2,230,078	0.19
20	DEUTSCHE BANK AG TRUSTEE TO LYNEAR WEALTH DYNAMIC OPPORTUNITIES FUND	1,915,219	0.16
21	RENUKA HOTELS PLC	1,800,000	0.15
22	EST.OF LAT M.J. FERNANDO	1,603,308	0.14
23	MELLON BANK N.A-ACADIAN FRONTIER MARKETS EQUITY FUND	1,431,838	0.12
24	DEUTSCHE BANK AG AS TRUSTEE FOR JB VANTAGE VALUE EQUITY FUND	1,346,503	0.12
25	HATTON NATIONAL BANK PLC A/C NO 3 -EMPLOYEES RETIREMENT & PENSION FUND	1,200,000	0.10
26	MR. M.V. THEAGARAJAH & MRS. L.THEAGARAJAH	1,200,000	0.10
	SUB TOTAL	1,089,077,567	93.45
	OTHERS	76,319,505	6.55
	TOTAL	1,165,397,072	100.00

Percentage of Shares held by the public

41.65%

Total No. of share holders who hold the public holding

12,414

Float Adjusted Market Capitalization

The Public Holding of the Company as of 30th June 2025 was **41.65%** comprising of **12,414** shareholders and the Float adjusted Market Capitalization of **Rs.71,108,812,109.50**. 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' Shareholdings as at 30 June 2025

	No of Shares	%
Mr. D. Hasitha S. Jayawardena	20,545,532	1.76%
Mr. C. R. Jansz	-	-
Mr.M.A.N.S Perera	-	-
Mr. N. De S. Deva Aditya	-	-
Mr. K. J. Kahanda	-	-
Dr. A. N. Balasuriya (Resigned w.e.f 01/10/2024)	-	-
Mr.L.U.D.Fernando *	-	-
Ms.D.S.T. Jayawardena	38,600	0.003%
Mr.Reyaz Mihular	-	-
Dr.R.A. Fernando (Appointed w.e.f 12/02/2024)	-	-
Mr.A. Goonesekere (Appointed w.e.f 01/10/2024)	-	-
Mr. L. H. A. Lakshman Silva (Appointed w.e.f 01/10/2024)	8,000	0.001%

* Mr.L.U.D. Fernando held 200 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. Hasitha S. Jayawardena

Mr. C. R. Jansz

Mr.M.A.N.S Perera

Mr. N. De S. Deva Aditya

Mr. K. J. Kahanda

Dr. A. N. Balasuriya (Resigned w.e.f 01/10/2024)

Ms.D.S.T. Jayawardena

Mr.L.U.D.Fernando

Mr.Reyaz Mihular

Dr.R.A. Fernando (Appointed w.e.f 12/02/2024)

Mr.A. Goonesekere (Appointed w.e.f 01/10/2024)

Mr. L. H. A. Lakshman Silva (Appointed w.e.f 01/10/2024)

COMPANY SECRETARY

Messrs. Corporate 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