

MELSTACORP PLC



INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED

30th SEPTEMBER 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 six months ended 30th September,</i>	Note						
<u>Continuing operations</u>							
Revenue		130,182,595	119,070,507	9.33	112,062	92,455	21.21
Excise duty		(50,993,189)	(42,888,311)	18.90	-	-	-
Cost of sales and net benefits paid		(41,407,440)	(42,012,770)	(1.44)	(2,063)	(4,371)	(52.79)
Gross Profit		37,781,966	34,169,426	10.57	109,999	88,084	24.88
Other Operating Income		1,337,598	1,727,137	(22.55)	5,170,110	4,180,118	23.68
Selling and distribution expenses		(3,464,211)	(2,913,503)	18.90	-	-	-
Administrative Expenses		(16,333,889)	(15,285,376)	6.86	(240,794)	(179,467)	34.17
Other Operating Expenses		(55,207)	(336,978)	(83.62)	-	(256,510)	(100.00)
Profit from Operations		19,266,257	17,360,706	10.98	5,039,315	3,832,225	31.50
Finance Income		2,446,857	1,791,021	36.62	552,091	560,255	(1.46)
Finance Cost		(3,980,252)	(5,079,120)	(21.64)	(211,877)	(239,258)	(11.44)
Net Finance Income/(cost)		(1,533,394)	(3,288,099)	(53.37)	340,214	320,997	5.99
Share of Profit of Equity-Accounted Investees (Net of Tax)	11	1,028,818	827,584	24.32	-	-	-
Profit before Tax for the period		18,761,681	14,900,191	25.92	5,379,529	4,153,222	29.53
Income Tax		(9,369,653)	(7,481,203)	25.24	(151,609)	(106,503)	42.35
Profit after tax from continuing operations for the period		9,392,027	7,418,988	26.59	5,227,920	4,046,719	29.19
<u>Discontinued Operations</u>							
Profit/ (loss) from discontinued operations (Net of Tax)	12	299,142	123,295	142.62	-	-	-
Profit for the period		9,691,169	7,542,283	28.49	5,227,920	4,046,719	29.19
Other comprehensive income							
Items that will never be reclassified to profit or loss							
Equity investments at FVOCI – net change in fair value		11,314,799	(517,636)	2,285.86	10,060,593	(918,963)	1,194.78
		11,314,799	(517,636)	2,285.86	10,060,593	(918,963)	1,194.78
Items that are or may be reclassified to profit or loss							
Exchange Difference on translation of foreign operations		785,393	(201,881)	489.04	-	-	-
Net movement on Cash flow Hedges		(336,567)	141,310	(338.18)	-	-	-
Share of other comprehensive income of equity accounted investees		181,665	55,304	228.48	-	-	-
		630,491	(5,267)	12,070.41	-	-	-
Total other comprehensive income for the period		11,945,290	(522,903)	2,384.42	10,060,593	(918,963)	1,194.78
Total comprehensive income for the period		21,636,459	7,019,380	208.24	15,288,513	3,127,756	388.80
Profit Attributable to:							
Equity Holders of the Parent		9,269,474	7,469,928	24.09	5,227,920	4,046,719	29.19
Non Controlling Interest		421,695	72,355	482.81	-	-	-
Profit for the period		9,691,169	7,542,283	28.49	5,227,920	4,046,719	29.19
Total Comprehensive Income Attributable to:							
Equity Holders of the Parent		20,775,213	6,905,803	200.84	15,288,513	3,127,756	388.80
Non Controlling Interest		861,245	113,577	658.29	-	-	-
Total comprehensive income for the period		21,636,459	7,019,379	208.24	15,288,513	3,127,756	388.80
Earnings per Share (Rs.)							
Basic Earnings per Share		7.95	6.41	24.09	4.49	3.47	29.19

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 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 quarter ended 30th September,</i>						
Revenue	67,668,250	62,168,585	8.85	56,031	46,537	20.40
Excise duty	(25,509,829)	(22,224,837)	14.78	-	-	-
Cost of sales and net benefits paid	(22,497,005)	(22,791,672)	(1.29)	(848)	(2,591)	(67.29)
Gross Profit	19,661,416	17,152,077	14.63	55,183	43,946	25.57
Other Operating Income	470,762	970,568	(51.50)	4,696,763	885,986	430.12
Selling and distribution expenses	(1,928,814)	(1,541,555)	25.12	-	-	-
Administrative Expenses	(8,661,366)	(7,659,476)	13.08	(147,065)	(94,763)	55.19
Other Operating Expenses	(33,053)	(286,860)	(88.48)	-	(256,510)	100.00
Profit from Operations	9,508,946	8,634,753	10.12	4,604,881	578,658	695.79
Finance Income	1,210,532	437,253	176.85	283,742	271,421	4.54
Finance Cost	(2,040,665)	(2,555,833)	(20.16)	(103,800)	(112,862)	(8.03)
Net Finance Income/(cost)	(830,133)	(2,118,580)	(60.82)	179,942	158,560	13.49
Share of Profit of Equity-Accounted Investees (Net of Tax)	488,471	558,780	(12.58)	-	-	-
Profit before Tax for the Quarter	9,167,283	7,074,953	29.57	4,784,823	737,218	549.04
Income Tax	(5,134,528)	(3,454,121)	48.65	(90,860)	(57,840)	57.09
Profit after tax from continuing operations for the quarter	4,032,755	3,620,833	11.38	4,693,963	679,378	590.92
Discontinued Operations						
Profit/ (loss) from discontinued operations (Net of Tax)	106,616	233,041	(54.25)	-	-	-
Profit for the quarter	4,139,371	3,853,874	7.41	4,693,963	679,378	590.92
Other comprehensive income						
Items that will never be reclassified to profit or loss						
Equity investments at FVOCI – net change in fair value	4,794,437	(2,913,883)	264.54	3,993,466	(2,941,811)	235.75
	4,794,437	(2,913,883)	264.54	3,993,466	(2,941,811)	235.75
Items that are or may be reclassified to profit or loss						
Exchange Difference on translation of foreign operations	207,928	(884,472)	123.51	-	-	-
Net movement on Cash flow hedges	207,866	25,738	707.62	-	-	-
Share of other comprehensive income of equity accounted investees	40,171	(54,771)	173.34	-	-	-
	455,965	(913,505)	149.91	-	-	-
Total other comprehensive income for the quarter	5,250,402	(3,827,388)	237.18	3,993,466	(2,941,811)	235.75
Total comprehensive income for the quarter	9,389,773	26,487	35,350.86	8,687,429	(2,262,432)	483.99
Profit Attributable to:						
Equity Holders of the Parent	4,032,249	3,739,561	7.83	4,693,963	679,378	590.92
Non Controlling Interest	107,121	114,313	(6.29)	-	-	-
Profit for the quarter	4,139,370	3,853,874	7.41	4,693,963	679,378	590.92
Total Comprehensive Income Attributable to:						
Equity Holders of the Parent	8,898,483	464,230	1,816.82	8,687,429	(2,262,432)	483.99
Non Controlling Interest	491,290	(437,744)	212.23	-	-	-
Total Comprehensive Income for the Quarter	9,389,773	26,487	35,350.86	8,687,429	(2,262,432)	483.99
Earnings per Share (Rs.)	3.46	3.21		4.03	0.58	

MELSTACORP PLC
STATEMENTS OF FINANCIAL POSITION

As at,	GROUP		COMPANY	
	Unaudited	Audited	Unaudited	Audited
	30-Sep-2025	31-Mar-2025	30-Sep-2025	31-Mar-2025
	Rs. '000s	Rs. '000s	Rs. '000s	Rs. '000s
Non-Current Assets				
Property, plant and equipment	147,082,094	148,041,087	12,435	10,933
Intangible assets	6,311,912	6,346,542	2,320	1,529
Investment property	11,160,893	8,900,595	8,722,967	7,797,859
Biological assets	11,978,189	11,631,450	-	-
Right-of-use assets	18,052,953	16,216,434	3,651	7,304
Investments in subsidiaries	-	-	63,905,597	63,964,295
Investment in equity accounted investees	11,296,659	10,928,868	-	-
Deferred tax asset	6,987,620	7,420,408	-	-
Other non current financial investments	68,800,198	56,835,717	57,130,243	47,069,048
	281,670,519	266,321,101	129,777,213	118,850,968
Current Assets				
Inventories	16,317,347	14,245,346	908	918
Produce on bearer biological assets	15,906	14,158	-	-
Trade and other receivables	38,406,152	42,936,286	162,793	253,567
Amounts due from related companies	557,848	533,616	828,464	526,553
Other current financial investments	30,109,587	29,597,154	5,153,565	5,085,746
Other current assets	9,284	9,283	-	-
Cash and cash equivalents	23,990,883	21,908,504	5,486	4,503
	109,407,007	109,244,347	6,151,217	5,871,287
Assets held for Sale	901,443	922,243	-	-
Total assets	391,978,969	376,487,691	135,928,430	124,722,255
EQUITY AND LIABILITIES				
Share capital and reserves				
Stated Capital	70,000,000	70,000,000	70,000,000	70,000,000
Reserves	81,841,127	70,157,018	40,965,136	30,904,543
Retained earnings/(Losses)	(1,050,129)	(7,877,962)	19,332,224	16,108,786
Equity attributable to owners of the Company	150,790,998	132,279,056	130,297,360	117,013,329
Non controlling interest	62,571,398	62,902,230	-	-
Total equity	213,362,397	195,181,286	130,297,360	117,013,329
Non-Current Liabilities				
Interest bearing loans and borrowings	34,904,074	35,899,296	-	-
Lease liabilities	14,568,944	12,490,090	-	-
Retirement benefit obligations	5,276,868	5,036,802	31,136	26,911
Deferred tax liabilities	27,373,785	27,580,800	1,373,482	1,364,012
Other liabilities	343,858	392,246	-	-
	82,467,528	81,399,234	1,404,618	1,390,923
Current Liabilities				
Trade and other payables	47,648,771	50,726,250	548,414	406,347
Other liabilities	-	-	-	-
Amount due to related companies	2,766,343	2,300,791	656,159	618,600
Income tax payable	5,277,107	5,842,149	115,598	168,026
Interest bearing loans and borrowings	10,637,757	11,859,273	-	-
Lease liabilities	1,447,900	1,855,824	4,377	8,828
Bank overdrafts and other short term borrowings	28,371,167	27,322,884	2,901,904	5,116,202
	96,149,044	99,907,171	4,226,452	6,318,003
Total liabilities	178,616,573	181,306,405	5,631,070	7,708,926
Total Equity and Liabilities	391,978,969	376,487,691	135,928,430	124,722,255
Net Assets per Share (Rs.)	129.39	113.51	111.81	100.41

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/-
L.U.D.Fernando
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	reserve	reserve	fund	reserve	reserve	reserve	reserve					
	<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 2024	70,000,000	19,189,855	19,112,137	20,491	4,732,352	5,547,659	3,351,768	9,103,824	(624,044)	(15,090,850)	115,343,192	59,879,836	175,223,028
Total Comprehensive Income for the Period													
Profit after tax for the year										7,469,928	7,469,928	72,355	7,542,283
Other Comprehensive Income													
Equity investments at FVOCI – net change in fair value	-	-	-	-	-	-	-	(545,968)	-	-	(545,968)	28,332	(517,636)
Share of other comprehensive income of equity-accounted	-	-	-	-	-	28,389	-	-	-	-	28,389	26,915	55,304
Net movement on Cash flow Hedges	-	-	-	-	-	-	-	-	32,420	-	32,420	108,890	141,310
Exchange difference on translation of foreign operations	-	-	-	-	-	(78,966)	-	-	-	-	(78,966)	(122,915)	(201,881)
Income tax on other comprehensive income										-	-		-
Total Other Comprehensive Income for the period	-	-	-	-	-	(50,577)	-	(545,968)	32,420	-	(564,125)	41,222	(522,903)
Total Comprehensive Income for the period	-	-	-	-	-	(50,577)	-	(545,968)	32,420	7,469,928	6,905,803	113,578	7,019,380
Transactions with owners directly recorded in the Equity													
Dividends paid to Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	(1,780,648)	(1,780,648)
Share of Net Assets of Equity-Accounted Investees (Net of Tax)	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition of Non Controlling Interest Changes in % Holding of Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	8,120	8,120
Dividends Paid During the Period	-	-	-	-	-	-	-	-	-	(2,330,794)	(2,330,794)	-	(2,330,794)
Transferred From/To Retained Earnings	-	(179,557)	-	-	-	-	177,220	-	-	2,337	-	-	-
Total Contributions by and Distributions to Owners	-	(179,557)	-	-	-	-	177,220	-	-	(2,328,457)	(2,330,794)	(1,772,528)	(4,103,322)
Balance as at 30th September 2024	70,000,000	19,010,298	19,112,137	20,491	4,732,352	5,497,082	3,528,988	8,557,856	(591,624)	(9,949,380)	119,918,201	58,220,885	178,139,086

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)		
	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	Total Rs.'000	Rs.'000
Balance as at 1st April 2025	70,000,000	19,195,246	19,112,137	20,491	4,693,379	5,206,513	3,846,642	18,550,812	(468,202)	(7,877,962)	132,279,056	195,181,286
Total Comprehensive Income for the Period												
Profit after tax for the year	-	-	-	-	-	-	-	-	-	9,269,474	9,269,474	9,691,169
Other Comprehensive Income												
Net Change in Fair Value of FVTOCI Investments	-	-	-	-	-	-	-	11,223,128	-	-	11,223,128	11,314,799
Exchange Difference on translation of foreign operations	-	-	-	-	-	266,575	-	-	-	-	266,575	785,393
Net movement on Cash flow Hedges	-	-	-	-	-	-	-	-	(77,218)	-	(77,218)	(336,567)
Share of Other Comprehensive Income of Equity-Accounted Investees (Net of Tax)	-	-	-	-	-	93,254	-	-	-	-	93,254	181,665
Total Other Comprehensive Income for the period	-	-	-	-	-	359,829	-	11,223,128	(77,218)	-	11,505,739	11,945,290
Total Comprehensive Income for the period	-	-	-	-	-	359,829	-	11,223,128	(77,218)	9,269,474	20,775,213	21,636,459
Transactions with owners directly recorded in the Equity												
Dividends paid to Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	(1,532,576)	(1,532,576)
Acquisition of Non Controlling Interest and Changes in % Holding of Subsidiaries	-	88,238	1	-	-	-	(64,703)	(13)	-	(282,310)	(258,788)	81,711
Dividends paid/declared	-	-	-	-	-	-	-	-	-	(2,004,483)	(2,004,483)	(2,004,483)
Transferred From/To Retained Earnings	-	-	-	-	-	-	154,848	-	-	(154,848)	-	-
Total Contributions by and Distributions to Owners	-	88,238	1	-	-	-	90,144	(13)	-	(2,441,641)	(2,263,271)	(3,455,348)
Balance as at 30th September 2025	70,000,000	19,283,484	19,112,138	20,491	4,693,379	5,566,343	3,936,786	29,773,927	(545,420)	(1,050,129)	150,790,998	213,362,397

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	13,632,963	106,767,258
Profit after tax for the year	-	-	-	-	4,046,719	4,046,719
Other Comprehensive Income						-
Equity investments at FVOCI – net change in fair value	-	-	-	(918,963)	-	(918,963)
Actuarial Gain/(Losses) on retirement benefit obligations					-	-
Income tax on other comprehensive income					-	-
Total Other Comprehensive Income for the period	-	-	-	(918,963)	-	(918,963)
Total Comprehensive Income for the period	-	-	-	(918,963)	4,046,719	3,127,756
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 September 2024	70,000,000	109,382	19,100,000	3,005,950	15,348,888	107,564,220
Balance as at 1st April 2025	70,000,000	109,382	19,100,000	11,695,161	16,108,787	117,013,330
Profit after tax for the year	-	-	-	-	5,227,920	5,227,920
Other Comprehensive Income						-
Equity investments at FVOCI – net change in fair value	-	-	-	10,060,593	-	10,060,593
Actuarial Gain/(Losses) on retirement benefit obligations					-	-
Income tax on other comprehensive income	-	-	-	-	-	-
Total Other Comprehensive Income for the period	-	-	-	10,060,593	-	10,060,593
Total Comprehensive Income for the period	-	-	-	10,060,593	5,227,920	15,288,513
Transactions with Owners of the Company directly recognized into Equity						
Dividend paid	-	-	-	-	(2,004,483)	(2,004,483)
Transactions with Owners of the Company directly recognized into Equity	-	-	-	-	(2,004,483)	(2,004,483)
Balance as at 30th September 2025	70,000,000	109,382	19,100,000	21,755,754	19,332,224	130,297,360

MELSTACORP PLC
STATEMENTS OF CASH FLOWS

For the six months ended 30th September,

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
Amortization of deferred income
Provision/(Reversal) for Bad & Doubtful Debts and impairment
Provision for Impairment in investment in Subsidiaries and Equity Accounted Investees
Share of profit of equity-accounted investees (net of tax)
(Gain)/ Loss on disposal of other financial investments
(Gain) on disposal of Group 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/ (used) 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 disposal of shares of subsidiaries
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
Additions of Mature and Immature Plantations net of sale of timber
Loans disbursed to Subsidiaries and Associates
Proceeds on retirement of assets held for sale
Proceeds on Disposal of Property, Plant & Equipment
Interest Received

Net Cash Flow Generated / (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
Dividends paid
Dividend paid by subsidiaries to minority share holders

Net Cash Flow used 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	Unaudited 2024 Rs. '000	Unaudited 2025 Rs. '000	Unaudited 2024 Rs. '000
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before taxation from continuing operations	18,761,681	14,900,191	5,379,529	4,153,222
Profit before taxation from discontinued operations	299,142	123,295	-	-
Profit before tax	19,060,823	15,023,486	5,379,529	4,153,222
Adjustment for				
Depreciation and amortization of PPE, Biological assets, ROU Assets and intangible assets	5,116,063	5,208,386	5,664	5,028
Provision for gratuity	443,427	373,010	4,444	3,495
Interest Expenses	3,538,504	4,334,824	211,877	238,233
Interest income	(1,625,606)	(1,443,524)	(504,280)	(560,255)
Dividend income	(482,781)	(314,958)	(5,147,020)	(4,146,513)
(Gain) / loss on Disposal/Retire of Property, Plant and Equipment and biological assets	(410,457)	233,146	-	256,510
Amortization of deferred income	(8,792)	-	-	-
Provision/(Reversal) for Bad & Doubtful Debts and impairment	(238,568)	(1,006,519)	-	-
Provision for Impairment in investment in Subsidiaries and Equity Accounted Investees	-	25,319	-	-
Share of profit of equity-accounted investees (net of tax)	(1,028,818)	(827,584)	-	-
(Gain)/ Loss on disposal of other financial investments	(15,278)	(158)	-	-
(Gain) on disposal of Group Investments	-	-	(23,012)	-
Impairment of property Plant and Equipment, biological assets and Intangible Assets	39,024	39,151	-	-
Amortization of Deferred Grants and Subsidies	-	(4,730)	-	-
(Gain) / loss on Change in Fair Value of Biological Assets	(339,903)	(275,713)	-	-
(Gain)/loss on change in fair value of financial assets at fair value through profit or loss	(95,881)	(11,509)	(47,811)	1,025
Operating Profit before Working Capital Changes	23,951,756	21,352,627	(120,609)	(49,255)
(Increase)/Decrease in Inventories	(2,073,749)	1,013,055	5	2
(Increase)/Decrease in Receivables	5,499,091	5,624,628	90,177	51,574
(Increase)/Decrease in Related Party Receivable and Payable	441,320	464,850	752	(5,369)
Increase/(Decrease) in Payables	(3,077,479)	(5,146,143)	142,074	(403,332)
Cash Generated/ (used) from Operations	24,740,940	23,309,017	112,399	(406,380)
Dividend Received	482,781	314,958	5,147,020	4,146,513
Interest Paid	(2,860,793)	(4,098,146)	(211,621)	(208,622)
Income Tax and surcharge tax Paid	(9,708,923)	(7,997,075)	(194,573)	(266,787)
Retiring Gratuity Paid	(197,931)	(295,094)	(220)	-
Net Cash Flow from Operating Activities	12,456,074	11,233,660	4,853,005	3,264,724
CASH FLOW FROM INVESTING ACTIVITIES				
Acquisition of/ Investment in equity accounted investees/Joint ventures	-	(15,294)	-	-
Dividends received from equity accounted investees	842,692	604,135	-	-
Proceeds from disposal of shares of subsidiaries	-	-	81,710	-
Proceeds from settlement of Loans given to Related Companies	-	-	270,627	511,579
	81,710	8,120	-	-
Net of Acquisition of Non Controlling Interest and proceeds from disposal of shares in subsidiaries	-	-	-	-
Net proceed from disposal/(Acquisition)of Other Investments	(1,050,956)	44,520	-	(1,030,876)
Acquisition of Property, Plant & Equipment, Investment Property and intangible assets	(4,586,165)	(1,767,104)	(929,413)	(1,693)
Additions of Mature and Immature Plantations net of sale of timber	(6,836)	(70,937)	-	-
Loans disbursed to Subsidiaries and Associates	-	-	(51,914)	(489,641)
Proceeds on retirement of assets held for sale	20,800	-	-	-
Proceeds on Disposal of Property, Plant & Equipment	471,437	41,549	-	-
Interest Received	1,625,606	1,443,524	456	6,301
Net Cash Flow Generated / (Used) in Investing Activities	(2,601,712)	288,511	(628,534)	(1,004,330)
CASH FLOW FROM FINANCING ACTIVITIES				
Net Advances received from/(repaid to) equity accounted investees/ Subsidiaries	(39,596)	(54,008)	-	-
Loans and borrowings Received	5,719,344	817,641	-	-
Repayments of loan Borrowings and payments to Lessor on Lease Rights	(10,924,272)	(5,970,324)	(4,707)	(4,370)
Dividends paid	(2,004,483)	(2,330,794)	(2,004,483)	(2,330,794)
Dividend paid by subsidiaries to minority share holders	(1,532,576)	(1,780,648)	-	-
Net Cash Flow used from Financing Activities	(8,781,583)	(9,318,132)	(2,009,190)	(2,335,164)
Net Increase/(Decrease) in Cash & Cash Equivalent during the year	1,072,779	2,204,039	2,215,281	(74,770)
Cash & Cash Equivalents				
At the beginning of the year	(5,414,380)	(13,765,178)	(5,111,699)	(4,855,698)
Effect of movements in exchange rates	(38,683)	120,258	-	-
Net movement during the period	1,072,779	2,204,039	2,215,281	(74,770)
At the end of the year (Note A)	(4,380,284)	(11,440,881)	(2,896,418)	(4,930,468)
Note A-Cash and Equivalents are as follows				
Short Term Deposits	9,338,926	7,629,478	-	-
Cash in Hand & Bank	14,444,929	13,072,257	5,486	15,336
Cash in transit	207,028	77,645	-	-
Bank overdrafts and other short term borrowings	(28,371,167)	(32,220,261)	(2,901,904)	(4,945,804)
	(4,380,284)	(11,440,881)	(2,896,418)	(4,930,468)

MELSTACORP PLC
NOTES TO THE FINANCIAL STATEMENTS

SEGMENTAL INFORMATION

For the six months ended 30th September,

(a) Revenue

Beverages	
Plantation	
Tourism	
Maritime, Freight & Logistics	
Strategic Investment	
Services	
Financial Services	
Gross revenue from continuing operations	

(b) Industry Segment Profit

Beverages	
Plantation	
Tourism	
Maritime, Freight & Logistics	
Strategic Investment	
Services	
Financial Services	
Profit Before Tax from continuing operations	
Taxation	
Profit After Tax from continuing operations	
Profit/ (loss) from discontinued operations (Net of Tax)	
Profit for the period	

GROUP

2025	2024
Rs.'000	Rs.'000
78,514,953	69,318,311
4,459,154	4,848,332
25,801,487	23,877,514
7,757,665	8,256,897
5,533,802	5,414,119
1,879,739	1,613,118
6,235,795	5,742,217
130,182,595	119,070,507
16,228,180	12,971,326
1,021,979	1,371,817
(1,346,361)	(2,574,659)
2,163,389	2,468,328
(205,455)	333,032
648,943	45,718
251,005	284,627
18,761,681	14,900,191
(9,369,653)	(7,481,203)
9,392,027	7,418,988
299,142	123,295
9,691,169	7,542,283

(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.

MELSTACORP PLC
NOTES TO THE FINANCIAL STATEMENTS

5 Non Financial Information

		Quarter ended		
		30-Sep-2025	30-Sep-24	31-Mar-2025
Net Assets Value per Share	- Group (Rs)	129.39	102.90	113.51
	- Company (Rs)	111.81	92.30	100.41
Market Price per Share	- Last Traded Rs)	171.00	85.00	127.00
	- Highest (Rs)	172.50	87.00	143.00
	- Lowest (Rs)	145.00	73.60	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 September 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 2025.

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 2025.

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 2025.

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 six months ended 30th September,

	2025	2024
	<u>Rs.000</u>	<u>Rs.000</u>
Share of Profit of Continuing Joint ventures and associates	1,028,818	954,908
Share of Profit of Joint venture disposed during the years	(a) -	(127,324)
Total Share of Profit of Equity-Accounted Investees (Net of Tax) from Joint ventures and Associates	1,028,818	827,584

(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 six months ended 30th September,

	2025	2024
	<u>Rs. '000</u>	<u>Rs. '000</u>
Revenue	48,476	340,460
Cost of sales and net benefits paid	(62,057)	(322,737)
Gross Profit	(13,581)	17,723
Other Operating Income	472,831	256,537
Selling and distribution expenses	-	(44)
Administrative Expenses	(34,735)	(46,678)
Other Operating Expenses	(79,145)	(34,512)
Results from Operating activities	345,369	193,026
Finance Income	59	32
Finance Cost	(46,287)	(69,763)
Net Finance Income/(cost)	(46,228)	(69,731)
Profit before Tax for the period	299,142	123,295
Income Tax	(0)	-
Profit after tax for the period	299,142	123,295
Gain on disposal of discontinued operations	-	-
Income tax on gain on disposal of discontinued operations	-	-
Profit from discontinued operations (Net of Tax)	299,142	123,295

MELSTACORP PLC
NOTES TO THE FINANCIAL STATEMENTS

Top 25 Shareholders – 30 September 2025

	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	80,263,000	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	CITIBANK NEWYORK S/A NORGES BANK ACCOUNT 2	11,810,576	1.01
11	MRS. S.M. CHRYSOSTOM	11,390,000	0.98
12	STASSEN EXPORTS (PVT) LIMITED	8,746,800	0.75
13	MR. L.E. BADER	6,020,584	0.52
14	RUBICOND ENTERPRISES LIMITED	5,943,859	0.51
15	MCSEN RANGE PRIVATE LIMITED	5,459,864	0.47
16	BBH-REDWHEEL FRONTIER MARKETS EQUITY MASTER FUND LIMITED	4,937,755	0.42
17	SEYLAN BANK PLC/ARRC CAPITAL (PVT) LTD	4,935,880	0.42
18	HATTON NATIONAL BANK PLC-SENFIN GROWTH FUND	2,944,742	0.25
19	DEUTSCHE BANK AG AS TRUSTEE FOR JB VANTAGE VALUE EQUITY FUND	1,936,503	0.17
20	UNION ASSURANCE PLC-UNIVERSAL LIFE FUND	1,870,879	0.16
21	RENUKA HOTELS PLC	1,800,000	0.15
22	EST.OF LAT M.J. FERNANDO	1,603,308	0.14
23	BNYM RE ACADIAN FRONTIER MARKETS EQUITY FUND	1,375,588	0.12
24	MR. M.V. THEAGARAJAH & MRS. L.THEAGARAJAH	1,200,000	0.10
25	HATTON NATIONAL BANK PLC A/C NO 3 -EMPLOYEES RETIREMENT & PENSION FUND	1,200,000	0.10
	SUB TOTAL	1,085,993,063	93.19
	OTHERS	79,404,009	6.81
	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		12,744	

Float Adjusted Market Capitalization

The Public Holding of the Company as of 30th September 2025 was 41.65% comprising of 12,744 shareholders and the Float adjusted Market Capitalization of Rs.83,000,729,493/-. In terms of Rule 7.13 1(a) of the listing rule of CSE , the Company Qualifies with the Minimum Public Holding Requirement under the Option One.

Directors' Shareholdings as at 30 September 2025

	No of Shares	%
Mr. D. Hasitha S. Jayawardena	20,545,532	1.76
Mr. C. R. Jansz	-	-
Mr. N. De S. Deva Aditya	-	-
Mr. K. J. Kahanda	-	-
Mr.L.U.D.Fernando *	-	-
Ms.D.S.T. Jayawardena	38,600	0.0033
Mr.Reyaz Mihular	-	-
Dr.R.A. Fernando	-	-
Mr.A. Goonesekere	-	-
Mr. L. H. A. Lakshman Silva	8,000	0.0007
Mr.M.A.N.S Perera (Resigned w.e.f 18/09/2025)	-	-

* 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. N. De S. Deva Aditya

Mr. K. J. Kahanda

Ms.D.S.T. Jayawardena

Mr.L.U.D.Fernando

Mr.Reyaz Mihular

Dr.R.A. Fernando

Mr.A. Goonesekere

Mr. L. H. A. Lakshman Silva

Mr.M.A.N.S Perera (Resigned w.e.f 18/09/2025)

COMPANY SECRETARY

Messrs. Corporate Services (Private) Limited

No.216, De Saram Road,

Colombo 10.

AUDITORS

Messrs. KPMG

Chartered Accountants

No.32A, Sir Mohamed Macan Markar 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