


10. Melstacorp




Left: **D. H. S. Jayawardena**, Chairman. Right: **A. L. Gooneratne**, Managing Director>.

Melstacorp has, over the years, ventured into many industries including beverages, plantations, telecommunication, insurance, power generation,

logistics, textiles, hospitality, healthcare and many other businesses.

Stability through consistent focus and agility

In 10th place, securing its ranking among the top ten, Melstacorp, as an investment holding company, has, over the years, ventured into many industries, which include beverages, plantations, telecommunication, insurance, power generation, logistics, textiles, hospitality, and healthcare. The brilliant and inspirational leadership of its illustrious Chairman, Harry Jayawardena, has driven it to tremendous and respected heights.

Group turnover was Rs. 144 billion compared with Rs. 154 billion the previous year, while profit after tax was down to Rs. 2.5 billion from Rs. 4.4 billion, mainly due to the impact of the pandemic on the tourism sector. The Group contributed Rs. 73 billion by way of taxes during the year, an increase of 15% from the previous year's figure of Rs.64 billion. Despite this turbulence, Melstacorp retained a National Long-Term Rating of "AAA" (lka)" with a Stable Outlook from Fitch Ratings, a reflection of the strength and stability of the Group.

Sector highlights

The beverage sector is the highest contributor to both the top and the bottom lines of the Group. It sustained its performance despite the challenges faced due to disruptions.

Despite adverse conditions and increased production costs within the tea and rubber sectors, the Group has invested in capital expenditure for field development, upgrading the factories and machinery, buildings, agricultural, vehicles, replanting, and crop diversification.

Continental Insurance Group's general insurance arm has established itself as one of the most innovative and dynamic insurance companies in Sri Lanka. Fitch Ratings has reaffirmed the rating of Continental Insurance to 'A (lka)', which is a clear reflection of the company's financial stability. Continental's strong performance under trying circumstances evidences its financial strength, resilience, and ability to swiftly transform to the "new norms" that the pandemic defined.

The performance of Aitken Spence for the current year was severely compromised,

with tourism being the hardest impacted industry due to the pandemic. However, non-tourism sectors reported the highest ever profitability levels which negated to a great extent the adverse impact of the Tourism sector on overall performance.

Transforming the country's medical arena

Melstacorp continues its journey to becoming a leading healthcare player in the country. Melsta Health manages and operates Joseph Fraser Memorial Hospital, the island's main primary care facility for women and children.

With the acquisition of Browns Hospital Ragama, now rebranded as Melsta Hospitals Ragama, the Group has added another facility to their healthcare service with the most advanced technology concerning surgeries, radio imaging, and caters to high-end surgical procedures such as joint replacements. The hospital recently established its GI Centre (Gastrointestinal Centre) and Urology and Transplant Centre with state-of-the-art facilities.

In June 2020, Melsta Laboratories was launched, equipped with the latest testing equipment. Melsta Labs consists of four state-of-the-art stand-alone labs at Colombo, Galle, Kurunegala, and Kandy and manages two hospital-based laboratories. This has given Sri Lankans across the island access to the latest international standard diagnostic testing services. The laboratory was the first audited by the Ministry of Health for PCR testing and offered PCR testing facilities for COVID-19.

Sustainable solutions to manage national waste

In line with the policy of investments in industries that are strategically important to the economy, Aitken Spence commissioned the waste to energy power plant during the year, overcoming many challenges due to the pandemic. This project increased earnings capacity and contributed to providing a sustainable solution for the country's long-standing problem of waste management.



Board Of Directors

D. H. S. Jayawardena

Chairman

A. L. Gooneratne

Managing Director

1. C. R. Jansz

Executive Director

2. Dr Naomal Balasuriya

Independent Non-Executive Director

3. D. Hasitha S. Jayawardena

Non-Independent Non-Executive Director

4. Ranjeevan Seevaratnam

Independent Non-Executive Director

5. N. de S. Deva Aditya

Independent Non-Executive Director

6. Capt. K. J. Kahanda (Retd.)

Non-Executive Director

7. V. J. Senaratne

(Alternate Director to N. de S. Deva Aditya)