



# EX-PACK CORRUGATED CARTONS PLC

INTERIM FINANCIAL STATEMENTS  
QUARTER ENDED 31<sup>ST</sup> DECEMBER 2022



## STATEMENT OF FINANCIAL POSITION

As at	GROUP		COMPANY	
	31.12.2022 unaudited	31.03.2022 audited	31.12.2022 unaudited	31.03.2022 audited
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant, and equipment	1,715,677	1,659,104	1,615,058	1,641,987
Right-of-use assets	220,015	104,684	59,293	35,250
Investment properties		-	-	-
Intangible assets	687	1,030	620	939
Investment in subsidiaries		-	205,000	205,000
Goodwill	203,544	203,544		-
Deferred tax assets	24,521	24,521		-
	<b>2,164,444</b>	<b>1,992,883</b>	<b>1,879,972</b>	<b>1,883,176</b>
<b>Current assets</b>				
Inventories	1,697,919	1,077,191	1,227,236	847,084
Trade and other receivables	2,031,490	1,973,934	1,563,632	1,611,131
Advances and prepayments	196,861	85,859	172,081	47,959
Other financial assets	500,000	466,975	500,000	466,975
Cash in hand and at bank	248,616	975,074	139,522	817,850
	<b>4,674,886</b>	<b>4,579,033</b>	<b>3,602,472</b>	<b>3,790,999</b>
<b>Total assets</b>	<b>6,839,330</b>	<b>6,571,916</b>	<b>5,482,443</b>	<b>5,674,175</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Stated capital	1,200,000	1,200,000	1,200,000	1,200,000
Revaluation reserves	291,992	291,992	291,992	291,992
Retained earnings	1,040,679	408,698	615,871	252,337
<b>Equity Attributable to Equity Holders of the Parent</b>	<b>2,532,671</b>	<b>1,900,690</b>	<b>2,107,863</b>	<b>1,744,329</b>
Non Controlling Interest	(517)	(109)		
<b>Total Equity</b>	<b>2,532,154</b>	<b>1,900,581</b>	<b>2,107,863</b>	<b>1,744,329</b>
<b>Non-current liabilities</b>				
Deferred Tax Liability	77,415	77,415	77,415	77,415
Retirement Benefit Liability	121,329	102,427	86,791	75,096
Interest Bearing Loans and Borrowings	187,483	79,481	52,698	29,505
	<b>386,227</b>	<b>259,323</b>	<b>216,904</b>	<b>182,016</b>
<b>Current liabilities</b>				
Interest Bearing Loans and Borrowings	2,762,479	3,134,556	2,365,879	2,849,506
Trade and Other Payables	804,580	1,167,689	562,860	842,040
Income Tax Payable	353,890	109,767	228,938	56,284
	<b>3,920,949</b>	<b>4,412,012</b>	<b>3,157,677</b>	<b>3,747,829</b>
<b>Total equity and liabilities</b>	<b>6,839,330</b>	<b>6,571,916</b>	<b>5,482,443</b>	<b>5,674,175</b>
	LKR	LKR	LKR	LKR
Net assets per share	7.60	5.70	6.32	5.23

### Note:

All values are in LKR '000s, unless otherwise stated.  
The amounts are provisional and subject to audit.

I certify that the financial statements comply with the requirements of the Companies Act No.7 of 2007.

[SIGNED]  
Abdul Latiff Ahamed  
Head of Finance

The Board of Directors are responsible for these financial statements.

[SIGNED]  
Zulficar Ghouse  
Managing Director

[SIGNED]  
Dinesh Dharmadasa  
Director

01 February 2023 | Colombo

**CONSOLIDATED INCOME STATEMENT**

	Quarter ended 31 December			Nine months ended 31 December		
	2022 Unaudited	2021 Unaudited	Change %	2022 Unaudited	2021 Unaudited	Change %
Revenue	3,538,001	2,369,269	49%	10,542,362	5,841,941	80%
Cost of sales	(2,576,165)	(2,001,633)	29%	(7,955,031)	(4,877,273)	63%
Gross profit	961,836	367,637	162%	2,587,330	964,668	168%
Other income and gains	12,544	25,717	-51%	162,964	41,288	295%
Selling and distribution costs	(124,529)	(86,575)	44%	(331,427)	(226,720)	46%
Administrative expenses	(160,141)	(104,756)	53%	(467,362)	(266,978)	75%
Operating profit	689,710	202,024	241%	1,951,505	512,258	281%
Finance cost	(167,511)	(49,036)	242%	(398,964)	(137,916)	189%
Profit/(loss) before tax	522,199	152,988	241%	1,552,542	374,342	315%
Tax expense	(171,523)	(27,039)	534%	(337,636)	(48,277)	599%
<b>Profit/(loss) for the period</b>	<b>350,676</b>	<b>125,948</b>	<b>178%</b>	<b>1,214,906</b>	<b>326,064</b>	<b>273%</b>
Attributable to:						
Equityholders of the parent	350,923	125,948	179%	1,215,315	326,064	273%
Non Controlling Interest	(247)			(409)		
	<b>350,676</b>	<b>125,948</b>	<b>178%</b>	<b>1,214,906</b>	<b>326,064</b>	<b>273%</b>

	LKR	LKR		LKR	LKR	
<b>Earnings per share</b>	<b>1.05</b>	<b>0.45</b>	<b>132%</b>	<b>3.65</b>	<b>1.26</b>	<b>190%</b>

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**COMPANY INCOME STATEMENT**

	Quarter ended 31 December			Nine months ended 31 December		
	2022 Unaudited	2021 Unaudited	Change %	2022 Unaudited	2021 Unaudited	Change %
Revenue	1,923,062	1,386,957	39%	6,072,050	3,705,947	64%
Cost of sales	(1,257,361)	(1,136,984)	11%	(4,310,167)	(3,030,842)	42%
Gross profit	665,701	249,972	166%	1,761,883	675,105	161%
Other income and gains	183,557	43,114	326%	373,040	65,277	471%
Selling and distribution costs	(111,391)	(80,555)	38%	(293,085)	(212,873)	38%
Administrative expenses	(120,221)	(79,972)	50%	(362,017)	(195,974)	85%
Operating profit	617,646	132,560	366%	1,479,822	331,535	346%
Finance cost	(128,304)	(40,992)	213%	(319,589)	(114,659)	179%
Profit/(loss) before tax	489,342	91,568	434%	1,160,233	216,876	435%
Tax expense	(118,328)	(11,002)	976%	(213,366)	(29,804)	616%
<b>Profit/(loss) for the period</b>	<b>371,013</b>	<b>80,566</b>	<b>361%</b>	<b>946,867</b>	<b>187,073</b>	<b>406%</b>
Attributable to:						
Equityholders of the parent	371,013	80,566	361%	946,867	187,073	406%
	LKR	LKR		LKR	LKR	
<b>Earnings per share</b>	<b>1.11</b>	<b>0.29</b>	<b>284%</b>	<b>2.84</b>	<b>0.72</b>	<b>294%</b>

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**STATEMENT OF CASH FLOWS**

	GROUP		COMPANY	
	2022 Unaudited	2021 Unaudited	2022 Unaudited	2021 Unaudited
For the Nine Months ended 31 December				
<b>CASHFLOW FROM / (USED IN) OPERATING ACTIVITIES</b>				
Profit/(loss) before tax	1,552,542	374,342	1,160,233	216,876
Adjustments for:				
Depreciation of property, plant and equipment	70,902	56,985	58,012	50,432
Amortization of right-of-use assets	38,501	23,917	9,260	8,015
Amortization of intangible assets	342	4,591	319	4,559
Provision of retirement benefit liability	20,948	17,563	12,454	9,069
Profit/(Loss) on Disposal of Property, Plant and Equipment	(5,641)	297	(5,014)	297
Lease interest	22,646	9,915	10,066	4,402
Finance cost	377,964	126,160	310,768	110,257
Operating profit before working capital changes	2,078,202	613,770	1,556,096	403,907
(Increase)/Decrease in inventories	(629,366)	(105,795)	(388,791)	(25,522)
(Increase)/Decrease in trade and other receivables	(69,016)	(100,474)	47,499	(207,617)
(Increase)/Decrease in advances and prepayments	(102,362)	(228,565)	(115,484)	(231,955)
Increase/(Decrease) in trade and other payables	(396,594)	37,886	(324,098)	(14,481)
Cash generated from operations	880,863	216,821	775,223	(75,667)
Gratuity paid	(2,046)	(1,244)	(759)	(1,003)
Tax paid	(93,344)	(29,087)	(40,711)	(29,087)
Finance cost paid	(377,964)	(126,160)	(310,768)	(110,257)
<b>Net cashflow from / (used in) operating activities</b>	<b>407,510</b>	<b>60,330</b>	<b>422,984</b>	<b>(216,014)</b>
<b>CASHFLOW FROM / (USED IN) INVESTING ACTIVITIES</b>				
Acquisition of property, plant and equipment	(67,756)	(40,181)	(31,083)	(37,853)
Acquisition of intangible assets	(48,642)	(438)	-	(438)
Investing in fixed deposits	-	(527,000)		(527,000)
Proceeds from Sale of Property Plant and Equipment	950	400		400
<b>Net cashflow from / (used in) investing activities</b>	<b>(115,448)</b>	<b>(567,219)</b>	<b>(31,083)</b>	<b>(564,891)</b>
<b>CASHFLOW FROM / (USED IN) FINANCING ACTIVITIES</b>				
Net Increase/(Decrease) in interest bearing loans and borrowings	(378,356)	110,400	(471,734)	292,736
Proceeds From Finance Lease		700,000		700,000
Payment of finance lease liabilities	(56,831)	(32,202)	(15,162)	(10,944)
Payment of dividend	(583,333)	(96,667)	(583,333)	(96,667)
<b>Net cashflow from / (used in) financing activities</b>	<b>(1,018,520)</b>	<b>681,532</b>	<b>(1,070,229)</b>	<b>885,125</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(726,458)</b>	<b>174,643</b>	<b>(678,328)</b>	<b>104,220</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING</b>	<b>975,074</b>	<b>73,611</b>	<b>817,850</b>	<b>63,462</b>
<b>CASH AND CASH EQUIVALENTS AT THE END</b>	<b>248,616</b>	<b>248,254</b>	<b>139,522</b>	<b>167,682</b>

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**STATEMENT OF CHANGES IN EQUITY**

	Stated Capital	Revaluation Reserve	Retained Earnings	Non Controlling Interest	Total Equity
<b>As at 01 April 2021</b>	500,000	291,992	(8,552)		783,440
Profit for the period	-	-	326,064		326,064
Other comprehensive income	-	-			
<b>Total comprehensive income for the year</b>	-	-	326,064		326,064
Issue of Shares	700,000				700,000
Dividend paid	-	-	(96,667)		(96,667)
<b>As at 31 December 2021</b>	1,200,000	291,992	220,846		1,712,837
<b>As at 01 April 2022</b>	1,200,000	291,992	408,698	(109)	1,900,581
Profit for the period	-	-	1,215,314	(408)	1,214,906
Other comprehensive income	-	-			-
Effect of Investment of Subsidiary					
<b>Total comprehensive income</b>	-	-	1,215,314	(408)	1,214,906
Issue of Shares					-
IPO Expenses					-
Dividend paid			(583,333)		(583,333)
<b>As at 31 December 2022</b>	1,200,000	291,992	1,040,679	(517)	2,532,154

COMPANY	Stated Capital	Revaluation Reserve	Retained Earnings		Total Equity
<b>As at 01 April 2021</b>	500,000	291,992	46,788		838,780
Profit for the period	-	-	187,073		187,073
Other comprehensive income	-	-			-
<b>Total comprehensive income for the year</b>	-	-	187,073		187,073
Issue of Shares	700,000				700,000
Dividend paid	-	-	(96,667)		(96,667)
<b>As at 31 December 2021</b>	1,200,000	291,992	137,194		1,629,186
<b>As at 01 April 2022</b>	1,200,000	291,992	252,337		1,744,329
Profit for the period	-	-	946,867		946,867
Other comprehensive income	-	-			-
Effect of Investment of Subsidiary					
<b>Total comprehensive income</b>	-	-	946,867		946,867
Issue of Shares					-
IPO Expenses					-
Dividend paid			(583,333)		(583,333)
<b>As at 31 December 2022</b>	1,200,000	291,992	615,871		2,107,863

**Note:**

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## NOTES TO THE FINANCIAL STATEMENTS

- The financial statements for the period ended 31<sup>st</sup> December 2022, include “the Company” referred as Ex-pack Corrugated Cartons PLC, as the holding company and “the Group” referred as “the Company” and its subsidiary, Neptune Papers (Pvt) Limited whose accounts have been consolidated therein.
- The interim condensed financial statements of the Group and the Company for the Nine Months ended 31 December 2022 were authorized for issue by the Board of Directors on 01 February 2023.
- The interim condensed financial statements for the nine months ended 31<sup>st</sup> December 2022 have been prepared in accordance with LKAS 34 Interim Financial Reporting. The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements as at 31<sup>st</sup> March 2022. The presentation and classification of the financial statements of the previous period have been amended, where relevant, for better presentation and to be comparable with those of the current period. The interim condensed financial statements are presented in Sri Lankan Rupees (LKR) and all values are rounded to the nearest thousand except when otherwise indicated. The figures in the presented financial statements are provisional and subject to audit unless otherwise stated.
- The stated capital as at 31<sup>st</sup> December 2022 is represented by 333,333,333 shares.

The ordinary shares of the Company were subdivided by splitting each issued ordinary share into five (05) ordinary shares on the 19<sup>th</sup> July 2021. Consequently, there by the total number of existing issued ordinary shares increased from 50,000,000 to 250,000,000 without changing the stated capital of the Company. The Company issued new Ordinary voting shares of 83,333,333 to general public at LKR 8.40 per share on 22<sup>nd</sup> October 2021 by an offer for subscription. Which increased the No. of Shares to 333,333,333.

- Net assets per share have been calculated, based on the number of shares as at balance sheet date for the respective period.
- Basic earnings per share is calculated by dividing the net profit / (loss) for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period as required by LKAS - 33, Earning Per Share.
- Interim dividends of Rs. 583,333,333/= was declared and paid for the period ending 31<sup>st</sup> December 2022.

### DETAIL OF DIVIDEND DECLARATION

Date of Announcement	Dividend per Share Rs.	Type of Dividend	Amount Rs.
28th June 2022	0.4	Interim	133,333,333
4th November 2022	1.35	Interim	450,000,000

### 8. Share Information

#### 8.1 Directors and CEO’s shareholding as of 31st December 2022

Mr. Sattar Kassim	94,800	
Mr. M Z M Ghouse	14,400	
Mr. Shafik Kassim	14,400	
Mr. W B W M R A M T G Aluwihare	Nil	
Mr. A O Kassim	14,400	
Mrs. Shehara De Silva	13,100	
Mr. U K D Dharmadasa	12,400	
Mr. Mohamed Riyaz Valli Mohamed (CEO)	85,910	
Mr. U D W Chaturanga Abeyrathne (Alternate Director to Mr.Shafik Kassim)	Nil	
	249,410	

## 8.2. Public Share Holding as at 31<sup>st</sup> December 2022

Issued share capital (No.)	333,333,333
Public holding as a % of issued share capital	34.59%
Total no. of shareholders	5,691
No. of shareholders representing the public holding	5,66
Float adjusted market capitalisation (Rs.)	1,510,561,236

The applicable option under CSE Rule 7.14.1 (a) on minimum public holding is option 5 and the float adjusted Market capitalization as of 31st Dec 2022 was Rs.1,510,561,236.

## 8.3. Top 20 Shareholders List

Name	Shares	%
1 ABERDEEN HOLDINGS (PRIVATE) LIMITED	216,733,334	65.02
2 SRI LANKA INSURANCE CORPORATION LTD-LIFE FUND	15,000,000	4.50
3 MACKSONS HOLDINGS ( PVT ) LTD	5,077,724	1.52
4 BANK OF CEYLON A/C CEYBANK UNIT TRUST	4,202,244	1.26
5 HATTON NATIONAL BANK PLC/JN LANKA HOLDINGS COMPANY (PVT) LTD	2,500,000	0.75
6 MR. MOHAMED NALEEM MOHAMED MUBARAK	2,059,420	0.62
7 BANK OF CEYLON A/C CEYBANK CENTURY GROWTH FUND	2,000,000	0.60
8 MR. SAIFULLAH YUSOOF	1,500,000	0.45
9 PHOENIX VENTURES PRIVATE LIMITED	1,300,000	0.39
10 MR. SHANMUGAN SENTHILNATHAN	1,096,653	0.33
11 MERCHANT BANK OF SRI LANKA & FINANCE PLC/K.L.K.M. INDIKA	1,059,750	0.32
12 MR. MOHAMED FAIZER HASHIM	1,029,000	0.31
13 SEYLAN BANK PLC/ HILINE TOWERS (PVT) LTD.	1,007,555	0.30
14 WINSLAND REALITY (PVT) LTD	1,000,000	0.30
15 PEOPLE'S LEASING & FINANCE PLC/HI LINE TOWERS (PVT) LTD	800,000	0.24
16 CITIZENS DEVELOPMENT BUSINESS FINANCE PLC	769,100	0.23
17 MR. DINESH NIROSH PRADEEP RATHNAYAKE	721,067	0.22
18 MISS. HEWA JUWAN KANKANANGE UDYOGI WIJERAME	651,874	0.20
19 DEVELOPMENT INTERPLAN (CEYLON)LIMITED	637,200	0.19
20 PROF. MOHAMED THASSIM AHAMED FURKHAN	519,426	0.16
Top 20 Share holders	259,664,347	77.90
Other Share holders	73,668,986	22.10
Total Share holders	333,333,333	100.00

## 8.4. The Company's Highest, Lowest and Last Traded Market Price given below (Quarter Ended 31<sup>st</sup> December 2022)

Highest Value Per Share (Rs)	17.30
Lowest Value Per Share (Rs)	12.80
Last Traded Price (Rs)	13.10

The share commenced trading in the CSE on 10<sup>th</sup> November 2021.



9. Disclosure Regarding Status of Utilization of Funds Raised Via IPO Proceeds as at 31<sup>st</sup> December 2022

Objective No.	Objective as per Prospectus	Amount allocated as per Prospectus in Rs.	Proposed Date of Utilization as per Prospectus	Amount allocated upon the receipt of proceeds in Rs. [A]	As a % of Total Proceeds	Amount Utilized in the Objective Rs. [B]	% of Utilize against allocation [B/A]	Clarification if not fully Utilized including where the funds are invested
1	Invest in a new state of the art manufacturing facility.	700,000,000	Q3 of FY22- Q4 of FY 24	700,000,000	100%	Purchase of Land 252.5 M	36%	The Balance Funds raised has been deposited in a 3-month Wakala Deposit account at Seylan Bank.

10. No circumstance has arisen since the Balance Sheet date, which would require adjustments to or disclosure in the financial statements, other than the disclosures made in these interim financial statements.

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## CORPORATE INFORMATION

<b>NAME OF COMPANY</b>	<b>AUDITORS (External)</b>
Ex-pack Corrugated Cartons PLC	Ernst & Young Chartered Accountants 201, De Saram Place, Colombo 10 Tel: +94 11 2 463 500 Fax: +94 11 2 697 369
Incorporated in Sri Lanka on 19 March 2002 under the Companies Act No.17 of 1982 and re-registered on 16 April 2008 under provisions of the Companies Act No.07 of 2007 as a Private Limited Company.	<b>AUDITORS (Internal)</b>
The legal form was changed to a Limited Company on 27 March 2019 and subsequently to a Public Limited Company on 15th December 2021 under provisions of the Companies Act No.07 of 2007	KPMG Chartered Accountants 32A, Sir Mohamed Macan Markar Mawatha Colombo 03 Tel: +94 11 5426 426 Fax: +94 11 244 5872
<b>COMPANY REGISTRATION NUMBER</b>	<b>SECRETARIES</b>
PQ 00250068	Business Intelligence (Pvt) Limited 08, Tickell Road, Colombo 08 Tel: +94 11 2 015 900
<b>REGISTERED OFFICE AND CURRENT PLACE OF BUSINESS</b>	<b>BANKERS</b>
11A, Milepost Avenue, Colombo 03 Website: www.expack.lk	Amana Bank PLC 486, Galle Road, Colombo 03
<b>FACTORY</b>	National Development Bank PLC 40, Navam Mawatha, Colombo 02
79, Pattiwila Road, Gonawilla, Kelaniya Tel: +94 11 4 891 891 Fax: +94 11 4 741 751	Bank of Ceylon 01, BOC Square, Bank of Ceylon Mawatha, Colombo 01
<b>DIRECTORS</b>	Hatton National Bank PLC Level 19, 479, T B Jayah Mawatha, Colombo 10
Sattar Kassim (Chairman) M Z M Ghouse (Managing Director) Shafik Kassim W B W M R A M T G Aluwihare U K D Dharmadasa Shehara De Silva A O Kassim U D W Chathuranga Abeyrathne (Alternate Director to Mr.Shafik Kassim)	Pan Asia Bank PLC 450, Galle Road, Colombo 03
<b>SUBSIDIARY COMPANY</b>	Standard Chartered Bank (Sri Lanka) Limited 37, York Street, Colombo 01
Neptune Papers (Pvt) Limited Saffron Food Services (Pvt) Ltd. Neptune Eco Friends (Pvt) Ltd.	Seylan Bank PLC 90, Galle Road, Colombo 03



EX-PACK CORRUGATED CARTONS PLC

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