



EX-PACK CORRUGATED CARTONS PLC

INTERIM FINANCIAL STATEMENTS

QUARTER ENDED 31st DECEMBER 2023



STATEMENT OF FINANCIAL POSITION

As at	GROUP		COMPANY	
	31.12.2023 unaudited	31.03.2023 audited	31.12.2023 unaudited	31.03.2023 audited
ASSETS				
Non-current assets				
Property, plant, and equipment	2,312,703	2,333,272	2,205,250	2,234,152
Right-of-use assets	151,798	194,730	46,064	55,999
Investment properties	-	-	-	-
Intangible assets	1,088	1,049	561	989
Investment in subsidiaries	-	-	205,000	205,000
Goodwill	203,544	203,544	-	-
Deferred tax assets	-	-	-	-
	2,669,133	2,732,595	2,456,875	2,496,140
Current assets				
Inventories	1,320,787	1,493,745	916,541	989,948
Trade and other receivables	1,939,703	1,788,875	1,157,730	1,329,783
Advances and prepayments	291,747	169,025	191,025	67,531
Cash in hand and at bank	500,691	679,383	486,874	582,575
	4,052,928	4,131,028	2,752,171	2,969,837
Total assets	6,722,061	6,863,623	5,209,046	5,465,977
EQUITY AND LIABILITIES				
Equity				
Stated capital	1,200,000	1,200,000	1,200,000	1,200,000
Revaluation reserves	623,223	623,223	623,223	623,223
Retained earnings	1,341,955	1,008,801	833,310	537,840
Equity Attributable to Equity Holders of the Parent	3,165,179	2,832,024	2,656,534	2,361,063
Non Controlling Interest	(987)	(813)	-	-
Total Equity	3,164,191	2,831,211	2,656,534	2,361,063
Non-current liabilities				
Deferred Tax Liability	360,084	357,180	339,257	336,353
Retirement Benefit Liability	127,817	109,957	86,128	76,782
Interest Bearing Loans and Borrowings	135,412	139,190	46,290	51,243
	623,313	606,327	471,675	464,378
Current liabilities				
Interest Bearing Loans and Borrowings	2,070,542	2,482,640	1,438,903	1,953,052
Trade and Other Payables	739,272	753,119	571,480	544,525
Income Tax Payable	124,742	190,326	70,454	142,959
	2,934,557	3,426,085	2,080,837	2,640,536
Total equity and liabilities	6,722,061	6,863,623	5,209,046	5,465,977
	LKR	LKR	LKR	LKR
Net assets per share	9.49	8.49	7.97	7.08

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

07 February 2024 | Colombo

CONSOLIDATED INCOME STATEMENT

	Quarter ended 31 December			Nine months ended 31 December		
	2023 Unaudited	2022 Unaudited	Change %	2023 Unaudited	2022 Unaudited	Change %
Revenue	2,605,269	3,538,001	-26%	7,321,282	10,542,362	-31%
Cost of sales	(2,027,910)	(2,576,165)	-21%	(5,678,465)	(7,955,031)	-29%
Gross profit	577,359	961,836	-40%	1,642,817	2,587,330	-37%
Other income and gains	15,044	12,544	20%	35,198	162,964	-78%
Selling and distribution costs	(134,848)	(124,529)	8%	(371,692)	(331,427)	12%
Administrative expenses	(179,837)	(160,141)	12%	(490,263)	(467,362)	5%
Operating profit	277,718	689,710	-60%	816,060	1,951,505	-58%
Finance cost	(54,448)	(167,511)	-67%	(188,542)	(398,964)	-53%
Profit/(loss) before tax	223,270	522,199	-57%	627,518	1,552,542	-60%
Tax expense	(69,218)	(171,523)	-60%	(194,538)	(337,636)	-42%
Profit/(loss) for the period	154,052	350,676	-56%	432,980	1,214,906	-64%
Attributable to:						
Equityholders of the parent	154,093	350,923	-56%	433,154	1,215,315	-64%
Non Controlling Interest	(41)	(247)		(174)	(409)	
	154,052	350,676	-56%	432,980	1,214,906	-64%
	LKR	LKR		LKR	LKR	
Earnings per share	0.46	1.05	-56%	1.30	3.65	-64%

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Quarter ended 31 December		Nine months ended 31 December	
	2023 Unaudited	2022 Unaudited	2023 Unaudited	2022 Unaudited
Profit for the period	154,052	350,676	432,980	1,214,906
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	154,052	350,676	432,980	1,214,906
Attributable to:				
Equityholders of the parent	154,052	350,676	432,980	1,214,906
Non Controlling Interest	(41)	(86)	(174)	(161)
	154,012	350,589	432,806	1,214,745

Note:

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

COMPANY INCOME STATEMENT

	Quarter ended 31 December			Nine months ended 31 December		
	2023 Unaudited	2022 Unaudited	Change %	2023 Unaudited	2022 Unaudited	Change %
Revenue	1,674,716	1,923,062	-13%	4,752,219	6,072,050	-22%
Cost of sales	(1,198,460)	(1,257,361)	-5%	(3,455,865)	(4,310,167)	-20%
Gross profit	476,256	665,701	-28%	1,296,353	1,761,883	-26%
Other income and gains	35,979	183,557	-80%	58,593	373,040	-84%
Selling and distribution costs	(121,960)	(111,391)	9%	(335,462)	(293,085)	14%
Administrative expenses	(128,616)	(120,221)	7%	(357,463)	(362,017)	-1%
Operating profit	261,659	617,646	-58%	662,022	1,479,822	-55%
Finance cost	(27,410)	(128,304)	-79%	(104,344)	(319,589)	-67%
Profit/(loss) before tax	234,249	489,342	-52%	557,678	1,160,233	-52%
Tax expense	(59,370)	(118,328)	-50%	(162,207)	(213,366)	-24%
Profit/(loss) for the period	174,879	371,013	-53%	395,471	946,867	-58%
Attributable to:						
Equity holders of the parent	174,879	371,013	-53%	395,471	946,867	-58%
	LKR	LKR		LKR	LKR	
Earnings per share	0.52	1.11	-53%	1.19	2.84	-58%

COMPANY STATEMENT OF COMPREHENSIVE INCOME

	Quarter ended 31 December		Nine months ended 31 December	
	2023 Unaudited	2022 Unaudited	2023 Unaudited	2022 Unaudited
Profit for the period	174,879	371,013	395,471	946,867
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	174,879	371,013	395,471	946,867
Attributable to:				
Equity holders of the parent	174,879	371,013	395,471	946,867

Note:

All values are in LKR '000s, unless otherwise stated.

Figures in brackets indicate deductions.

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STATEMENT OF CASH FLOWS

For the Nine months ended 31 December	GROUP		COMPANY	
	2023 Unaudited	2022 Unaudited	2023 Unaudited	2022 Unaudited
CASHFLOW FROM / (USED IN) OPERATING ACTIVITIES				
Profit/(loss) before tax	627,518	1,552,542	557,678	1,160,233
Adjustments for:				
Depreciation of Property, Plant and Equipment	118,150	70,902	100,353	58,012
Amortization of Right of Use Assets	38,930	38,501	9,936	9,260
Amortisation of Intangible Assets	565	342	429	319
Provision for Retirement Benefit Liability	22,224	20,948	13,422	12,454
Profit/(Loss) on Disposal of Property, Plant and Equipment	(8,940)	(5,641)	(8,940)	(5,014)
Lease Interest	25,884	22,646	12,146	10,066
Finance Cost	162,274	377,964	92,198	310,768
Operating profit before working capital changes	986,605	2,078,202	777,221	1,556,096
(Increase)/Decrease in inventories	172,958	(629,366)	73,189	(388,791)
(Increase)/Decrease in trade and other receivables	(150,828)	(69,016)	59,544	47,499
(Increase)/Decrease in advances and prepayments	(122,722)	(102,362)	(44,847)	(115,484)
Increase/(Decrease) in trade and other payables	(13,847)	(396,594)	61,034	(324,098)
Cash generated from operations	872,167	880,863	926,140	775,223
Gratuity paid	(4,364)	(2,046)	(4,075)	(759)
Tax paid	(257,218)	(93,344)	(231,808)	(40,711)
Finance cost paid	(162,274)	(377,964)	(92,198)	(310,768)
Net cashflow from / (used in) operating activities	448,311	407,510	598,060	422,984
CASHFLOW FROM / (USED IN) INVESTING ACTIVITIES				
Acquisition of Property, Plant and Equipment	(94,469)	(67,756)	(71,736)	(31,083)
Acquisition of Intangible Assets		(48,642)	-	-
Investment in Fixed Deposits		-		
Proceeds from Sale of Property Plant and Equipment	9,225	950	9,225	
Net cashflow from / (used in) investing activities	(85,244)	(115,448)	(62,511)	(31,083)
CASHFLOW FROM / (USED IN) FINANCING ACTIVITIES				
Net Increase/(Decrease) in interest bearing loans and borrowings	(395,880)	(378,356)	(514,149)	(471,734)
Proceeds From Initial Public Offering	-			
Payment of Finance Lease Liabilities	(43,284)	(56,831)	(17,100)	(15,162)
Dividends paid	(100,000)	(583,333)	(100,000)	(583,333)
Net cashflow from / (used in) financing activities	(539,164)	(1,018,520)	(631,249)	(1,070,229)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(176,097)	(726,458)	(95,701)	(678,328)
CASH AND CASH EQUIVALENTS AT THE BEGINNING	676,788	975,074	582,575	817,850
CASH AND CASH EQUIVALENTS AT THE END	500,691	248,616	486,874	139,522

Note:

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Figures in brackets indicate deductions.

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STATEMENT OF CHANGES IN EQUITY

GROUP	Stated Capital	Revaluation Reserve	Retained Earnings	Non Controlling Interests	Total Equity
As at 01 April 2022	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	-	-	-	-	-
Total comprehensive income for the year	-	-	1,215,314	(408)	1,214,906
Dividend paid	-	-	(583,333)	-	(583,333)
As at 31 December 2022	1,200,000	291,992	1,040,679	(517)	2,532,154
As at 01 April 2023	1,200,000	623,223	1,008,801	(813)	2,831,211
Profit for the period	-	-	433,154	(174)	432,980
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	433,154	(174)	432,980
Dividend paid	-	-	(100,000)	-	(100,000)
As at 31 December 2023	1,200,000	623,223	1,341,955	(987)	3,164,191

COMPANY	Stated Capital	Revaluation Reserve	Retained Earnings	Total Equity
As at 01 April 2022	1,200,000	291,992	252,337	1,744,329
Profit for the period	-	-	946,867	946,867
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	946,867	946,867
Dividend paid	-	-	(583,333)	(583,333)
As at 31 December 2022	1,200,000	291,992	615,871	2,107,863
As at 01 April 2023	1,200,000	623,223	537,839	2,361,063
Profit for the period	-	-	395,471	395,471
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	395,471	395,471
Dividend paid	-	-	(100,000)	(100,000)
As at 31 December 2023	1,200,000	623,223	833,310	2,656,534

Note:

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Figures in brackets indicate deductions.

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NOTES TO THE FINANCIAL STATEMENTS

1. The financial statements for the period ended 31st December 2023, 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.
2. The interim condensed financial statements of the Group and the Company for the Quarter ended 31st December 2023 were authorized for issue by the Board of Directors on 07th February 2024.
3. The interim condensed financial statements for the Quarter ended 31st December 2023 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 31st March 2023. 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.
4. The stated capital as at 31st December 2023 is represented by 333,333,333 shares.
5. The ordinary shares of the Company were subdivided by splitting each issued ordinary share into five (05) ordinary shares on the 19th 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 22nd October 2021 by an offer for subscription. Which increased the No. of Shares to 333,333,333.
6. Net assets per share have been calculated, based on the number of shares as at balance sheet date for the respective period.
7. 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.
8. There have been no other events subsequent to the balance sheet date, which require disclosures in the interim financial statements.
9. There were no significant changes in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31st March 2023.

10. Share Information

10.1. Directors and CEO’s shareholding as of 31st December 2023

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. U K D Dharmadasa	37,400
Mrs. Shehara De Silva	13,100
Mr. A O Kassim	234,400
Mr. U D W Chathuranga Abeyratne	Nil
Mr. Mohamed Riyaz Valli Mohamed (CEO)	<u>85,910</u>
	<u>494,410</u>

10.2. Public Share Holding as at 31st December 2023

Issued share capital (No.)	333,333,333
Public holding as a % of issued share capital	34.51%
Total no. of shareholders	5,550
No. of shareholders representing the public holding	5,527
Float adjusted market capitalisation (Rs.)	1,426,496,223

The applicable option under CSE Rule 7.13.1 (a) on minimum public holding is option 5 and the float adjusted Market capitalization as of 31st December 2023 was Rs. 1,426,496,223

10.3. Top 20 Shareholders List

Name	Shares	%
1 ABERDEEN HOLDINGS (PRIVATE) LIMITED	216,733,334	65.02
2 SRI LANKA INSURANCE CORPORATION LTD-LIFE FUND	12,112,605	3.63
3 BANK OF CEYLON A/C CEYBANK UNIT TRUST	5,529,896	1.66
4 MR. MOHAMED NALEEM MOHAMED MUBARAK	2,060,000	0.62
5 BANK OF CEYLON A/C CEYBANK CENTURY GROWTH FUND	2,000,000	0.60
6 MR. MOHAMED FAIZER HASHIM	1,945,000	0.58
7 COMMERCIAL BANK OF CEYLON PLC/W. JINADASA	1,684,706	0.51
8 MR.SAIFULLAH YUSOOF	1,600,000	0.48
9 MR. MOHAMED ZURAISH HIFAZ HASHIM / MR. N.R.M. HASHIM	1,300,000	0.39
10 HATTON NATIONAL BANK PLC/ALMAS HOLDINGS (PRIVATE) LIMITED	1,224,089	0.37
11 MR.PALLIYA GURUGE NADEESHAN DANIDU GUNATHILAKE	1,200,000	0.36
12 MERCHANT BANK OF SRI LANKA & FINANCE PLC/K.L.K.M. INDIKA	1,187,435	0.36
13 DEVELOPMENT INTERPLAN (CEYLON)LIMITED	1,100,000	0.33
14 PHOENIX VENTURES PRIVATE LIMITED	1,000,000	0.30
15 COMMERCIAL BANK OF CEYLON PLC A/C NO. 03	977,000	0.29
16 PEOPLE'S LEASING & FINANCE PLC/HI LINE TOWERS (PVT) LTD	800,000	0.24
17 MR.DINESH NIROSH PRADEEP RATHNAYAKE	771,067	0.23
18 MR.SHANMUGAN SENTHILNATHAN	766,288	0.23
19 MALSHIP CEYLON LTD	750,000	0.23
20 MR. WANNAKUWATTAWADUGE DON NIMAL HEMASIRI PERERA	707,729	0.21
Top 20	255,449,149	76.63
Others	77,884,184	23.37
Total Shares	333,333,333	100.00

10.4. The Company's Highest, Lowest and Last Traded Market Price given below (Quarter Ended 31st December 2023)

Highest Value Per Share (Rs)	13.50
Lowest Value Per Share (Rs)	12.30
Last Traded Price (Rs)	12.40

The share commenced trading in the CSE on 10th November 2021.

11. Disclosure Regarding Status of Utilization of Funds Raised Via IPO Proceeds as at 31st December 2023

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%	Purchased of Land 252.5 Mn	36%	The Funds raised has been deposited in a 3-month Wakala Deposit account at Seylan Bank.

12. 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.

CORPORATE INFORMATION

NAME OF COMPANY

Ex-pack Corrugated Cartons PLC

Incorporated in Sri Lanka as a Private Limited Company on 19th March 2002 under the provisions of Companies Act No.17 of 1982 and on 16th April 2008 under the provisions of Companies Act No. 7 of 2007. The legal form of the company was changed from Private Limited to a Public Limited Company under provisions of the Companies Act No. 07 of 2007 on 27th March 2019. The company is listed on the Colombo Stock Exchange on 10th of November 2021.

COMPANY REGISTRATION NUMBER

PQ00250068

REGISTERED OFFICE AND CURRENT PLACE OF BUSINESS

11A, Milepost Avenue, Colombo 03

Tel: +94 11 2 689 618

Fax: +94 11 2 689 618

Website: www.expack.lk

FACTORY

79, Pattiwila Road, Gonawila, Kelaniya

Tel: +94 11 4 891 891

Fax: +94 11 4 741 751

DIRECTORS

Sattar Kassim - Non-Executive Non-Independent Director/Chairman

M Z M Ghouse - Executive Non-Independent Director/MD

Shafik Kassim - Non-Executive Non-Independent Director

W B W M R A M T G Aluwihare - Non-Executive Independent Director

U K D Dharmadasa - Non-Executive Independent Director

Shehara De Silva - Non- Executive Independent Director

A O Kassim - Executive Non-Independent Director

U D W Chathuranga Abeyratne-Non-Independent Non-Executive Director

SUBSIDIARY COMPANY

Neptune Papers (Pvt) Limited

Neptune Services (Pvt) Ltd.

Neptune Eco Friends (Pvt) Ltd.

AUDITORS (External)

Ernst & Young Chartered Accountants

109, Rotunda Towers, Galle Road, Colombo 03.

Tel: +94 11 2 463 500

Fax: +94 11 2 697 369

AUDITORS (Internal)

KPMG Chartered Accountants

32A, Sir Mohamed Macan Markar Mawatha

Colombo 03

Tel: +94 11 5426 426

Fax: +94 11 244 5872

SECRETARIES

Business Intelligence (Pvt) Limited

08, Tickell Road, Colombo 08

Tel: +94 11 2 015 900

BANKERS

Amana Bank PLC

486, Galle Road, Colombo 03

National Development Bank PLC

40, Navam Mawatha, Colombo 02

Bank of Ceylon

01, BOC Square, Bank of Ceylon Mawatha, Colombo 01

Hatton National Bank PLC

Level 19, 479, T B Jayah Mawatha,

Colombo 10

Pan Asia Bank PLC

450, Galle Road, Colombo 03

Standard Chartered Bank (Sri Lanka) Limited

37, York Street, Colombo 01

Seylan Bank PLC

90, Galle Road, Colombo 03

