



EX-PACK CORRUGATED CARTONS PLC

INTERIM FINANCIAL STATEMENTS

QUARTER ENDED 30TH JUNE 2023



STATEMENT OF FINANCIAL POSITION

As at	GROUP		COMPANY	
	30.06.2023 Unaudited	31.03.2023 Unaudited	30.06.2023 Unaudited	31.03.2023 Unaudited
ASSETS				
Non-current assets				
Property, plant, and equipment	2,361,073	2,333,272	2,263,030	2,234,152
Right-of-use assets	179,717	194,730	52,705	55,999
Investment properties	-	-	-	-
Intangible assets	1,446	1,049	827	989
Investment in subsidiaries	-	-	205,000	205,000
Goodwill	203,544	203,544	-	-
Deferred tax assets	1,027	1,027	-	-
	2,746,807	2,733,623	2,521,562	2,496,141
Current assets				
Inventories	1,289,179	1,493,745	879,842	989,948
Trade and other receivables	1,692,994	1,788,875	1,148,748	1,329,783
Advances and prepayments	335,665	169,025	288,121	67,531
Other financial assets	-	-	-	-
Cash in hand and at bank	633,365	679,383	593,158	582,575
	3,951,202	4,131,028	2,909,868	2,969,837
Total assets	6,698,009	6,864,651	5,431,431	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	1,077,225	980,455	614,240	537,839
Equity Attributable to Equity Holders of the Parent	2,900,448	2,803,678	2,437,463	2,361,063
Non Controlling Interest	(907)	(813)	-	-
Total Equity	2,899,541	2,802,865	2,437,463	2,361,063
Non-current liabilities				
Deferred Tax Liability	336,353	336,353	336,353	336,353
Retirement Benefit Liability	116,578	110,098	80,617	76,782
Interest Bearing Loans and Borrowings	127,325	139,190	49,705	51,243
	580,257	585,641	466,676	464,378
Current liabilities				
Interest Bearing Loans and Borrowings	2,368,919	2,482,640	1,929,113	1,953,052
Trade and Other Payables	601,535	733,641	475,254	544,525
Income Tax Payable	247,757	259,864	122,925	142,959
	3,218,211	3,476,145	2,527,292	2,640,536
Total equity and liabilities	6,698,009	6,864,651	5,431,431	5,465,977
	LKR	LKR	LKR	LKR
Net assets per share	8.70	8.41	7.31	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 August 2023 | Colombo

CONSOLIDATED INCOME STATEMENT

	Quarter ended 30 June			Three months ended 30 June		
	2023 Unaudited	2022 Unaudited	Change %	2023 Unaudited	2022 Unaudited	Change %
Revenue	2,276,407	3,588,644	-37%	2,276,407	3,588,644	-37%
Cost of sales	(1,802,814)	(2,796,735)	-36%	(1,802,814)	(2,796,735)	-36%
Gross profit	473,593	791,910	-40%	473,593	791,910	-40%
Other income and gains	5,048	33,085	-85%	5,048	33,085	-85%
Selling and distribution costs	(110,916)	(90,692)	22%	(110,916)	(90,692)	22%
Administrative expenses	(146,544)	(143,823)	2%	(146,544)	(143,823)	2%
Operating profit	221,182	590,480	-63%	221,182	590,480	-63%
Finance cost	(83,836)	(98,935)	-15%	(83,836)	(98,935)	-15%
Profit/(loss) before tax	137,346	491,545	-72%	137,346	491,545	-72%
Tax expense	(40,670)	(63,994)	-36%	(40,670)	(63,994)	-36%
Profit/(loss) for the period	96,676	427,551	-77%	96,676	427,551	-77%
Attributable to:						
Equityholders of the parent	96,770	427,626	-77%	96,770	427,626	-77%
Non Controlling Interest	(94)	(75)		(94)	(75)	
	96,676	427,551	-77%	96,676	427,551	-77%
	LKR	LKR		LKR	LKR	
Earnings per share	0.29	1.28	-77%	0.29	1.28	-77%

Note:

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

Figures in brackets indicate deductions.

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COMPANY INCOME STATEMENT

	Quarter ended 30 June			Three months ended 30 June		
	2023 Unaudited	2022 Unaudited	Change %	2023 Unaudited	2022 Unaudited	Change %
Revenue	1,467,473	2,016,049	-27%	1,467,473	2,016,049	-27%
Cost of sales	(1,104,634)	(1,502,117)	-26%	(1,104,634)	(1,502,117)	-26%
Gross profit	362,839	513,932	-29%	362,839	513,932	-29%
Other income and gains	8,444	14,172	-40%	8,444	14,172	-40%
Selling and distribution costs	(99,557)	(83,573)	19%	(99,557)	(83,573)	19%
Administrative expenses	(109,935)	(106,332)	3%	(109,935)	(106,332)	3%
Operating profit	161,791	338,200	-52%	161,791	338,200	-52%
Finance cost	(52,648)	(84,963)	-38%	(52,648)	(84,963)	-38%
Profit/(loss) before tax	109,143	253,237	-57%	109,143	253,237	-57%
Tax expense	(32,743)	(20,259)	62%	(32,743)	(20,259)	62%
Profit/(loss) for the period	76,400	232,978	-67%	76,400	232,978	-67%
Attributable to:						
Equityholders of the parent	76,400	232,978	-67%	76,400	232,978	-67%
	LKR	LKR		LKR	LKR	
Earnings per share	0.23	0.70	-67%	0.23	0.70	-67%

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 Period ended 30 June	GROUP		COMPANY	
	2023 Unaudited	2022 Unaudited	2023 Unaudited	2022 Unaudited
CASHFLOW FROM / (USED IN) OPERATING ACTIVITIES				
Profit/(loss) before tax	137,346	491,545	109,143	253,237
Adjustments for:			-	-
Depreciation of Property, Plant and Equipment	37,228	20,830	31,872	17,223
Amortization of Right of Use Assets	14,047	9,967	3,294	2,672
Amortisation of Intangible Assets	208	114	162	106
Provision for Retirement Benefit Liability	7,382	6,731	4,448	4,105
Profit/(Loss) on Disposal of Property, Plant and Equipment	60		60	-
Lease Interest	8,208	4,242	4,162	1,245
Finance Cost	75,476	96,339	48,486	84,963
Operating profit before working capital changes	279,954	629,768	201,626	363,551
(Increase)/Decrease in inventories	204,566	(365,994)	110,106	(192,002)
(Increase)/Decrease in trade and other receivables	93,957	(293,198)	181,035	(187,421)
(Increase)/Decrease in advances and prepayments	(166,639)	(100,594)	(220,590)	(109,481)
Increase/(Decrease) in trade and other payables	(130,181)	(164,156)	(69,271)	(165,771)
Cash generated from operations	281,656	(294,174)	202,906	(291,124)
Gratuity paid	(901)	(219)	(612)	(72)
Tax paid	(52,777)	5,383	(52,777)	(3,258)
Finance cost paid	(75,476)	(96,339)	(48,486)	(84,963)
Net cashflow from / (used in) operating activities	152,502	(385,348)	101,031	(379,417)
CASHFLOW FROM / (USED IN) INVESTING ACTIVITIES				
Acquisition of Property, Plant and Equipment	(64,952)	(37,572)	(61,034)	(24,723)
Acquisition of Intangible Assets		(48,642)	-	-
Investment in Fixed Deposits		673,088	-	673,088
Proceeds from Sale of Property Plant and Equipment	225		225	-
Net cashflow from / (used in) investing activities	(64,727)	586,874	(60,809)	648,364
CASHFLOW FROM / (USED IN) FINANCING ACTIVITIES				
Net Increase/(Decrease) in interest bearing loans and borrowings	(113,721)	(164,176)	(23,939)	(231,100)
Proceeds From Initial Public Offering			-	
Payment of Finance Lease Liabilities	(20,072)	(14,227)	(5,700)	(3,762)
Dividends paid				
Net cashflow from / (used in) financing activities	(133,794)	(178,403)	(29,639)	(234,862)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(46,018)	23,123	10,582	34,085
CASH AND CASH EQUIVALENTS AT THE BEGINNING	679,383	257,068	582,575	99,844
CASH AND CASH EQUIVALENTS AT THE END	633,365	280,191	593,158	133,929

STATEMENT OF CHANGES IN EQUITY

GROUP	Stated Capital	Revaluation Reserve	Retained Earnings	Non Controlling Interst	Total Equity
As at 01 April 2022	1,200,000	291,992	402,461	(109)	1,894,344
Profit for the period	-	-	427,551	(75)	427,475
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	427,551	(75)	427,551
Dividend paid	-	-	-	-	-
As at 30 June 2022	1,200,000	291,992	830,012	(184)	2,322,004
As at 01 April 2023	1,200,000	623,223	980,455	(813)	2,802,865
Profit for the period	-	-	96,770	(94)	96,676
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	96,770	(94)	96,676
Dividend paid	-	-	-	-	-
As at 30 June 2023	1,200,000	623,223	1,077,225	(907)	2,899,541
COMPANY	Stated Capital	Revaluation Reserve	Retained Earnings	Non Controlling Interst	Total Equity
As at 01 April 2022	1,200,000	282,361	252,337	-	1,734,698
Profit for the period	-	-	232,978	-	232,978
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	232,978	-	232,978
Dividend paid	-	-	-	-	-
As at 30 June 2022	1,200,000	282,361	485,315	-	1,967,676
As at 01 April 2023	1,200,000	623,223	537,839	-	2,361,063
Profit for the period	-	-	76,400	-	76,400
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	76,400	-	76,400
Dividend paid	-	-	-	-	-
As at 30 June 2023	1,200,000	623,223	614,240	-	2,437,463

Note:

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

Figures in brackets indicate deductions.

The amounts are provisional and subject to audit.

NOTES TO THE FINANCIAL STATEMENTS

1. The financial statements for the period ended 30th June 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 30th June 2023 were authorized for issue by the Board of Directors on 07th August 2023.
3. The interim condensed financial statements for the Quarter ended 30th June 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 30th June 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. Interim dividends of Rs. 823,333,333/= was declared and paid for the period ending 31st March 2023.

Detail of Dividend Declaration

Date of Announcement	Dividend per Share (Rs.)	Type of Dividend	Amount Rs.
28 th June 2022	0.40	Interim	133,333,333
4 th November 2022	1.35	Interim	450,000,000
13 th March 2023	0.72	Interim	240,000,000

9. Share Information

9.1. Directors and CEO's shareholding as of 30th June 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. Mohamed Riyaz Valli Mohamed (CEO)	85,910
Mr. A O Kassim	164,400
Mr. U D W Chathuranga Abeyratne	Nil
	<u>424,410</u>

9.2. Public Share Holding as at 30th June 2023

Issued share capital (No.)	333,333,333
Public holding as a % of issued share capital	34.53%
Total no. of shareholders	5,485
No. of shareholders representing the public holding	5,462
Float adjusted market capitalisation (Rs.)	1,553,985,243

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 30th June 2023 was Rs. 1,553,985,243

9.3. 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 ACCESS ENGINEERING PLC	2,473,000	0.74
5 MR. MOHAMED NALEEM MOHAMED MUBARAK	2,060,000	0.62
6 BANK OF CEYLON A/C CEYBANK CENTURY GROWTH FUND	2,000,000	0.60
7 MR.TUAN FAIZAL RAHEEM / MRS. A. MIHILAR	1,764,016	0.53
8 COMMERCIAL BANK OF CEYLON PLC/W. JINADASA	1,684,706	0.51
9 MR.SHANMUGAN SENTHILNATHAN	1,601,240	0.48
10 MR.MOHOMED ZURAISH HIFAZ HASHIM / MR. N.R.M. HASHIM	1,300,000	0.39
11 MR.MOHAMED FAIZER HASHIM	1,230,000	0.37
12 MR.SAIFULLAH YUSOOF	1,200,000	0.36
13 DEVELOPMENT INTERPLAN (CEYLON)LIMITED	1,100,000	0.33
13 MR.MOHAMMED NASHAN MOHAMMED NAZEER	1,028,092	0.31
14 SEYLAN BANK PLC/ HILINE TOWERS (PVT) LTD.	1,007,455	0.30
15 PHOENIX VENTURES PRIVATE LIMITED	1,000,000	0.30
16 MR.MOHAMED ISMAIL MOHAMED SHAFIE / MRS.F.R. SHAFIE	989,085	0.30
17 MR.GANGATHARAN SUTHAHARAN	980,000	0.29
19 PEOPLE'S LEASING & FINANCE PLC/HI LINE TOWERS (PVT) LTD	800,000	0.24
20 MERCHANT BANK OF SRI LANKA & FINANCE PLC/K.L.K.M. INDIKA	754,250	0.23
Top 20	257,347,679	77.20
Others	75,985,654	22.80
Total Shares	333,333,333	100.00

9.4. The Company's Highest, Lowest and Last Traded Market Price given below (Quarter Ended 30th June 2023)

Highest Value Per Share (Rs)	15.50
Lowest Value Per Share (Rs)	12.20
Last Traded Price (Rs)	13.50

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

10. Disclosure Regarding Status of Utilization of Funds Raised Via IPO Proceeds as at 30th June 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%	Purchase of Land 252.5 M	36%	The Funds raised has been deposited in a 3-month Wakala Deposit account at Seylan Bank.

11. 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.

Note:

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

Figures in brackets indicate deductions.

The amounts are provisional and subject to audit.

CORPORATE INFORMATION

NAME OF COMPANY

Ex-pack Corrugated Cartons PLC

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.

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

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, Gonawilla, Kelaniya

Tel: +94 11 4 891 891

Fax: +94 11 4 741 751

DIRECTORS

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

Mr. U D W Chathuranga Abeyratne

SUBSIDIARY COMPANY

Neptune Papers (Pvt) Limited

Saffron Food Services (Pvt) Ltd.

Neptune Eco Friends (Pvt) Ltd.

AUDITORS (External)

Ernst & Young Chartered Accountants

201, De Saram Place, Colombo 10

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