

EX-PACK CORRUGATED CARTONS LIMITED

INTERIM CONDENSED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 SEPTEMBER 2021



STATEMENT OF FINANCIAL POSITION

As at	GROUP		COMPANY	
	30.09.2021 unaudited	31.03.2021 audited	30.09.2021 unaudited	31.03.2021 audited
ASSETS				
Non-current assets				
Property, plant and equipment	1,031,191	1,039,480	1,001,813	1,008,170
Right-of-use assets	111,848	100,815	40,594	45,937
Investment properties	382,000	382,000	382,000	382,000
Intangible assets	962	668	855	537
Investment in subsidiaries	-	-	205,000	205,000
Goodwill	203,544	203,544	-	-
Deferred tax assets	13,559	13,559	-	-
	1,743,104	1,740,065	1,630,262	1,641,644
Current assets				
Inventories	930,727	764,636	818,875	681,765
Trade and other receivables	1,480,966	1,379,052	1,165,395	1,026,973
Advances and prepayments	212,817	34,108	200,372	49,155
Other financial assets	470,000	483,000	470,000	483,000
Cash in hand and at bank	533,469	94,741	421,662	84,592
	3,627,978	2,755,536	3,076,304	2,325,485
Total assets	5,371,082	4,495,601	4,706,566	3,967,129
EQUITY AND LIABILITIES				
Equity				
Stated capital	500,000	500,000	500,000	500,000
Revaluation reserves	291,992	291,992	291,992	291,992
Retained earnings	161,564	(8,552)	123,295	46,788
	953,556	783,440	915,287	838,780
Non-current liabilities				
Lease liabilities	91,671	75,931	34,983	40,118
Defined benefit obligations	92,751	82,201	66,655	61,425
Deferred tax liabilities	72,543	73,639	72,543	73,639
	256,965	231,771	174,181	175,182
Current liabilities				
Trade and other payables	818,705	755,781	647,322	631,069
Loans and borrowings	3,303,129	2,676,692	2,931,049	2,274,181
Income tax liabilities	38,727	47,917	38,727	47,917
	4,160,561	3,480,390	3,617,098	2,953,167
Total equity and liabilities	5,371,082	4,495,601	4,706,566	3,967,129
	LKR	LKR	LKR	LKR
Net assets per share	3.81	3.13	3.66	3.36

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.


Abdul Latiff Ahamed
Head of Finance

The Board of Directors is responsible for these financial statements.


Zulfikar Ghouse
Managing Director


Dinesh Dharmadasa
Director

16 October 2021 | Colombo

CONSOLIDATED INCOME STATEMENT

	Quarter ended 30 September			Six months ended 30 September		
	2021	2020	Change %	2021	2020	Change %
Revenue	1,898,117	1,275,773	49%	3,465,773	2,065,932	68%
Cost of sales	(1,560,355)	(1,015,304)	54%	(2,875,641)	(1,687,153)	70%
Gross profit	337,762	260,469	30%	590,132	378,779	56%
Other income and gains	16,745	1,617	936%	22,470	2,241	903%
Selling and distribution costs	(83,571)	(50,400)	66%	(140,146)	(85,573)	64%
Administrative expenses	(83,925)	(69,760)	20%	(162,222)	(134,032)	21%
Operating profit	187,011	141,927	32%	310,234	161,416	92%
Finance cost	(46,749)	(80,001)	-42%	(88,880)	(115,209)	-23%
Profit/(loss) before tax	140,262	61,926	127%	221,354	46,207	379%
Tax expense	(15,283)	210	-7364%	(21,238)	(1,201)	1668%
Profit/(loss) for the period	124,979	62,136	101%	200,116	45,006	345%
Attributable to:						
Equity holders of the parent	124,979	62,136	101%	200,116	45,006	345%
	LKR	LKR		LKR	LKR	
Earnings per share	0.50	0.25	101%	0.80	0.18	345%

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Quarter ended 30 September		Six months ended 30 September	
	2021	2020	2021	2020
Profit for the period	124,979	62,136	200,116	45,006
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	124,979	62,136	200,116	45,006
Attributable to:				
Equity holders of the parent	124,979	62,136	200,116	45,006

Note:

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 Figures in brackets indicate deductions.
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COMPANY INCOME STATEMENT

	Quarter ended 30 September			Six months ended 30 September		
	2021	2020	Change %	2021	2020	Change %
Revenue	1,289,694	874,980	47%	2,318,990	1,459,567	59%
Cost of sales	(1,036,677)	(672,311)	54%	(1,893,858)	(1,133,627)	67%
Gross profit	253,017	202,669	25%	425,133	325,939	30%
Other income and gains	15,120	1,391	987%	22,163	1,638	1253%
Selling and distribution costs	(79,199)	(48,160)	64%	(132,318)	(79,878)	66%
Administrative expenses	(60,082)	(51,265)	17%	(116,002)	(102,148)	14%
Operating profit	128,856	104,635	23%	198,975	145,552	37%
Finance cost	(38,947)	(54,010)	-28%	(73,667)	(85,514)	-14%
Profit/(loss) before tax	89,909	50,626	78%	125,308	60,037	109%
Tax expense	(13,942)	(8,615)	62%	(18,801)	(10,027)	88%
Profit/(loss) for the period	75,967	42,010	81%	106,507	50,010	113%
Attributable to:						
Equity holders of the parent	75,967	42,010	81%	106,507	50,010	113%
	LKR	LKR		LKR	LKR	
Earnings per share	0.30	0.17	81%	0.43	0.20	113%

COMPANY STATEMENT OF COMPREHENSIVE INCOME

	Quarter ended 30 September		Six months ended 30 September	
	2021	2020	2021	2020
Profit for the period	75,967	42,010	106,507	50,010
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	75,967	42,010	106,507	50,010
Attributable to:				
Equity holders of the parent	75,967	42,010	106,507	50,010

Note:

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STATEMENT OF CASH FLOWS

For the six months ended 30 September	GROUP		COMPANY	
	2021	2020	2021	2020
CASHFLOW FROM / (USED IN) OPERATING ACTIVITIES				
Profit/(loss) before tax	221,354	46,207	125,308	60,037
Adjustments for:				
Depreciation of property, plant and equipment	34,968	28,169	31,123	20,754
Amortization of right-of-use assets	16,402	16,425	5,344	5,344
Amortization of intangible assets	4,466	79	4,442	-
Provision of retirement benefit liability	11,551	7,250	5,991	5,557
Lease interest	6,830	7,541	3,008	3,479
Finance cost	82,050	107,668	70,659	82,035
Operating profit before working capital changes	377,621	213,340	245,875	177,206
(Increase)/Decrease in inventories	(166,092)	50,018	(137,110)	46,117
(Increase)/Decrease in trade and other receivables	(105,004)	57,443	(118,422)	7,440
(Increase)/Decrease in advances and prepayments	(166,410)	(82,920)	(170,395)	(92,589)
(Increase)/Decrease in fixed deposits	13,000	-	13,000	-
Increase/(Decrease) in trade and other payables	59,469	(147,418)	15,431	(85,349)
Cash generated from operations	12,585	90,463	(151,621)	52,825
Gratuity paid	(1,001)	(439)	(761)	(439)
Tax paid	(29,087)	-	(29,087)	-
Finance cost paid	(82,050)	(107,668)	(70,659)	(82,035)
Net cashflow from / (used in) operating activities	(99,554)	(17,644)	(252,127)	(29,649)
CASHFLOW FROM / (USED IN) INVESTING ACTIVITIES				
Acquisition of property, plant and equipment	(30,727)	(26,547)	(29,088)	(21,165)
Acquisition of intangible assets	(438)	-	(438)	-
Net cashflow from / (used in) investing activities	(31,165)	(26,547)	(29,526)	(21,165)
CASHFLOW FROM / (USED IN) FINANCING ACTIVITIES				
Proceeds from interest bearing loans and borrowings	5,312,874	3,048,501	5,259,827	3,079,657
Repayment of interest-bearing loans and borrowings	(4,670,925)	(2,716,957)	(4,582,792)	(2,716,957)
Payment of finance lease liabilities	(21,372)	(22,426)	(7,182)	(6,840)
Payment of dividend	(30,000)	(45,246)	(30,000)	(45,246)
Net cashflow from / (used in) financing activities	590,577	263,873	639,854	310,614
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	459,858	219,682	358,200	259,800
CASH AND CASH EQUIVALENTS AT THE BEGINNING	73,611	106,774	63,462	55,749
CASH AND CASH EQUIVALENTS AT THE END	533,469	326,457	421,662	315,549

Note:

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STATEMENT OF CHANGES IN EQUITY

GROUP	Stated Capital	Revaluation reserve	Retained Earnings	Total equity
As at 01 April 2020	500,000	196,252	(103,624)	592,629
Profit for the period	-	-	45,006	45,006
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	45,006	45,006
Dividend paid	-	-	(45,246)	(45,246)
As at 30 September 2020	500,000	196,252	(103,864)	592,388

As at 01 April 2021	500,000	291,992	(8,552)	783,440
Profit for the period	-	-	200,116	200,116
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	200,116	200,116
Dividend paid	-	-	(30,000)	(30,000)
As at 30 September 2021	500,000	291,992	161,564	953,556

COMPANY	Stated Capital	Revaluation reserve	Retained Earnings	Total equity
As at 01 April 2020	500,000	196,252	5,444	701,697
Profit for the period	-	-	50,010	50,010
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	50,010	50,010
Dividend paid	-	-	(45,246)	(45,246)
As at 30 September 2020	500,000	196,252	10,208	706,460

As at 01 April 2021	500,000	291,992	46,788	838,780
Profit for the period	-	-	106,507	106,507
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	106,507	106,507
Dividend paid	-	-	(30,000)	(30,000)
As at 30 September 2021	500,000	291,992	123,295	915,287

Note:

All values are in LKR '000s, unless otherwise stated.
 Figures in brackets indicate deductions.
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NOTES TO THE FINANCIAL STATEMENTS

01. The financial statements for the period ended 30 September 2021, include “the Company” referring to Ex-pack Corrugated Cartons Limited, as the holding company and “the Group” referring to “the Company” and its subsidiary, Neptune Papers (Pvt) Limited whose accounts have been consolidated therein.
02. The interim condensed financial statements of the Group and the Company for the six months ended 30 September 2021 were authorized for issue by the Board of Directors on 16th October 2021.
03. The interim condensed financial statements for the six months ended 30 September 2021 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 March 2021. 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.
04. The stated capital as at 30 September 2021 is represented by 250,000,000 shares. The ordinary shares of the Company were subdivided by splitting each issued ordinary share into five (05) ordinary shares from 19 July 2021. Consequently, 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.
05. Net assets per share and Earnings per share has been calculated, for all periods, based on the number of shares in issue as at 30th September 2021.
06. An interim dividend of LKR 0.12 per share for the financial year ended 31 March 2021 was declared and paid during the period.
07. Directors' shareholding as of 30 September 2021: NIL
08. Shareholders of the Company as at 30 September 2021 is as follows:

Name	Number of shares	%
Aberdeen Holdings Pvt Limited	250,000,000	100

09. There has been no significant change in the nature of the contingent liabilities and other commitments, which was disclosed in the audited financial statements for the year ended 31 March 2021.
10. The Company intend to raise LKR 699,999,997.20 through an offer for subscription of 83,333,333 ordinary voting shares at LKR 8.40 per share and to list on the Main Board of Colombo Stock Exchange. The share issue is scheduled to open on 22nd October 2021.
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 condensed financial statements.

CORPORATE INFORMATION

NAME OF COMPANY

Ex-pack Corrugated Cartons Limited

Incorporated in Sri Lanka on 16 April 2008 as a Private Limited Company. The legal form was changed to a Public Limited Company under provisions of the Companies Act No.07 of 2007 on 27 March 2019.

COMPANY REGISTRATION NUMBER

PV 3294 PB

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)

Zulficar Ghouse (Managing Director)

Shafik Kassim

Abdullah Kassim

Thulci Aluwihare

Dinesh Dharmadasa

Shehara De Silva

SUBSIDIARY COMPANIES

Neptune Papers (Pvt) Limited

AUDITORS

Ernst & Young Chartered Accountants

201, De Saram Place, Colombo 10

Tel: +94 11 2 463 500

Fax: +94 11 2 697 369

SECRETARIES

Business Intelligence (Pvt) Limited

08, Tickell Road, Colombo 08

Tel: +94 11 2 015 900

BANKERS

Amana Bank

486, Galle Road, Colombo 03

National Development Bank

40, Navam Mawatha, Colombo 02

Bank of Ceylon

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

Hatton National Bank

Level 19, 479, T B Jayah Mawatha, Colombo 10

Pan Asia Bank

450, Galle Road, Colombo 03

Standard Chartered Bank (Sri Lanka) Limited

37, York Street, Colombo 01

Seylan Bank

90, Galle Road, Colombo 03