



FYE 2023 – YEAR OF CONSOLIDATION

Context

- FYE 2022 saw significant volume surge, supply chain disruptions.
- Retail overstocking & Inflationary factors have resulted in markets slowing down

Focus on Consolidation –

- Soft market conditions resulted in volume reduction & Freight rate normalization
- *Aim – Look long term*

Pursued Consistent Strategy

- Developed new Customer relationship & Increased wallet share
 - EFL Value proposition key differentiator in growing businesses
- Invested into Intangibles to prepare for *Long term*

Strategic Acquisitions focused on future growth

- Completed two large acquisitions during the year
- Synergize with opportunities to complement core business and capabilities

FYE 2023 – PERFORMANCE FOCUSED ON STABILIZING EARNINGS

Rev –
USD 1.5Bn

Op. Profit –
USD 112 Mn

PAT – USD
88MN

RS. MN	FYE 2023	FYE 2022	Q4 FYE 2023 (Jan-Mar 2023)	Q4 FYE 2022 (Jan-Mar 2022)
Revenue	546,400	694,157	55,169	242,046
Gross Profit	105,268	121,908	19,316	46,089
Operating Profit*	36,141	79,947	1,084	30,455
PAT	31,050	72,791	(1,171)	31,357

* Note: Excluding Exchange Impacts

- Delivered an operating profit of **Rs. 1.08Bn** despite, soft market conditions
- Currency fluctuations (LKR Appreciation) result in **negative Rs. 2.4Bn** impact, diluting group performance
- Logistics sector experienced a moderation in volumes & normalization of rates, resulting in reduction in Revenue
- Leisure sector sustained growth momentum
- Quality of earnings demonstrated with improved cashflow position
- Overheads on USD : USD basis remains stable
- **Markets in transitory phase - Consolidation & Earning stabilization remains primary focus**

FUNDAMENTALS REMAIN THE CORE FOCUS

Customers & Volumes

- Retaining Wallet Share with all key accounts
- Selective Customer acquisition
- Growing Domestic Logistics Portfolio
- Enhanced Service capabilities

Procurement Management

- Strengthening & developing Partnerships
- Flexible procurement strategies



Infrastructure, People & Technology

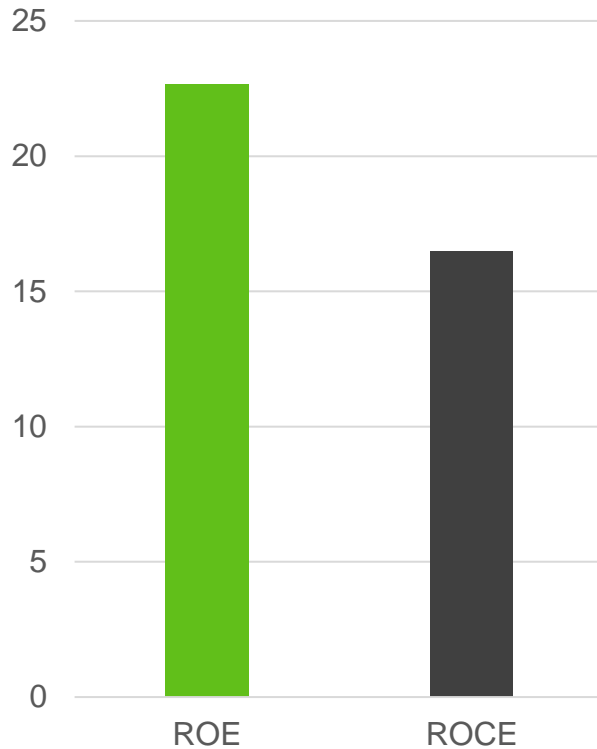
- Process Improvements & Visibility Platforms
- Service excellence & delivery
- Strengthened HR Resources

Optimization

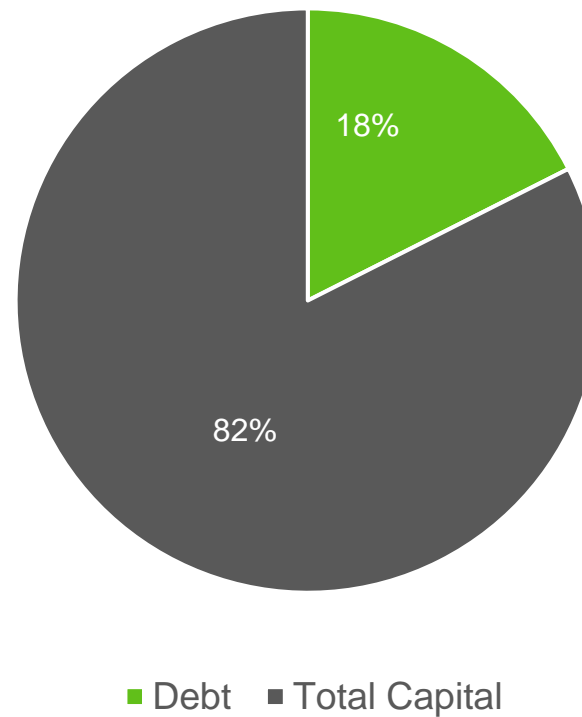
- Aligned & market driven E S G Framework
- Improved Back-office Functions

BUILDING CAPABILITIES & STRENGTH FOR THE FUTURE

ROE'S REMAIN STRONG
AT 22.7%



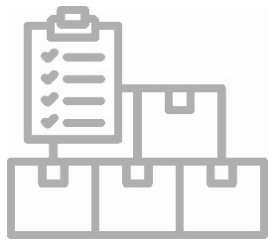
OPTIMIZED
CAPITAL STRUCTURE WITH
LOW GEARING



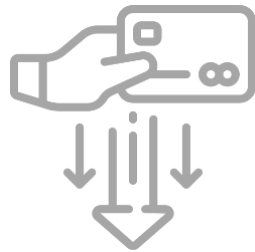
- *Displayed strong cash conversion during current Year Rs. 170Bn in cash from operations*
- *Working Capital Cycles & collection efficiencies improved during the year*
- *Capital Related Payments of Rs. 135Bn - Settlement of loans, Payment of Dividend & Acquisitions*

MARKETS REMAIN SOFT & SUBDUED

- *Post Covid economic slow down across all key markets*
- *Easing of supply chain disruptions*
- *Geo political uncertainties remain at the helm*



High
Inventory
Levels



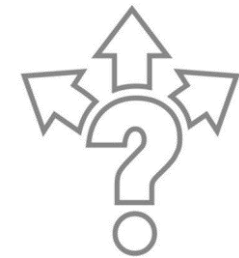
Reduction in
Consumer
spending



Demand -
Supply
Imbalances



Tightening
economic
conditions &
Monetary policies



Uncertainties in
Global markets
remain

LOGISTICS SECTOR – RESILIENCE AMIDST SOFT MARKET CONDITIONS



Freight



Transport & Warehousing



Others

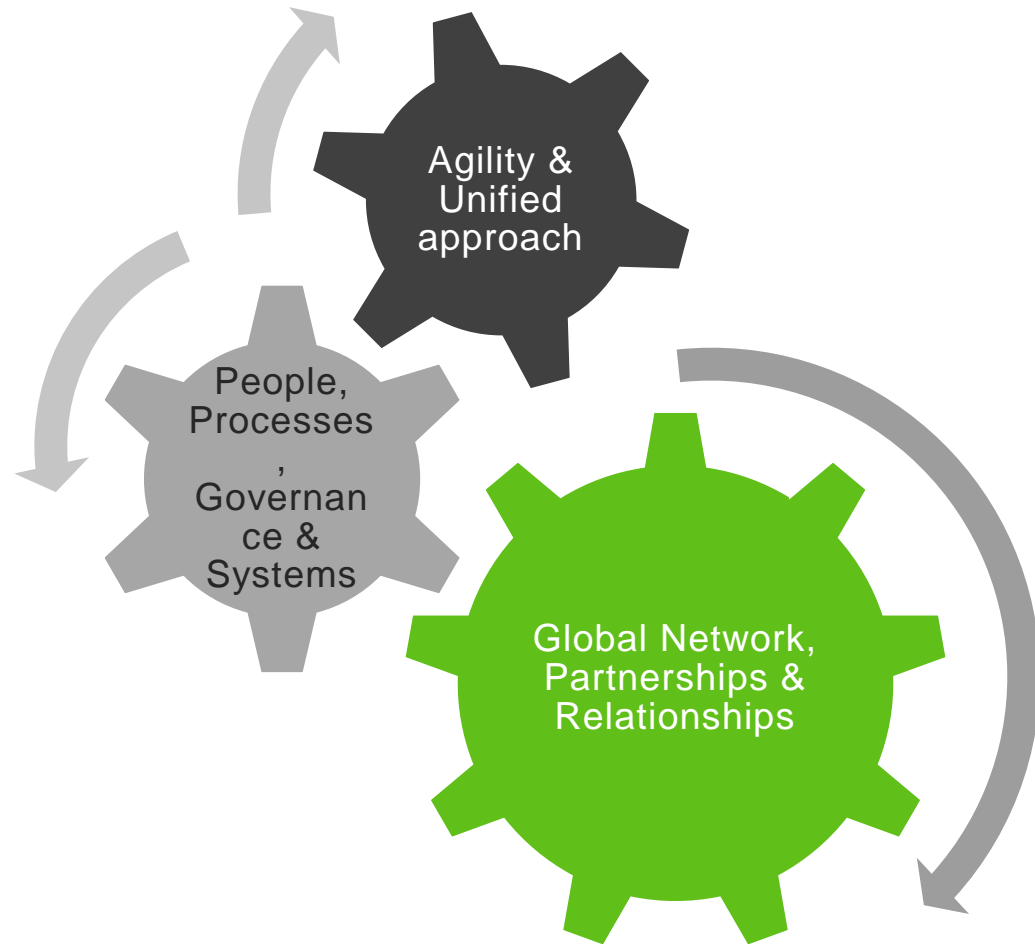
RS. MN	FYE 2023	FYE 2022	Q4 FYE 2023 (Jan-Mar 2023)	Q4 FYE 2022 (Jan-Mar 2022)
Revenue	537,669	689,928	52,957	240,949
Gross Profit	102,352	121,016	18,501	45,780
Operating Profit*	35,487	80,799	987	30,613
PAT	29,436	71,899	-682	29,961

* Note: Excluding Exchange Impacts

- **Market Conditions remain soft** – Retail Inventory remains high, Inflationary fears & uncertainties in the macro environment dampen demand
- **Volumes Moderate** – Reduction in Volumes across both Air & Ocean products was witnessed during the year.
- **Demand Cycles impacted** – Industry did not have a Peak in Q3 and Business adopting to cyclical changes
- **Freight Rates Subdued** – Rates across both Air & Ocean products saw correction due to lack of demand
- **Margins remain Stable** – EFL was able to stabilize margins throughout the year
- **Investing into the supply chain** - Continued progress on 3PL & Domestic logistics vertical
- LKR Appreciation results in a **negative Forex impact of Rs. 2.3Bn** to the Logistic Sector performance

BUILDING ON INTANGIBLES

GLOBAL NETWORK & CAPABILITIES AT THE HEART OF EFL'S LONG TERM GROWTH



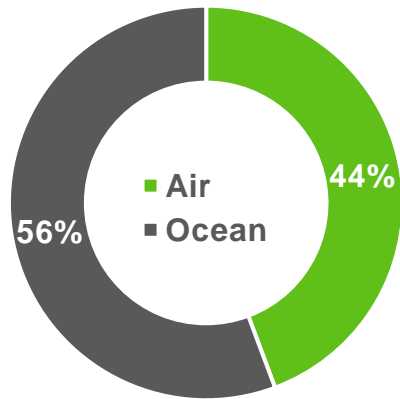
Intangibles are the core of EFL's consistent strategy

Facilitate future growth

Invest into intangible to drive consistent & sustainable earnings

SEASONALITY & MARKET CONDITIONS RESULT IN SLOW DOWN IN Q4 VOLUMES

REVENUE BY MAIN PRODUCTS (FYE 23)



FYE 23 REV MODERATION

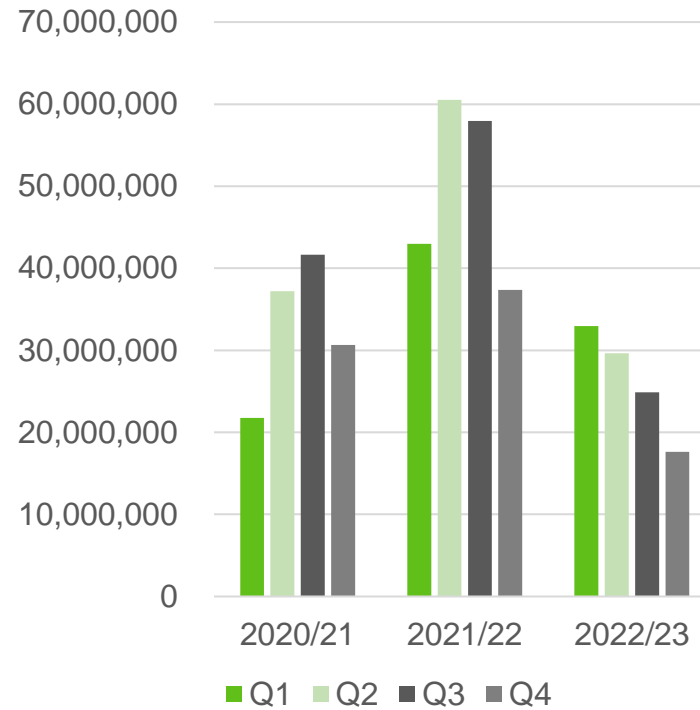


-67%



-42%

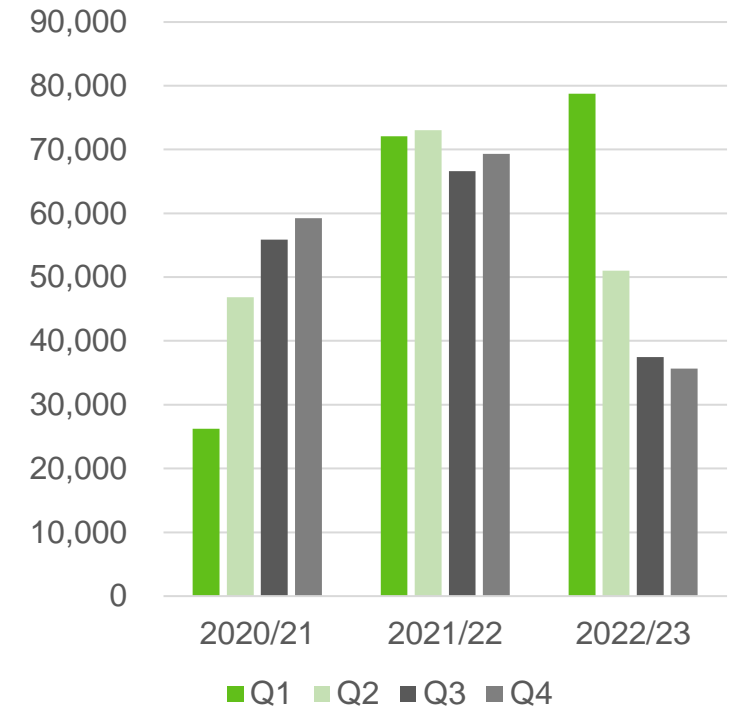
Q4 AIR VOLUMES DROP



AIR VOLUMES
105.1MN KGS
FYE 22/23

YoY (Q3) -47%

Q4 OCEAN VOLUMES MODERATE



OCEAN VOLUMES
202.9K TEU'S
FYE 22/23

YoY (Q3) -28%

ACQUISITIONS - SUPPORT GROWTH INITIATIVES

The acquisitions are part of EFL's long-term strategic plan to consolidate its core operations, enhance service portfolio, widen strategic customer base and grow its NAM business



ACQUISITION OF TRANS AMERICA CUSTOM BROKERS GROUP

Acquired 100% of Trans America Group for a total Purchase consideration of
USD 42.5Mn
on a Cash free Debt free basis



ACQUISITION OF LOCHER EVERS GROUP

Acquired 100% of Locher Evers Group for a total Purchase consideration of
CAD 90Mn
on a Cash free Debt free basis

TRANS AMERICAN GROUP - COMPANY BACKGROUND & STRATEGY



COMPANY BACKGROUND

Trans American Group is amongst the leading brokerage companies in North America with operations in USA & Canada

Brokerage is an essential service enabling Importers to facilitate business

Trans American Group services some of the largest brands in the US in the F&B, Retail, Automotive and related industries, with minimum overlap with EFL's current clients

ACQUISITION STRATEGY

- Enables EFL Global to strengthen & offer brokerage services to EFL's customer base and **increase customer stickiness & wallet share**
- Exposure to a **new customer base** with **wider industry exposure**
- Consolidate US operations by driving **growth** on a standalone business
- Position EFL as a **leading customs broker in NAM** (Together with the Locher Evers group)
- **Leverage EFL's capabilities** to service Freight Forwarding & logistics requirements of Trans American Customers

ACQUISITION STRATEGY



LOCHER EVERS GROUP

Locher Evers Group is amongst the leading logistics companies in Canada, specializing in Ocean Freight, Warehousing, and other Logistics services

The company has a client base across a wide range of Industries with minimum overlap

Majority of business serviced is from the Far East markets

Supported by an experienced team, strong infrastructure & partnership's the Locher Evers Group has seen consistent growth over several years



ACQUISITION STRATEGY

- Enables EFL to scale up its Canada operations which is an untapped market & optimize infrastructure capabilities
- Extending services in Canada to EFL's existing customer portfolio
- Consolidate US operations by driving growth on a standalone business
- Consolidate Ocean business and continue to grow Far East operations

HOLISTIC CONSISTENT STRATEGY REMAINS

Consolidate Core markets | Expand into Europe, LATAM, Intra Asia
| Enhance Service Capability | Leverage Industry Verticals | M&A



STRATEGIC APPROACH

SHORT TERM

- Markets in transition
- Market share consolidation and normalize earnings
- Customer focus to grow volumes
- Efficiency optimizations to drive profitability

MID TERM

- Leverage capabilities for Long term growth
- Cash build-up to fuel the next phase of growth
- Market & product development initiatives

LEISURE SECTOR - RESURGENCE CONTINUES



Corporate Travel



Leisure



Inbound

RS. MN	FYE 2023	FYE 2022	Q4 FYE 2023 (Jan-Mar 2023)	Q4 FYE 2022 (Jan-Mar 2022)
Revenue	3,098	974	835	280
Gross Profit	2,245	635	719	220
Operating Profit*	985	43	265	22
PAT	811	38	132	37

* Note: Excluding Exchange Impacts

Key Highlights

- Strong performance continues in Q4
- Corporate Travel segment contributes the largest growth, supported by the leisure segment
- Retain Market leadership position

Focus & Initiatives

- **Outlook**
 - Market conditions to normalize
- **Strategy**
 - Grow current portfolio and enhance infrastructure capabilities
 - Pursue opportunities in International markets where possible
- **Focus**
 - Corporate Travel, Experiential Travel
 - Operating efficiency & lean structure

INVESTMENT SECTOR - STABILIZING OPERATIONS

RS. MN	FYE 2023	FYE 2022	Q4 FYE 2023 (Jan-Mar 2023)	Q4 FYE 2022 (Jan-Mar 2022)
Revenue	6,532	3,607	1,654	979
Gross Profit	1,569	609	373	224
Operating Profit*	-290	-891	(132)	(179)
PAT	17,049	3,644	(648)	1,348

* Note: Excluding Exchange Impacts

Key Highlights

Export operations

- Re-alignment focusing on higher-yielding, less volatile business portfolio

Value-added operations

- Stability in performance despite market challenges

IT Operations

- Encouraging progress continues with a sustained focus on sales drive

Dividends & Forex Gains

- Sector performance includes group Dividends of > Rs. 16Bn

STRENGTHENING THE BALANCE SHEET FOR THE FUTURE

RS. MN	31-Mar-2023	31-Mar 2022
Total Non-Current Assets	61,608	21,182
Cash & Cash equivalents	77,781	43,192
Trade Debtors	67,930	213,042
Other Receivables	13,667	18,938
Total Assets	220,989	296,354
Trade Payables & Other Payables	38,340	78,919
Finance & Lease Payables - Current	15,062	76,996
Finance & Lease Payables - Non-Current	16,795	15,134
Other Non-Current Liabilities	1,161	947
Equity attributable to Equity Holders	148,935	123,931
Non-Controlling Interest	693	422
Total Shareholder Funds & Liabilities	149,628	296,354

Creating shareholder value

- Returns remain

Quality of earnings remains strong

Working Capital Cycles Improve

Facilitating Future Growth

QUALITY OF EARNINGS - FACILITATING OUR GROWTH INITIATIVES

- Improved cash from operations
- Debt / Capital ratio -> 24%
- Significant Debt Settlement of Rs.89Bn for FYE 23
- **Acquisition Funding ~ USD 110Mn. USD 85Mn Self Funding, 25Mn Parent Funding**
- Deriving Investor Returns
Record Dividend of Rs.16Bn

Rs. Mn	12 Months ended 31 st March 2023	12 Months ended 31 st March 2022
Net Cashflow from Operations	168,970	(9,301)



EXPOLANKA HOLDINGS PLC