



EXPOLANKA HOLDINGS PLC

SYNERGISED TO SUCCEED



INTERIM REPORT

TWELVE MONTHS ENDED 31ST MARCH 2023

CEO Message

Dear Shareholder,

I am pleased to submit to you the interim financial statements of Ex-polanka Holdings PLC for the quarter ended 31st March 2023. The performance during the financial Year 2023 was a testament to your organization's resilience and ability to withstand a testing macro environment as it pursued a strategy of consolidation with the aim of delivering long term growth.

During the quarter under review, the Expolanka group delivered a revenue of Rs. 55.1Bn, a Gross Profit of Rs. 19.3Bn and an Operating profit of Rs. 1.08Bn.

The group recorded an exchange loss of Rs. 2.4Bn for the quarter under review, a result of the appreciation of the Sri Lankan Rupee against the USD, the large foreign earnings portfolio and asset base of the group was negatively impacted due to translation related adjustments.

For the 12-month period ending 31st March 2023 your company posted a revenue of Rs. 546Bn with a profit after tax of Rs. 31.0Bn. Revenue & profits from international business operations stood at 95% of the total group performance. The EPS for the year ending March 2023 was at Rs. 15.88 per share, whilst the group was able to deliver a ROE of 22.67% as of March 2023.

Signaling our commitment for continued growth, your organization completed two strategic investments during the year valued at Rs. 35Bn.

Logistics Sector

The logistics sector posted a Revenue of Rs. 52.9Bn, with a gross Profit of Rs. 18.5Bn and an operating profit of Rs. 987Mn. The above resulted in the sector delivering a revenue of Rs. 537Bn and a Profit after tax of Rs. 29.4Bn for the year ended 31st March 2023.

Operating environment

The Global logistics industry endured a transitional 12 months as it came to terms with a dynamic and uncertain operating environment. A slowdown in global trade was visible particularly in our key North America trade lane. High inventory levels resulting from overstocking during the pandemic period and reduced consumer spending due to inflationary fears saw a reduction in new orders from most retailers. Geopolitical tensions, increased energy costs and other market uncertainties further dampened consumption particularly on discretionary spending. We believe that this slowdown is part of short-term cyclical changes that have taken place after a strong economic performance over the 2021 calendar year.

Operational performance

Navigating through the operating environment, the logistics sector remained focused on the core fundamentals of the business. In accordance with the company's strategy, EFL global was able to onboard new customers during the year, whilst increasing wallet share from selected strategic accounts. The strategic customer base the company has built over time is substantial and diverse operating across key growth verticals.

Demand supply imbalances continue to impact the industry. On the supply side, Freight capacity continues to increase across both ocean and air portfolios, whilst the pandemic led demand surge which fueled volume growth in the previous year eased off resulting in volumes across Air & ocean products witnessing a reduction. thereby further reducing freight rates.

The US market continued to be the key driver of business, whilst the European and Asian trade lanes performed to satisfaction.

EFL Global has continued to expand its service capabilities in both origin and destination markets, Investments previously made into the contract & domestic logistics business have started to contribute positively both commercially and financially.

M&A update

EFL Global completed two large acquisitions valued at Rs. 35Bn, culminating several months of efforts of study and review.

In February 2023, EFL Global acquired 100% stake in Trans American Customs broker (Trans AM Group), a North American based customs brokerage company. The purchase consideration was USD 42.5Mn on a cash free debt free basis. The acquisition will enable EFL to further expand its service portfolio, offer additional solutions to its customers and expand its overall customer base and industry concentrations.

In March 2023, EFL Global acquired 100% stake in Locher Evers Inc (LEI Group) a Canadian based family-owned Freight forwarding business for a purchase consideration of CAD 90Mn on a cash free debt free basis. The acquisition is part of EFL Global's plan to consolidate its North America operations, build infrastructure and leverage these capabilities to service its clients. With both acquisitions, EFL Global will further strengthen its position in the North American market whilst facilitating growth in volumes.

EFL continued to invest in its infrastructure, competencies & capabilities, across both origin and destination markets. The organization will maintain its focus on improving processes and efficiencies with the aim of improving profit conversions and margins.

Leisure Sector

The robust performance of the leisure sector continued into Q4 as the sector posted a Revenue of Rs. 835Mn with a Profit after tax of Rs. 132Mn for the quarter under review. Strengthening its market position, and focusing on efficient procurement and operational excellence, the sector was able to deliver a record performance during the year with an Annual Revenue of Rs. 3.0Bn and a Profit after tax of Rs. 811Mn.

The results underscore the success of the strategies adopted by the company in re-organizing its portfolio, adopting a lean and efficient operating model focusing on efficiencies and digitization initiatives. The performance was driven by the core corporate business, whilst progress was made on the inbound and leisure segments as well.

Investment Sector

The Investment Sector recorded a revenue of Rs. 1.6Bn for the quarter. The sector contributed an Annual Revenue of Rs. 6.5Bn for the Financial Year 2023. The main contribution for the sector was from the export operations, whilst the IT business too, continued to make progress.

Cashflow & Gearing

Continuing its emphasis on working capital management, your company was able to improve cash from operations to Rs. 170Bn. The company was able to repay financing of Rs. 84.3Bn, distribute dividends of Rs. 16Bn and self-finance acquisition valued at Rs. 35bn. and reduced the overall gearing position to 21%.

The strong liquidity position together with the balance sheet strength augurs well for the future success of Expolanka Holdings PLC.

CEO Message

Social Consciousness & Governance

Emphasis continued to be placed on Environmental, Social, and Governance initiatives (E S G) and your company continued several proactive initiatives and projects aligned with its overall strategic objectives.

As a responsible and socially conscious employer increased emphasis was placed on employee welfare and wellbeing, particularly on the domestic front, as the company adapted to the challenging socio-economic environment.

Carrying on from the initiatives undertaken under the Global Goodness banner the business continued to drive attention towards implementing programs across the UN sustainability goals, green logistics, and women's empowerment initiatives.

Outlook

The global macro environment continues to be volatile with market conditions remaining uncertain, with visibility and predictability being challenging.

Expolanka has demonstrated its capabilities to remain agile and adapt to these challenging conditions in the past. The company will remain unwavering in its approach to delivering on its strategic initiatives whilst adjusting to market challenges. EFL Global is now recognized among the leading freight forwarders in the world. The focus will remain on the long term as the organization looks towards the future, building capabilities, infrastructure, and systems to face an ever changing and evolving global environment with the single focus of creating sustainable value for all stakeholders.

Hanif Yusoof
Group CEO
28th April 2023

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at	Un Audited 31.03.2023	Audited 31.03.2022
ASSETS		
Non-current assets		
Property, plant and equipment	9,894,496,716	5,750,794,286
Right-of-use assets	14,525,000,155	10,837,147,918
Intangible assets	36,313,013,905	3,835,125,688
Investment in an associate	409,684,874	392,222,671
Other financial assets	19,653,983	18,925,709
Deferred income tax assets	447,126,095	347,788,615
	<u>61,608,975,728</u>	<u>21,182,004,887</u>
Current assets		
Inventories	264,555,543	291,593,049
Trade and Other Receivables	67,930,772,857	213,042,785,924
Amounts due from related parties	28,014,320	63,724,751
Prepayments and other assets	7,769,887,447	14,258,827,284
Other financial assets	336,469,506	225,982,529
Income tax recoverable	5,268,379,797	4,096,562,968
Cash and cash equivalents	77,781,817,840	43,192,921,348
	<u>159,379,897,310</u>	<u>275,172,397,853</u>
Total Assets	<u>220,988,873,038</u>	<u>296,354,402,740</u>
EQUITY AND LIABILITIES		
Stated capital	4,097,985,000	4,097,985,000
Reserves	37,986,344,016	27,986,114,800
Retained earnings	106,851,258,991	91,847,724,125
Equity attributable to equity holders of parent	<u>148,935,588,007</u>	<u>123,931,823,925</u>
Non-controlling interest	693,093,887	422,115,701
Total Equity	<u>149,628,681,894</u>	<u>124,353,939,626</u>
Non-current liabilities		
Financing and lease payables	16,794,614,339	15,134,573,848
Deferred income tax liabilities	94,589,425	18,414,550
Retirement benefit obligation	1,068,437,484	929,802,260
	<u>17,957,641,248</u>	<u>16,082,790,658</u>
Current liabilities		
Financing and lease payables	15,062,191,672	76,996,999,199
Trade and other payables	33,291,884,656	64,898,702,056
Amounts due to related parties	114,360,757	96,861,771
Income tax liabilities	4,934,112,811	13,925,109,430
	<u>53,402,549,896</u>	<u>155,917,672,456</u>
Total equity and liabilities	<u>220,988,873,038</u>	<u>296,354,402,740</u>
Net asset per share	76.19	63.39

These financial statements are in compliance with the requirements of the Companies Act No. 7 of 2007.

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Divanke Fernando
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these financial statements. Signed for and on behalf of the Board by,

[Signed]

.....
Hanif Yusoof
Director

28th April 2023

[Signed]

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Sanjay Kulatunga
Director

CONSOLIDATED INCOME STATEMENT

	Three months ended 31st March		Twelve months ended 31st March		Change %
	Un-Audited 2023	Un-Audited 2022	Un-Audited 2023	Audited 2022	
Revenue from contracts with customers	55,169,709,277	242,046,502,697	546,400,880,718	694,157,420,841	(21.29)
Cost of sales	(35,853,379,168)	(195,957,391,019)	(441,132,032,762)	(572,249,262,480)	(22.91)
Gross profit	19,316,330,109	46,089,111,678	105,268,847,956	121,908,158,361	(13.65)
Other operating income and gains	(2,535,524,277)	6,981,723,167	3,791,516,725	7,474,872,616	(49.28)
Administrative expenses	(16,134,602,569)	(15,049,629,262)	(63,910,367,295)	(39,932,916,532)	60.04
Selling and distribution expenses	(1,808,661,645)	(438,702,249)	(5,633,892,074)	(2,796,763,175)	101.44
Finance cost	(321,243,838)	(568,970,619)	(1,759,722,467)	(1,262,725,264)	39.36
Finance income	343,225,570	20,456,560	702,828,682	87,975,300	698.89
Share of results of equity accounted investees (net of tax)	(9,663,579)	39,792,078	56,371,564	116,356,558	(51.55)
Profit/(loss) before tax	(1,150,140,229)	37,073,781,353	38,515,583,091	85,594,957,864	(55.00)
Income tax expense	(21,268,936)	(5,716,575,304)	(7,465,424,435)	(12,803,236,519)	(41.69)
Profit/(loss) for the period	(1,171,409,165)	31,357,206,049	31,050,158,656	72,791,721,345	(57.34)
Attributable to:					
Equity holders of the parent	(1,185,115,130)	31,354,648,653	30,938,134,686	72,742,531,301	
Non- Controlling interest	13,705,965	2,557,396	112,023,970	49,190,044	
Basic earnings/(loss) per share	(0.60)	16.04	15.88	37.24	



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three months ended 31st March		Twelve months ended 31st March		Change %	
	Un-Audited	Un-Audited	Un-Audited	Un-Audited		
	2023	2022	2023	2022		
Profit /(loss) for the period	(1,171,409,165)	31,357,206,049	(103.74)	31,050,158,656	72,791,721,345	(57.34)
Other comprehensive income to be reclassified to statement of profit or loss in subsequent periods						
Net exchange differences on translation of foreign operations	(11,738,831,804)	25,912,966,039	(145.30)	10,066,406,132	26,513,111,689	(62.03)
Net other comprehensive income to be reclassified to statement of profit or loss in subsequent periods	(11,738,831,804)	25,912,966,039	(145.30)	10,066,406,132	26,513,111,689	(62.03)
Other comprehensive income not to be reclassified to statement of profit or loss in subsequent periods						
Actuarial gains on defined benefit plans	77,938,896	(53,501,510)	45.68	77,938,896	(53,501,510)	45.68
Income tax effect	(1,784,866)	9,266,355	(119.26)	(1,784,866)	9,266,355	(119.26)
Net other comprehensive income not to be reclassified to statement of profit or loss in subsequent periods	76,154,030	(44,235,155)	72.16	76,154,030	(44,235,155)	72.16
Other comprehensive income for the period, net of tax	(11,662,677,774)	25,868,730,884	(145.08)	10,142,560,162	26,468,876,534	(61.68)
Total comprehensive income for the period, net of tax	(12,834,086,939)	57,225,936,933	(122.43)	41,192,718,818	99,260,597,879	(58.50)
Attributable to:						
Equity holders of the parent	(12,771,263,902)	57,095,902,902		41,014,517,932	99,069,917,018	
Non-controlling Interest	(62,823,037)	130,034,031		178,200,886	190,680,861	
	(12,834,086,939)	57,225,936,933		41,192,718,818	99,260,597,879	



CONSOLIDATED STATEMENT OF CASH FLOWS

	Twelve months ended 31st March	
	Un-Audited 2023	Audited 2022
Cash flows from/(used in) operating activities		
Profit/ (loss) before tax	38,515,583,091	85,594,957,864
Adjustments for,		
Depreciation of property, plant and equipment and right-of-use assets	6,145,060,507	2,868,579,687
Amortization of intangible asset	275,764,224	191,974,508
Investment income	(719,189,037)	(68,824,827)
Profit/loss on sale of property, plant and equipment	(45,070,768)	23,667,964
Dividend income	(3,789,651)	(9,816,582)
Finance cost	1,759,722,467	1,262,725,264
Share of results of equity accounted investees	(56,371,564)	(116,356,558)
Loss on disposal of subsidiaries	10,998,135	-
Allowances for expected credit losses	2,187,282,663	1,267,054,406
Provision for defined benefit plans	283,428,863	164,665,432
Unrealised net exchange gains	(369,494,368)	(6,564,321,137)
Expense relating to leases of low-value assets and short term leases	815,362,782	117,626,245
Operating profit before working capital changes	48,799,287,344	84,731,932,266
(Increase)/decrease in inventories	27,374,120	(141,547,588)
(Increase)/decrease in trade and other receivables	175,345,672,203	(104,644,125,205)
(Increase)/decrease in prepayments	8,445,946,624	(8,798,055,590)
Increase/(decrease) in trade and other payables	(40,955,361,358)	27,622,796,355
Net change in working capital due to group structure change	(1,380,864,742)	(283,789,930)
Cash generated from / (used in) operations	190,282,054,192	(1,512,789,692)
Finance cost paid	(1,030,943,294)	(1,068,625,796)
Income tax paid	(19,135,793,273)	(6,603,724,182)
Defined benefit plan costs paid	(163,214,229)	(115,923,452)
Net cash flow from / (used in) operating activities	169,952,103,396	(9,301,063,122)
Cash flows from/(used in) investing activities		
Investment income received	719,189,037	68,824,827
Dividend received	38,186,422	22,111,456
Acquisition of property, plant and equipment	(5,093,733,010)	(1,957,914,839)
Acquisition of intangible assets	(55,474,170)	(9,083,088)
Proceeds from sale of property, plant and equipment	220,390,675	171,981,104
Other current investments (net)	(107,261,881)	143,832,588
Other non current investments (net)	29,614	(437,713)
Proceeds from sale of subsidiaries	238,625,952	-
Net acquisition of subsidiaries, net of cash acquired	(31,685,753,735)	(3,439,774,481)
Net cash flows from / (used in) investing activities	(35,725,801,096)	(5,000,460,146)
Cash flows from/(used in) financing activities		
Proceeds from financing	7,428,736,232	89,648,623,215
Repayment of financing	(84,379,510,410)	(43,760,118,802)
Repayment of lease	(5,942,341,825)	(2,242,022,462)
Dividends paid to equity holders of the parent	(16,010,753,850)	(2,287,250,550)
Net cash flows from / (used in) financing activities	(98,903,869,853)	41,359,231,401
Effect of exchange rate changes	(126,924,010)	8,521,937,963
Net increase in cash and cash equivalents	35,195,508,437	35,579,646,096
Cash and cash equivalents at the beginning of the period	42,011,242,735	6,431,596,639
Cash and cash equivalents at the end of the period	77,206,751,172	42,011,242,735

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity holders of parent		Total	Non-con- trolling interest	Total equity	
	Stated capital	Foreign currency translation reserve				Retained earnings
	Rs.	Rs.	Rs.	Rs.	Rs.	
As at 1 April 2022	4,097,985,000	27,986,114,800	91,847,724,125	123,931,823,925	422,115,701	124,353,939,626
Profit for the period	-	-	30,938,134,686	30,938,134,686	112,023,970	31,050,158,656
Other comprehensive income	-	10,000,229,216	76,154,030	10,076,383,246	66,176,916	10,142,560,162
Total comprehensive income	-	10,000,229,216	31,014,288,716	41,014,517,932	178,200,886	41,192,718,818
Dividends declared	-	-	(16,010,753,850)	(16,010,753,850)	-	(16,010,753,850)
Acquisition of subsidiaries	-	-	-	-	92,777,300	92,777,300
As at 31st March 2023	4,097,985,000	37,986,344,016	106,851,258,991	148,935,588,007	693,093,887	149,628,681,894
As at 1 April 2021	4,097,985,000	1,614,493,928	21,436,678,529	27,149,157,457	231,434,840	27,380,592,297
Profit for the year	-	-	72,742,531,301	72,742,531,301	49,190,044	72,791,721,345
Other comprehensive income	-	26,371,620,872	(44,235,155)	26,327,385,717	141,490,817	26,468,876,534
Total comprehensive income	-	26,371,620,872	72,698,296,146	99,069,917,018	190,680,861	99,260,597,879
Dividends declared	-	-	(2,287,250,550)	(2,287,250,550)	-	(2,287,250,550)
As at 31st March 2022	4,097,985,000	27,986,114,800	91,847,724,125	123,931,823,925	422,115,701	124,353,939,626



COMPANY STATEMENT OF FINANCIAL POSITION

As at	Un-Audited 31-Mar-2023	Audited 31-Mar-2022
ASSETS		
Non-current assets		
Property, plant and equipment	25,062,425	22,612,805
Right-of-use assets	68,500,041	61,981,499
Intangible assets	3,080,133	2,981,990
Investment in subsidiaries	4,555,482,116	4,525,482,116
Investment in an associate	111,490,000	111,490,000
Other financial assets	10,000,000	10,000,000
	4,773,614,715	4,734,548,410
Current assets		
Trade and other receivables	-	2,000,000
Amounts due from related parties	922,058,030	45,293,174
Prepayments and other assets	39,427,085	27,651,620
Other financial assets	8,774,998	5,959,514
Cash and cash equivalents	3,655,491,019	3,758,302,668
	4,625,751,132	3,839,206,976
Total Assets	9,399,365,847	8,573,755,386
EQUITY AND LIABILITIES		
Stated capital	4,097,985,000	4,097,985,000
Retained earnings	2,526,947,906	1,969,955,167
Total Equity	6,624,932,906	6,067,940,167
Non-current liabilities		
Financing and lease payables	2,649,943,993	2,377,779,260
Retirement benefit obligation	19,627,000	34,056,859
	2,669,570,993	2,411,836,119
Current liabilities		
Financing and lease payables	15,126,121	12,281,968
Trade and other payables	69,736,400	73,825,732
Amounts due to related parties	19,999,427	7,871,400
	104,861,948	93,979,100
Total equity and liabilities	9,399,365,847	8,573,755,386
Net asset per share	3.39	3.10

These financial statements are in compliance with the requirements of the Companies Act No. 7 of 2007.

[Signed]

 Divanke Fernando
 Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these financial statements. Signed for and on behalf of the Board by,

[Signed]

 Hanif Yusoof
 Director

[Signed]

 Sanjay Kulatunga
 Director

28th April 2023

COMPANY INCOME STATEMENT

	Three months ended 31st March			Twelve months ended 31st March		
	Un-Audited	Un-Audited	Change %	Un-Audited	Audited	Change %
	2023	2022		2023	2022	
Revenue from contracts with customers	11,685,000	51,685,000	(77.39)	64,925,515	92,740,000	(29.99)
Cost of sales	-	-	-	-	-	-
Gross profit	11,685,000	51,685,000	(77.39)	64,925,515	92,740,000	(29.99)
Other operating income and gains	(399,189,945)	1,250,350,503	(131.93)	17,063,751,921	4,150,973,586	311.08
Administrative expenses	(179,342,128)	(150,145,940)	219.45	(701,978,164)	(482,481,636)	245.49
Selling and distribution expenses	(30,661,197)	(7,379,430)	515.50	(85,666,178)	(19,273,353)	544.48
Finance cost	(1,294,221)	(177,531)	829.01	(3,978,605)	(8,553,736)	146.51
Finance income	62,752,385	18,340	342,061.31	241,073,625	2,921,512	8,151.67
Profit/(loss) before tax	(536,050,106)	1,144,350,942	(146.84)	16,578,128,114	3,736,326,373	343.70
Income tax expense	-	-	-	-	-	-
Profit/(loss) for the period	(536,050,106)	1,144,350,942	(146.84)	16,578,128,114	3,736,326,373	343.70
Basic earnings/(loss) per share	(0.27)	0.59		8.48	1.91	
Dividend per share	-	-		8.19	1.17	



COMPANY STATEMENT OF COMPREHENSIVE INCOME

	Three months ended 31st March			Twelve months ended 31st March		
	Un-Audited 2023	Un-Audited 2022	Change %	Un-Audited 2023	Un-Audited 2022	Change %
Profit/(loss) for the period	(536,050,106)	1,144,350,942	(146.84)	16,578,128,114	3,736,326,373	343.70
Net other comprehensive income to be reclassified to statement of profit or loss in subsequent periods	-	-	-	-	-	-
Other comprehensive income not to be reclassified to statement of profit or loss in subsequent periods	-	-	-	(10,381,527)	3,963,315	(361.94)
Actuarial gains on defined benefit plans	-	-	-	(10,381,527)	3,963,315	(361.94)
Net other comprehensive income not to be reclassified to statement of profit or loss in subsequent periods	-	-	-	(10,381,527)	3,963,315	(361.94)
Other comprehensive income for the period, net of tax	-	-	-	(10,381,527)	3,963,315	(361.94)
Total comprehensive income for the period, net of tax	(536,050,106)	1,144,350,942	(146.84)	16,567,746,587	3,740,289,688	342.95



COMPANY STATEMENT OF CASH FLOWS

	Twelve months ended 31st March	
	Un-Audited	Audited
	2023	2022
Cash flows from/(used in) operating activities		
Profit/(loss) before tax	16,578,128,114	3,736,326,373
Adjustments for,		
Depreciation of property plant and equipment and right-of-use assets	40,396,772	35,935,734
Amortization of intangible assets	1,133,015	1,343,615
Investment income	(241,073,625)	(2,921,512)
Profit on sale of property, plant and equipment	-	(12,000)
Dividend income	(16,250,109,270)	(2,784,295,046)
Finance cost	3,978,605	8,553,736
Unrealised net exchange gains	(686,387,759)	(1,305,193,590)
Provision for defined benefit plans	5,577,322	5,065,851
Operating Profit/(loss) before working capital changes	(548,356,826)	(305,196,839)
(Increase)/decrease in trade and other receivables	16,487,896	225,699,250
(Increase)/decrease in prepayments	(11,775,465)	(4,999,322)
Increase/(decrease) in trade and other payables	8,038,697	27,637,500
Cash generated from / (used in) from operations	(535,605,698)	(56,859,411)
Finance cost paid	-	(6,589,134)
Defined benefit plan costs paid	(30,388,708)	(10,651,590)
Net cash flowsfrom / (used in) operating activities	(565,994,406)	(74,100,135)
Cash flows from/(used in) investing activities		
Investment income received	241,073,625	2,921,512
Dividend received	16,250,109,270	2,784,295,046
Acquisition of property, plant and equipment	(11,274,522)	(5,886,105)
Acquisition of intangible assets	(1,231,158)	-
Proceeds from sale of property, plant and equipment	298,955	413,044
Other current investments (net)	(2,815,484)	(4,551,512)
Loans granted to Inter-companies net of repayments	(892,000,000)	-
Net acquisition of subsidiaries, net of cash acquired	(30,000,000)	-
Net cash flows from / (used in) investing activities	15,554,160,686	2,777,191,985
Cash flows from/(used in) financing activities		
Proceeds from financing	280,830,720	1,443,096,352
Repayment of lease	(48,189,806)	(36,529,788)
Dividends paid to equity holders of the parent	(16,010,753,850)	(2,287,250,550)
Net cash flows from/(used in) financing activities	(15,778,112,936)	(880,683,986)
Effect of exchange rate changes	687,135,007	1,304,788,167
Net increase/(decrease) in cash and cash equivalents	(102,811,649)	3,127,196,031
Cash and cash equivalents at the beginning of the period	3,758,302,668	631,106,637
Cash and cash equivalents at the end of the period	3,655,491,019	3,758,302,668

COMPANY STATEMENT OF CHANGES IN EQUITY

	Stated capital	Retained earnings	Total equity
	Rs.	Rs.	Rs.
As at 1 April 2022	4,097,985,000	1,969,955,169	6,067,940,169
Profit for the period	-	16,578,128,114	16,578,128,114
Other comprehensive income		(10,381,527)	(10,381,527)
Total comprehensive income	-	16,567,746,587	16,567,746,587
Dividends paid	-	(16,010,753,850)	(16,010,753,850)
As at 31st March 2023	4,097,985,000	2,526,947,906	6,624,932,906
As at 1 April 2021	4,097,985,000	516,916,031	4,614,901,031
Profit for the period	-	3,736,326,373	3,736,326,373
Other comprehensive income		3,963,315	3,963,315
Total comprehensive income	-	3,740,289,688	3,740,289,688
Dividend paid	-	(2,287,250,550)	(2,287,250,550)
As at 31st March 2022	4,097,985,000	1,969,955,169	6,067,940,169

SEGMENT ANALYSIS OF REVENUE AND PROFIT | (LOSS)

Logistics Sector	Un-Audited	Audited	Change %
For the twelve months ended 31st March	2023	2022	
Revenue from contracts with customers	537,669,361,143	689,928,375,094	(22.07)
Earnings before interest and tax	37,838,418,624	85,820,940,034	(55.91)
Profit before tax	36,696,301,444	84,708,333,069	(56.68)
Profit for the period	29,431,409,154	71,893,864,297	(59.06)

Leisure Sector	Un-Audited	Audited	Change %
For the twelve months ended 31st March	2023	2022	
Revenue from contracts with customers	3,098,008,572	973,806,712	218.13
Earnings before interest and tax	1,095,441,624	54,339,302	1,915.93
Profit before tax	1,040,452,264	49,523,687	2,000.92
Profit for the period	811,334,241	38,348,487	2,015.69

Investment Sector	Un-Audited	Audited	Change %
For the twelve months ended 31st March	2023	2022	
Revenue from contracts with customers	6,531,504,375	3,644,309,660	79.22
Earnings before interest and tax	638,616,627	894,428,493	(28.60)
Profit before tax	16,994,541,882	3,609,101,280	370.88
Profit for the period	17,023,127,760	3,631,508,733	368.76

Intra-Segment Eliminations	Un-Audited	Audited	Change %
For the twelve months ended 31st March	2023	2022	
Revenue from contracts with customers	(897,993,372)	(389,070,625)	(130.80)
Earnings before interest and tax	-	-	-
Profit before tax	(16,215,712,500)	(2,772,000,172)	(484.98)
Profit for the period	(16,215,712,500)	(2,772,000,172)	(484.98)

NOTES TO THE FINANCIAL STATEMENTS

1. Corporate Information

Expolanka Holdings PLC is a public limited Company incorporated and domiciled in Sri Lanka and ordinary shares of the Company are listed on the Colombo Stock Exchange. The interim financial statements of the Group and the Company for the three months ended 31st March 2023 were authorized for issue by the Board of Directors on 28th April 2023.

2. Basis for preparation

The interim condensed financial statements of Expolanka Holdings PLC have been prepared in compliance with Sri Lanka Accounting Standard LKAS 34 – Interim Financial Reporting. These interim condensed financial statements should be read in conjunction with the annual financial statement for the year ended 31st 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).

3. Comparative Information

Comparative information including quantitative, narrative and descriptive information as relevant is disclosed in respect of previous period in the Financial Statements. The presentation and classification of the Financial Statement of the previous year are amended, where relevant for better presentation and to be comparable with those of the current year.

NOTES TO THE FINANCIAL STATEMENTS

4. Share Information

4.1 Public share holding

The percentage of shares held by the public as at 31st March 2023 was

Issued Share Capital as at 31st March 2023	1,954,915,000
Less	
Parent Company	1,611,532,626
Subsidiaries or Associate Companies of Parent	0
Subsidiaries or Associate Companies	0
Directors shareholding	147,021,464
Key Management Personnel	2,403,256
Spouses & Children under 18 of Directors	0
Chief Executive Officer's Shareholding (included in Directors shareholding)	0
CEO's Spouse & Children (included in Spouses & Children under 18 of Directors)	0
 Public Holding	 193,957,654
 Public Holding as a % of Issued Share Capital	 9.922%
 Total No. of Shareholders representing the Public Holding as at 31st March 2023	 23,169

4.2 Directors share holdings

The number of shares held by the Board of Directors are as follows;

	31.03.2023	31.12.2022
	No of Shares	No of Shares
Hitoshi Kanahori	Nil	Nil
Hanif Yusoof	147,021,464	147,021,464
Ha Yo	Nil	Nil
Harsha Amarasekera	Nil	Nil
Sanjay Kulatunga	Nil	Nil
Bokuto Yamauchi	Nil	Nil

NOTES TO THE FINANCIAL STATEMENTS

4.3 Twenty largest shareholders of the Company are as follows;

No	Shareholder	31.03.2023		31.12.2022	
		Shares	Holding %	Shares	Holding %
1	SG HOLDINGS GLOBAL PTE.LTD	1,611,532,626	82.43%	1,611,532,626	82.43%
2	MR. H. YUSOOF	147,021,464	7.52%	147,021,464	7.52%
3	SRI LANKA INSURANCE CORPORATION LTD-LIFE FUND	22,266,867	1.14%	22,266,867	1.14%
4	MR. F. KASSIM	13,001,592	0.67%	4,217,484	0.22%
5	HATTON NATIONAL BANK PLC/SUBRAMANIAM VASUDEVAN	4,062,920	0.21%	4,513,430	0.23%
6	SRI LANKA INSURANCE CORPORATION LTD-GENERAL FUND	3,510,519	0.18%	3,510,519	0.18%
7	NUWARA ELIYA PROPERTY DEVELOPERS (PVT) LTD	2,444,868	0.13%	2,434,868	0.12%
8	MR. S. SENTHILNATHAN	2,379,256	0.12%	2,379,256	0.12%
9	SIMONAS TRUST SERVICE PVT LTD	2,261,768	0.12%	2,261,768	0.12%
10	COMMERCIAL BANK OF CEYLON PLC/G.S.N. PEIRIS	2,006,515	0.10%	3,070,000	0.16%
11	RUSH JAPAN CORPORATION	1,976,622	0.10%	1,515,477	0.08%
12	MR. M.H. OMAR	1,935,875	0.10%	1,935,875	0.10%
13	PHANTOM INVESTMENTS (PVT) LTD	1,730,000	0.09%	1,470,000	0.08%
14	AMANA BANK PLC/MR.MOHAMED NAYAZ DEEN	1,340,477	0.07%	1,340,477	0.07%
14.1	SEYLAN BANK PLC/MOHAMED NAYAZ DEEN	912,887	0.05%	912,887	0.05%
15	NORTHERN TRUST COMPANY S/A LEGAL & GENERAL ICAV	1,290,141	0.07%	1,290,141	0.07%
16	MR. M.I.M. SHAFIE	1,200,000	0.06%	1,057,000	0.05%
17	MR. S.A. MOHAMED BASHEER	1,111,000	0.06%	1,111,000	0.07%
18	SEYLAN BANK PLC/ HILINE TOWERS (PVT) LTD	1,046,350	0.05%	20,000	0.06%
19	MR. A.H. MUSTHAKEEM	1,033,000	0.05%	1,033,000	0.05%
20	ACUITY PARTNERS (PVT) LIMITED/ MR.ELAYATHAMBY THAVAGNANASOORIYAM/ MR.ELAYATHAMBY THAVAGNANASUNDARAM	1,000,212	0.05%	1,000,212	0.05%

NOTES TO THE FINANCIAL STATEMENTS

4.4. Stated capital

Stated capital is represented by the number of shares in issue as given below;

As at	31st March 2023	31st December 2022
Ordinary Shares	1,954,915,000	1,954,915,000

4.5. Earnings per share

Earnings per share have been calculated for all periods based on the number of shares in issue as at the end of each period.

4.6. Market price per share

For the three months ended 31st March	2023	2022
	RS	RS
Highest	204.00	405.00
Lowest	128.25	200.00
Last Traded	138.00	207.75

4.7. Float Adjusted Market Capitalization

As at	31.03.2023	31.12.2022
Public shareholding (%)	9.92%	9.92%
Public Shareholders	23,169	22,814
Float adjusted market capitalization	26,764,702,167	35,346,862,101

Expolanka Holdings PLC complies with the Minimum Public Holding requirement under option 1 as listed out in section 7B (a) of CSE Listing Rules.

5. Other operating Income

For the three months ended 31st March	Group		Company	
	2023 Rs.	2022 Rs.	2023 Rs.	2022 Rs.
Exchange gains/(losses)	(2,774,861,082)	6,532,831,699	(410,871,886)	1,250,350,503
Creditors Forfeited	14,353,743	127,073,920	11,681,941	-
Discounts Received	67,252,795	-	-	-
Sundry income	157,730,267	321,817,548	-	-
Total	(2,535,524,277)	6,981,723,167	(399,189,945)	1,250,350,503

6. Contingencies, capital and other commitments

There has been no significant change in the nature of the contingencies, capital and other commitments, which were disclosed in the Annual Report for the year ended 31st March 2022.

7. Events after the reporting period

There have been no events subsequent to the reporting period, which require disclosure in the interim condensed financial statements.

NOTES TO THE FINANCIAL STATEMENTS

8. Business Combinations

Acquisition of Trans American Customhouse Brokers LLC and its related Companies

On 24th February 2023, EFL Global LLC (EFL USA), a fully owned subsidiary of Expolanka Holdings PLC, acquired 100% equity interest of Trans American Customhouse Brokers LLC and its related companies (Trans American Group).

Trans American Group is a leading Customs House Broker in North America with a history of nearly 40 years servicing a range of leading brands in the US and Canada. The acquisition will enable Expolanka to extend its brokerage services to its existing customer base thereby enhancing service portfolio to existing customers, expand its customer base and scale its operations across North America.

Acquisition of Locher Evers International Inc and its Group Companies

On 30th March 2023, EFL Global Logistics (Pte.) Ltd (EFL Singapore), a fully owned subsidiary of Expolanka Holdings PLC, has acquired 100% equity interest of Locher Evers International Inc and its Group Companies (LEI Group).

LEI Group is a family-owned Canadian logistics company with a history of nearly 47 years offering a full suite of logistics services, including ocean freight, air freight, warehousing, customs brokerage, rail service, distribution, fulfillment, domestic trucking, and drayage.

As part of the company's North America strategy, the acquisition enables EFL Global to expand its footprint in the Canadian market and strengthen capabilities to provide end-to-end logistics solutions to customers across various industries.

Both acquisitions described above have been accounted for using the acquisition method.

The fair values of the identifiable assets and liabilities of the above acquisitions as at the date of acquisition were as follows:

In LKR Mn	Trans American Group	LEI Group	Total
Total identifiable net assets at fair value for Purchase Price Allocation	1,090.11	2,305.36	3,395.47
Goodwill arising on acquisition	12,754.33	11,895.42	24,649.75
Brand and Trademark on acquisition	951.23	4,089.50	5,040.73
License on acquisition	-	2,045.96	2,045.96
Purchase consideration transferred	14,795.67	20,336.24	35,131.91

The useful lives of the brand value, trademark and license on acquisition are as follows:

Trademark on acquisition of Trans American Group – 20 years

Brand and Trademark on acquisition of LEI Group – 25 years

License on acquisition of LEI Group – Indefinite

CORPORATE INFORMATION

Name of Company

Expolanka Holdings PLC

Legal Form

The Company is a Public Limited Liability Company. Incorporated in Sri Lanka on 05th March 2003 as a Private Limited Liability Company under the Companies Act No. 17 of 1982, 2003 – Private Limited Company under Companies Act No. 17 of 1982, 2008 – Limited Liability Company under Companies Act No 07 of 2007, 2011 – Public Limited Company under Companies Act No 07 of 2007. Currently ordinary shares have been listed on the Colombo Stock Exchange.

Company Registration Number

P B 744

Board of Directors

Hitoshi Kanahori – Chairman
Hanif Yusoof – Chief Executive Officer
Harsha Amarasekera
Sanjay Kulatunga
Ha Yo
Bokuto Yamauchi

Registered office of the Company

10, Milepost Avenue,
Colombo 03
Sri Lanka

Audit Committee

Sanjay Kulatunga – Chairman
Harsha Amarasekera

CORPORATE INFORMATION

Related Party Transaction Review Committee

Sanjay Kulatunga – Chairman

Harsha Amarasekera

Remuneration Committee

Harsha Amarasekera – Chairman

Sanjay Kulatunga

Contact Details

P. O. Box 1162

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Sri Lanka

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Facsimile : +94 11 4659565

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Contact for Media

Marketing, Corporate Communications & CSR

Expolanka Holdings PLC

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Web : www.expolanka.com

Email : investor@expolanka.com

Bankers

Hong Kong and Shanghai Banking Corporation

HDFC

National Development Bank

Standard Chartered Bank

Bank of Communications China

Bank of China

Commercial Bank Ceylon PLC

Industrial And Commercial Bank Of China

Sydbank

Bank Mandiri

Sampath Bank

ING Bank

BIDC Bank Cambodia

Diamond Trust Bank

Vietnam Joint Stock Commercial Bank For Industry And Trade

Industrial Bank Banan

China Merchants Bank

Ned Bank

Dutch- Bangla Bank

MUFG Bank (Malaysia) Berhad

CORPORATE INFORMATION

Bankers Cont.

ENBD

Hatton National Bank

Citi Bank

Bank SinoPac

Amana Bank

Nations Trust Bank

Peoples Bank

Company Secretaries

SSP Corporate Services (Private) Limited

P V 931

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Telephone : +94 11 2573894, +94 11 2576871

Facsimile : +94 11 2573609

Company Auditors

Ernst and Young

Chartered Accountants

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