



F R U I T I O N

EXPOLANKA HOLDINGS PLC
INTERIM REPORT

SIX MONTHS ENDED 30TH SEPTEMBER 2021



CEO Message

Dear Shareholder,

It gives me great pleasure to submit to you the interim financial statements of Expolanka Holdings PLC for the quarter ended 30th September 2021. Your company has once again been able to deliver another quarter of record, exceptional results, led by the logistics sector.

The Group recorded a Revenue of Rs. 151.4BN (YoY + 208%), a Gross Profit of Rs. 22.6BN (YoY + 114%) and a Profit after Tax of Rs. 12.0BN (YoY + 166%) for the quarter ending 30th September 2021.

The Macro environment conditions have remained dynamic, with supply chain disruptions continuing to remain. The primary aim of your company remained firmly focused on the core fundamentals of its business operations, delivering strong volume growth whilst adopting proactive procurement strategies supported by operational efficiencies.

Your company is now truly a global organization. The organization has expanded its geographic footprint to cover 32 International countries, whilst a majority of the business operations are generated from outside of Sri Lanka, servicing leading international brands and clients.

The continuous success achieved by the company is a reflection of the company's ability to execute its well defined strategic initiatives effectively whilst remaining agile and nimble amidst the dynamic environment.

Logistics Sector

A record growth in volumes was witnessed across both the Air Freight & Ocean Freight Products, which has paved the way for the logistics sector to deliver its best ever quarter whilst optimizing performance on the back of gradual recovery in global trade.

The focus of the business remained in growing volumes across our customer portfolio, whilst continuing to attract new strategic customers, which has been supported by enhancing services across the supply chain. The customer portfolio serviced by the business remains robust, servicing leading global brands across a variety of key growth verticals. A holistic approach to business has remained the hallmark of success for your company. The aggressive sales strategy was well supported by a cohesive network wide approach enabling capacity availability which aided in generating healthy yields.

The sector delivered a Revenue of Rs. 150.2BN (YoY + 210%), a gross profit of Rs. 22.4BN (YoY + 116%) and a Profit after Tax of Rs. 12.1BN (YoY + 157%).

The Air Freight product delivered significant volume growth during the quarter, where the main thrust of this growth was the increased business from several strategic customers. Your company's continued ability to meet customer demands effectively and efficiently, helped in fulfilling our brand promise of growing businesses and transforming supply chains. This was further augmented by efforts of EFL Origins in ensuring service delivery, despite some of these markets undergoing strict lockdown measures.

The Ocean Freight product saw significant growth during the quarter, a result of EFL's emphasis in developing this portfolio. Increased customer penetration and a growing partner network enabled EFL to further strengthen and grow this portfolio. The ocean business has faced a variety of challenges, from shortage of containers, Port congestions and further backlogs caused due to the Suez Canal blockage. Although these challenges weighed heavily on the business, EFL was able to raise the bar in delivering solutions and services to its customers, resulting in commendable performance from the Ocean Product.

The Industry continued to experience demand supply imbalances due to growth in US retail sales together with reduced belly capacity which were further stretched due to disruptions in the Ocean Freight vertical. This has resulted in Freight rates across Air & Ocean products remaining at elevated levels, where the industry witnessed all time high rates during the quarter.

Your company was able to adopt proactive procurement strategies, whilst building origin capabilities, which enabled the company to secure capacity and generate healthy yields. Furthermore, your company carried out several charter operations during the quarter, further evidence our agile and flexible operating capability.

A key initiative this quarter was building origin capabilities, and significant effort was expended in developing infrastructure and knowhow in these markets. Origins such as Sri Lanka, India, Vietnam, China have performed remarkably well, whilst new markets such as Malaysia and Thailand have seen significant growth in business, an endorsement of the company's regional expansion plans.

Whilst the North America Trade lane remained the key driver of business the European and Intra Asia business remained resilient with stable growth during the quarter.

Mergers & Acquisitions

As part of its overall long term geographic expansion plan, Your company was able to enter the Central American market through the acquisition of IDEA Logistics LLC. Central America is fast becoming an important sourcing hub for Retail brands in North America and is a growing trade lane, particularly due to near shoring strategies adopted by US Brands. EFL's own business within the Central American region has seen consistent growth over the last few years and the acquisition will enable EFL to entrench itself in this market, consolidating its service capabilities with its customers.

Furthermore, your company was able to conclude the acquisition of Complete Transport LLC, a bonded CFS & trucking company in New York. This acquisition is in line with the previous acquisition made by your company in March 2021, where EFL acquired Seville, another CFS and Trucking company in New York. These two acquisitions are part of an overall plan of EFL to secure presence, capabilities and infrastructure in all key trade gateways in North America, whilst expanding the company service portfolio to its customers.

Leisure Sector

The sector remained resilient during the quarter generating a Revenue of Rs. 244MN (YoY + 206%), generating growth, despite extended lockdowns and travel restrictions, a reflection of the spirited approach of the business. The sector continued efforts to bring focus to its business portfolio, adopting to the new normal.

Investment Sector

The Investment Sector recorded a revenue of Rs. 1.0BN (YoY +58%), with the main contribution from the export operation. The portfolio strategy of moving into high margin products with less volatility is driving the growth of the sector. The IT business too is gaining ground with improved contributions to the overall growth of the group.

Social Consciousness & Governance

As a holistic organization, your company places a significant emphasis on Environmental, Social and Governance Framework (E S G) and have adopted proactive practices which is aligned to its overall strategic initiatives.

Focusing on the current pandemic, your company has engaged in supporting & uplifting the healthcare sector of Sri Lanka, by donating critical healthcare equipment to various hospital networks of the country. Your company was also able to continue several other initiative globally keeping in mind its commitment to the UN Sustainability goals and its green logistics initiatives.

Outlook

The outlook for the North American market for the next several months remains steady, whilst the European and Asian markets are expected to open up gradually. The dynamic conditions surrounding supply chains are expected to remain whilst demand pressures visible today appear to remain stable. The pandemic has resulted in long term changes associated to consumer behaviour, evolving market conditions and nimble supply chains. As a company, Expo will remain committed to meet any challenges whilst moving forward to take advantage of opportunities with the single focus on creating value for all our stakeholders. The growth strategy adopted by the group will continue to be pursued, with a focus on the fundamentals of the business whilst remaining agile, aligning the operations of the company to the evolving market conditions.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at	Un Audited 30.09.2021	Audited 31.03.2021
ASSETS		
Non-current assets		
Property, plant and equipment	3,642,279,567	3,413,329,344
Right-of-use assets	3,631,930,075	3,717,652,775
Intangible assets	3,947,374,544	1,039,413,373
Investment in an associate and joint ventures	318,685,087	288,160,986
Other financial assets	12,793,903	12,731,840
Deferred income tax assets	226,393,566	170,296,117
	11,779,456,742	8,641,584,435
Current assets		
Inventories	252,957,199	148,911,083
Trade and Other Receivables	119,220,524,653	49,089,439,347
Amounts due from related parties	200,573,743	134,311,547
Prepayments and other assets	5,209,076,194	1,869,186,630
Other financial assets	238,770,131	342,756,064
Income tax recoverable	240,671,961	347,370,073
Cash and cash equivalents	13,172,736,113	7,610,756,231
	138,535,309,994	59,542,730,975
Total assets	150,314,766,736	68,184,315,410
EQUITY AND LIABILITIES		
Stated capital		
	4,097,985,000	4,097,985,000
Reserves		
Retained earnings	37,496,067,010	21,436,678,527
Equity attributable to equity holders of parent	43,294,763,954	27,149,157,455
Non-controlling interest	276,161,305	231,434,841
Total equity	43,570,925,259	27,380,592,296
Non-current liabilities		
Financing and lease payables	8,892,918,246	5,532,778,654
Deferred income tax liabilities	9,183,766	20,928,710
Retirement benefit obligation	727,865,388	764,523,925
	9,629,967,400	6,318,231,289
Current liabilities		
Financing and lease payables	58,885,493,746	12,854,627,585
Trade and other payables	34,455,894,788	20,729,264,265
Amounts due to related parties	105,366,735	61,863,063
Income tax liabilities	3,667,118,808	839,736,912
	97,113,874,077	34,485,491,825
Total equity and liabilities	150,314,766,736	68,184,315,410
Net asset per share	22.15	13.89

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

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Mushtaq Ahamed

Director - Group Finance

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 October 2021

[SIGNED]

Sanjay Kulatunga

Director

CONSOLIDATED INCOME STATEMENT

	Three months ended 30th September		Six months ended 30th September		Change %
	Un-Audited 2021	Un-Audited 2020	Un-Audited 2021	Un-Audited 2020	
Revenue from contracts with customers	151,424,180,113	49,150,839,122	247,156,799,891	85,341,197,090	189.61
Cost of sales	(128,820,431,922)	(38,607,943,334)	(210,095,894,055)	(68,518,256,518)	406.63
Gross profit	22,603,748,191	10,542,895,788	37,060,905,836	16,822,940,572	120.30
Other operating income and gains	17,528,296	101,332,663	104,601,806	111,164,395	(5.90)
Administrative expenses	(7,077,772,112)	(4,696,367,745)	(13,212,310,122)	(8,190,218,522)	261.32
Selling and distribution expenses	(924,502,014)	(448,768,527)	(1,411,144,776)	(823,521,343)	271.35
Finance cost	(195,923,589)	(93,564,028)	(293,232,371)	(197,803,442)	248.24
Finance income	14,326,699	14,046,083	39,611,185	20,072,984	97.34
Share of results of equity accounted investees (net of tax)	35,369,211	31,673,909	35,754,211	31,848,344	12.26
Profit before tax	14,472,774,682	5,451,248,143	22,324,185,769	7,774,482,988	187.15
Income tax expense	(2,393,470,738)	(906,239,683)	(3,942,574,334)	(1,475,320,267)	367.24
Profit for the period	12,079,303,944	4,545,008,460	18,381,611,435	6,299,162,721	191.81
Attributable to:					
Equity holders of the parent	12,060,237,774	4,531,831,894	18,346,639,033	6,279,766,339	
Non- Controlling interest	19,066,170	13,176,566	34,972,402	19,396,382	
Basic earnings per share	6.17	2.32	9.38	3.22	



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three months ended 30th September		Six months ended 30th September		Change %
	Un-Audited 2021	Un-Audited 2020	Un-Audited 2021	Un-Audited 2020	
Profit for the period	12,079,303,944	4,545,008,460	18,381,611,435	6,299,162,721	191.81
Other comprehensive income to be reclassified to statement of profit or loss in subsequent periods					
Net exchange differences on translation of foreign operations	114,039,653	15,899,486	95,972,079	(45,988,980)	108.68
Net other comprehensive income to be reclassified to statement of profit or loss in subsequent periods	114,039,653	15,899,486	95,972,079	(45,988,980)	108.68
Net other comprehensive income not to be reclassified to statement of profit or loss in subsequent periods	-	-	-	-	-
Other comprehensive income for the period, net of tax	114,039,653	15,899,486	95,972,079	(45,988,980)	108.68
Total comprehensive income for the period, net of tax	12,193,343,597	4,560,907,946	18,477,583,514	6,253,173,741	195.49
Attributable to:					
Equity holders of the parent	12,163,450,542	4,560,447,688	18,432,857,049	6,236,763,134	
Non-controlling Interest	29,893,055	460,259	44,726,465	16,410,608	
	12,193,343,597	4,560,907,946	18,477,583,514	6,253,173,742	



CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30th September	
	Un-Audited 2021	Un-Audited 2020
Cash flows from/(used in) operating activities		
Profit before tax	22,324,185,769	7,774,482,988
Adjustments for,		
Depreciation of property, plant and equipment and right-of-use assets	991,436,024	894,116,436
Amortisation of intangible asset	59,219,297	34,508,288
Amortization of prepayment and other assets	-	95,935,144
Investment income	(31,940,366)	(16,730,112)
Profit / (Loss) on sale of property, plant and equipment	1,836,045	(6,020,191)
Dividend income	(5,142,867)	(3,342,873)
Finance cost	293,232,371	197,803,443
Share of results of equity accounted investeesd	(35,754,211)	(31,848,344)
Allowances for expected credit losses	989,756,301	622,241,942
Provision for defined benefit plans	80,263,724	58,031,728
Operating profit before working capital changes	<u>24,667,092,087</u>	<u>9,619,178,449</u>
(Increase)/decrease in inventories	(104,057,724)	5,030,204
(Increase)/decrease in trade and other receivables	(69,830,106,664)	(15,506,860,579)
(Increase)/decrease in prepayments	(3,173,686,326)	(385,473,692)
Increase/(decrease) in trade and other payables	12,914,817,764	1,934,799,003
Net change in working capital due to group structure change	<u>(283,789,930)</u>	<u>-</u>
Cash generated from (used in) operations	<u>(35,809,730,793)</u>	<u>(4,333,326,615)</u>
Finance cost paid	(216,996,031)	(138,657,621)
Income tax paid	(1,088,908,825)	(179,494,457)
Defined benefit plan costs paid	<u>(117,157,839)</u>	<u>(60,278,121)</u>
Net cash used in operating activities	<u>(37,232,793,488)</u>	<u>(4,711,756,814)</u>
Cash flows from/(used in) investing activities		
Investment income received	31,940,366	16,730,112
Dividend received	10,372,977	7,027,049
Acquisition of property, plant and equipment	(375,051,442)	(197,884,035)
Acquisition of intangible assets	(4,109,159)	(2,971,350)
Proceeds from sale of property, plant and equipment	92,554,013	50,205,582
Other current investments (net)	103,857,331	8,337,884
Other non current investments (net)	(114,646)	(8,733,259)
Net acquisition of subsidiaries, net of cash aquired (Note 7)	(3,439,774,481)	-
Additions to prepayment and other asset	-	(247,990,191)
Net cash flows used in investing activities	<u>(3,580,325,041)</u>	<u>(375,278,208)</u>
Cash flows from/(used in) financing activities		
Proceeds from financing	44,265,581,201	5,773,562,498
Repayment of financing	(377,363,000)	(3,357,926,934)
Repayment of lease	(645,860,224)	(709,063,349)
Dividends paid to non-controlling interests	-	(9,878,434)
Dividends paid to equity holders of the parent	<u>(2,287,250,550)</u>	<u>-</u>
Net cash flows from financing activities	<u>40,955,107,427</u>	<u>1,696,693,781</u>
Effect of exchange rate changes	95,528,605	(219,256,649)
Net increase in cash and cash equivalents	237,517,503	(3,609,597,890)
Cash and cash equivalents at the beginning of the period	<u>6,431,596,639</u>	<u>6,654,066,324</u>
Cash and cash equivalents at the end of the period	<u>6,669,114,142</u>	<u>3,044,468,434</u>

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 earn- ings				
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
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 period	-	-	18,346,639,033	18,346,639,033	34,972,402	18,381,611,435	
Other comprehensive income	-	86,218,016	-	86,218,016	9,754,063	95,972,079	
Total comprehensive income	-	86,218,016	18,346,639,033	18,432,857,049	44,726,465	18,477,583,514	
Dividends paid	-	-	(2,287,250,550)	(2,287,250,550)	-	(2,287,250,550)	
As at 30th September 2021	4,097,985,000	1,700,711,944	37,496,067,012	43,294,763,956	276,161,305	43,570,925,261	
As at 1 April 2020	4,097,985,000	940,585,702	7,600,459,259	12,639,029,961	191,512,037	12,830,541,998	
Profit for the year	-	-	6,279,766,339	6,279,766,339	19,396,382	6,299,162,721	
Other comprehensive income	-	(43,003,206)	-	(43,003,206)	(2,985,774)	(45,988,980)	
Total comprehensive income	-	(43,003,206)	6,279,766,339	6,236,763,133	16,410,608	6,253,173,741	
Dividend paid	-	-	-	-	(9,878,434)	(9,878,434)	
As at 30th September 2020	4,097,985,000	897,582,496	13,880,225,598	18,875,793,094	198,044,211	19,073,837,305	



COMPANY STATEMENT OF FINANCIAL POSITION

As at	Un-Audited 30-Sep-2021	Audited 31-Mar-2021
ASSETS		
Non-current assets		
Property, plant and equipment	21,594,154	25,959,281
Right-of-use assets	18,017,642	31,445,651
Intangible assets	3,560,673	4,325,605
Investment in subsidiaries	4,535,482,116	4,535,482,116
Investment in an associate and joint venture	111,490,000	111,490,000
	4,690,144,585	4,708,702,653
Current assets		
Trade and other receivables	2,040,000	2,602,461
Amounts due from related parties	274,462,768	270,388,735
Prepayments and other assets	27,656,965	22,762,798
Other financial assets	7,645,780	1,408,002
Cash and cash equivalents	2,995,968,960	630,996,337
	3,307,774,473	928,158,333
Total assets	7,997,919,058	5,636,860,986
EQUITY AND LIABILITIES		
Stated capital	4,097,985,000	4,097,985,000
Retained earnings	881,609,351	516,916,031
Equity attributable to equity holders of parent	4,979,594,351	4,614,901,031
Non-current liabilities		
Financing and lease payables	2,913,536,800	899,157,734
Retirement benefit obligation	42,689,024	43,605,913
	2,956,225,824	942,763,647
Current liabilities		
Financing and lease payables	15,984,610	24,732,281
Trade and other payables	21,080,625	25,310,588
Amounts due to related parties	25,033,648	29,153,439
	62,098,883	79,196,308
Total equity and liabilities	7,997,919,058	5,636,860,986
Net asset per share	2.55	2.36

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

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Mushtaq Ahamed
Director - Group Finance

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 October 2021

COMPANY INCOME STATEMENT



	Three months ended 30th September			Six months ended 30th September		
	Un-Audited	Un-Audited	Change %	Un-Audited	Un-Audited	Change %
	2021	2020		2021	2020	
Revenue from contracts with customers	11,685,000	31,260,000	(62.62)	29,370,000	62,445,000	(52.97)
Cost of sales	-	-	-	-	-	-
Gross profit	11,685,000	31,260,000	(62.62)	29,370,000	62,445,000	(52.97)
Other operating income and gains	42,731,215	-	-	2,814,731,386	4,511,576	62,289.09
Administrative expenses	(99,328,738)	(65,188,270)	(252.37)	(185,278,334)	(111,301,154)	(266.47)
Selling and distribution expenses	(1,604,800)	(1,618,859)	(199.13)	(2,094,792)	(2,276,527)	(192.02)
Finance cost	(3,264,389)	(3,280,952)	(199.50)	(6,852,257)	(7,032,662)	(197.43)
Finance income	2,034,440	5,132	39,542.24	2,067,867	11,192	18,376.30
Profit/(loss) before tax	(47,747,272)	(38,822,949)	(222.99)	2,651,943,870	(53,642,575)	4,843.73
Income tax expense	-	-	-	-	-	-
Profit/(loss) for the period	(47,747,272)	(38,822,949)	(222.99)	2,651,943,870	(53,642,575)	4,843.73
Basic earnings per share	(0.02)	(0.02)		1.36	(0.03)	
Dividend per share	-	-		1.17	-	

COMPANY STATEMENT OF COMPREHENSIVE INCOME

	Three months ended 30th September		Six months ended 30th September		Change	%
	Un-Audited 2021	Un-Audited 2020	Un-Audited 2021	Un-Audited 2020		
Profit/(loss) for the period	(47,747,272)	(38,822,949)	2,651,943,870	(53,642,575)	4,843.73	
Net other comprehensive income to be reclassified to statement of profit or loss in subsequent periods	-	-	-	-	-	
Net other comprehensive income not to be reclassified to statement of profit or loss in subsequent periods	-	-	-	-	-	
Other comprehensive income for the period, net of tax	-	-	-	-	-	
Total comprehensive income for the period, net of tax	(47,747,272)	(38,822,949)	2,651,943,870	(53,642,575)	4,843.73	



COMPANY STATEMENT OF CASH FLOWS

	Six months ended 30th September	
	Un-Audited	Un-Audited
	2021	2020
Cash flows from/(used in) operating activities		
Profit/(loss) before tax	2,651,943,870	(53,642,575)
Adjustments for,		
Depreciation of Property Plant and Equipment and right-of-use assets	18,558,683	11,550,416
Amortization of intangible assets	764,933	527,679
Investment income	(2,067,867)	(11,191)
Dividend income	(2,777,230,282)	(3,684,176)
Finance cost	6,852,257	7,032,662
Provision for defined benefit plans	3,163,551	2,182,765
Operating (loss) before working capital changes	(98,014,855)	(36,044,420)
(Increase)/decrease in trade and other receivables	(3,511,574)	(309,159,117)
(Increase)/decrease in prepayments	(4,894,167)	(3,651,111)
Increase/(decrease) in trade and other payables	(8,349,747)	456,121,420
Cash generated from operations	(114,770,343)	107,266,772
Finance cost paid	(5,887,880)	(5,739,346)
Defined benefit plan costs paid	(4,080,450)	-
Net cash from/(used in) operating activities	(124,738,673)	101,527,426
Cash flows from/(used in) investing activities		
Investment income received	2,067,867	11,191
Dividend received	2,777,230,282	3,684,176
Acquisition of property, plant and equipment	(1,283,145)	(223,491)
Proceeds from sale of property, plant and equipment	700,001	-
Other current investments (net)	(6,237,776)	(188,274)
Net cash flows from investing activities	2,772,477,229	3,283,602
Cash flows from/(used in) financing activities		
Proceeds from financing	2,015,452,847	-
Repayment of financing	-	(87,223,030)
Repayment of lease	(10,968,230)	(12,746,721)
Dividends paid to equity holders of the parent	(2,287,250,550)	-
Net cash flows from/(used in) financing activities	(282,765,933)	(99,969,751)
Net increase in cash and cash equivalents	2,364,972,623	4,841,277
Cash and cash equivalents at the beginning of the period	630,996,337	22,470,893
Cash and cash equivalents at the end of the period	2,995,968,960	27,312,170

COMPANY STATEMENT OF CHANGES IN EQUITY

	Stated capital	Retained earnings	Total equity
	Rs.	Rs.	Rs.
As at 1 April 2021	4,097,985,000	516,916,031	4,614,901,031
Profit for the period	-	2,651,943,870	2,651,943,870
Total comprehensive income	-	2,651,943,870	2,651,943,870
Dividends paid	-	(2,287,250,550)	(2,287,250,550)
As at 30th September 2021	4,097,985,000	881,609,351	4,979,594,351
As at 1 April 2020	4,097,985,000	52,641,449	4,150,626,449
Loss for the period	-	(53,642,575)	(53,642,575)
Total comprehensive income	-	(53,642,575)	(53,642,575)
As at 30th September 2020	4,097,985,000	(1,001,126)	4,096,983,874

SEGMENT ANALYSIS OF REVENUE AND PROFIT / (LOSS)

Logistics Sector	Un-Audited	Un-Audited	Change %
For the six months ended 30th September	2021	2020	
Revenue from contracts with customers	245,237,222,511	84,049,982,241	191.78
Earnings before interest and tax	23,003,592,968	8,318,570,116	176.53
Profit before tax	22,782,520,077	8,178,846,493	178.55
Profit for the period	18,828,646,646	6,704,395,240	180.84

Leisure Sector	Un-Audited	Un-Audited	Change %
For the six months ended 30th September	2021	2020	
Revenue from contracts with customers	395,465,811	107,380,380	268.28
Earnings before interest and tax	(11,743,230)	(81,736,174)	(114.37)
Loss before tax	(14,200,015)	(85,253,237)	(116.66)
Loss for the period	(25,308,371)	(85,253,237)	(129.69)

Investment Sector	Un-Audited	Un-Audited	Change %
For the six months ended 30th September	2021	2020	
Revenue from contracts with customers	1,524,111,569	1,183,834,469	28.74
Earnings before interest and tax	(414,042,784)	(284,620,496)	(245.47)
Loss before tax	(444,134,294)	(319,110,267)	(239.18)
Loss for the period	(421,726,841)	(319,979,281)	(231.80)

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 30th September 2021 were authorized for issue by the Board of Directors on 28th of October 2021.

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 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).

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 30th September 2021 was

Issued Share Capital as at 30th September 2021	1,954,915,000
Less	
Parent Company	1,478,251,204
Subsidiaries or Associate Companies of Parent	0
Subsidiaries or Associate Companies	0
Directors shareholding	147,021,464
Key Management Personnel	5,054,838
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	324,487,494
Public Holding as a % of Issued Share Capital	16.604%
Total No. of Shareholders representing the Public Holding as at 30th September 2021	14,974

4.2 Directors share holdings

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

	30.09.2021	30.06.2021
	No of Shares	No of Shares
Hitoshi Kanahori	Nil	Nil
Hanif Yusoof	147,021,464	147,021,464
Ha Yo	Nil	Nil
Sanjay Kulatunga	Nil	Nil
Harsha Amarasekera	Nil	Nil
Akira Oyama	Nil	Nil

NOTES TO THE FINANCIAL STATEMENTS

4.3 Twenty largest shareholders of the Company are as follows;

No	Shareholder	30.09.2021		30.06.2021	
		Shares	Holding %	Shares	Holding %
1	SG HOLDINGS GLOBAL PTE.LTD	1,478,251,204	75.62%	1,478,251,204	75.62%
2	MR. H. YUSOOF	147,021,464	7.52%	147,021,464	7.52%
3	MR. F. KASSIM	15,087,000	0.77%	22,883,429	1.17%
4	SRI LANKA INSURANCE CORPORATION LTD-LIFE FUND	9,195,727	0.47%	8,995,727	0.46%
5	COMMERCIAL BANK OF CEYLON PLC/G.S.N.PEIRIS	8,574,948	0.44%	4,915,355	0.25%
6	NUWARA ELIYA PROPERTY DEVELOPERS (PVT) LTD	7,116,573	0.36%	7,116,573	0.36%
7	HATTON NATIONAL BANK PLC/ALMAS ORGANISATION(PVT) LTD	6,762,243	0.35%	5,501,465	0.28%
8	SEYLAN BANK PLC/HOTEL INTERNATIONAL (PVT) LTD	6,755,059	0.35%	350,000	0.02%
9	ACUITY PARTNERS (PVT) LIMITED/ MR.ELAYATHAMBY THAVAGNANASOORIYAM/MR.ELAYATHAMBY THAVAGNANASUNDARAM	6,720,655	0.34%	2,055,996	0.11%
10	HATTON NATIONAL BANK PLC/SASHIMAAL RUHASH FERNANDO	6,675,000	0.34%	3,861,369	0.20%
11	SEYLAN BANK PLC/ARRC CAPITAL (PVT) LTD	6,311,008	0.32%	3,892,996	0.20%
12	HATTON NATIONAL BANK PLC/ELAYATHAMBY THAVAGNANASUNDARAM	5,888,619	0.30%	877,382	0.04%
13	MR. S. SENTHILNATHAN SHANMUGAM	5,030,838	0.26%	5,130,838	0.26%
14	HATTON NATIONAL BANK PLC/SUBRAMANIAM VASUDEVAN	5,000,000	0.26%	2,671,068	0.14%
15	HATTON NATIONAL BANK PLC/MR.GERAD SHAMIL NIRANJAN PERIS	4,447,671	0.23%	1,265,000	0.06%
16	HATTON NATIONAL BANK PLC/RIZMY AHAMED RISHARD	3,957,766	0.20%	-	0.00%
17	COMMERCIAL BANK OF CEYLON PLC/CAPITAL TRUST HOLDINGS LIMITED	3,918,842	0.20%	2,629,634	0.13%
18	HATTON NATIONAL BANK PLC/CAPITAL TRUST HOLDINGS LIMITED	3,406,427	0.17%	-	0.00%
19	MR. G.B.D. TILAKARATHNE	3,397,464	0.17%	2,670,000	0.14%
20	MR. S. SELVARATNAM SIVASINNIHNATHAN	3,248,579	0.17%	3,650,000	0.19%

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	30th September 2021	30th June 2021
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

	2021	2020
For the three months ended 30th September	RS	RS
Highest	201.25	11.60
Lowest	48.50	2.90
Last Traded	199.25	11.50

4.7. Float Adjusted Market Capitalization

As at	30.09.2021	30.06.2021
Public shareholding (%)	16.604%	16.598%
Public Shareholders	14,978	13,719
Float adjusted market capitalization	64,675,371,755.05	16,256,287,264

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. 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 31 March 2021.

6. 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

7. Business Combinations

Acquisition of IDEA Global LLC and its subsidiaries

On 10th August 2021, the Group acquired 100% of the voting shares of IDEA Global LLC (and its subsidiaries), a US headquartered Central American Freight Forwarding, Warehousing & Trucking services company.

Acquisition of Complete Transport LLC

On 8th September 2021, the Group acquired 100% of the voting shares of Complete Transport LLC ,a US based bonded CFS and Trucking company.

Both acquisitions described above have been accounted for using the acquisition method. The interim condensed consolidated financial statements include the results of IDEA Global LLC and its subsidiaries for two months period from the acquisition date and Complete Transport LLC for one month period from the acquisition date.

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	IDEA Global LLC and its Subsidiaries	Complete Transport LLC	Total
Total identifiable net assets at fair value for Purchase Price Allocation	606	25	631
Goodwill arising on acquisition	375	883	1,258
Brand value on acquisition	423	-	423
Customer Relationships on acquisition	963	319	1,282
Purchase consideration transferred	2,367	1,227	3,594

The useful lives of the brand value and customer relationships on acquisition are as follows:

- Brand value on acquisition of IDEA Global LLC and its subsidiaries – 5 years
- Customer Relationships on acquisition of IDEA Global LLC and its subsidiaries – 12.5 years
- Customer Relationships on acquisition of Complete Transport LLC – 10 years

NOTES TO THE FINANCIAL STATEMENTS

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 and re-registered on 11th November 2008 as a Public Limited Liability Company under the 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
Ha Yo		
Harsha Amarasekera		
Sanjay Kulatunga		
Akira Oyama		

Registered office of the Company

10, Milepost Avenue,
Colombo 03
Sri Lanka

Audit Committee

Sanjay Kulatunga	–	Chairman
Harsha Amarasekera		

NOTES TO THE FINANCIAL STATEMENTS

Remuneration Committee

Harsha Amarasekera – Chairman

Sanjay Kulatunga

Contact Details

P. O. Box 1162

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Colombo 03

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Facsimile : +94 11 4659565

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Investor Relations

Expolanka Holdings PLC

15 A, Clifford Avenue

Colombo 03

Sri Lanka

NOTES TO THE FINANCIAL STATEMENTS

Bankers

Amana Bank
Bank of Ceylon
Commercial Bank
Habib Bank
Hatton National Bank
Hong Kong and Shanghai Banking Corporation
ICICI Bank Limited
Muslim Commercial Bank
National Development Bank
Nations Trust Bank
Pan Asia Bank Corporation
Peoples Bank
People's Leasing Finance PLC
Sampath Bank
Seylan Bank
Standard Chartered Bank

Company Secretaries

SSP Corporate Services (Private) Limited
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