limitless

EXPOLANKA HOLDINGS PLC

INTERIM REPORT

THREE MONTH ENDED 30TH JUNE 2019

CEO Message

Dear Stakeholder,

A strategy with a focus on sustaining performance has enabled your company to end Q1 ahead of last year. The group was able to generate a Revenue of Rs. 22.8BN (+15%YoY) on the back of stable volumes from the Logistics Sector.

The ability of your organization to consolidate its efficiencies has enabled the group to generate a Gross Profit of Rs. 4.6BN (+16% YoY) and a Profit After Tax of Rs. 299MN (+6% YoY).

Volatility and uncertainty fueled by trade protectionism strategies have led to many industry players treading cautiously. Despite these challenges, the group was able to maintain momentum to enhance its performance during the quarter.

Logistics Sector

The Performance of the Logistics sector during the period in review was encouraging. The focus for the sector remained on consolidating its performance during the quarter and enhancing the profitability of the sector. As a result, the sector was able to deliver a revenue of Rs. 21.7 BN (+ 15% YoY). The volume growth remained stable across all key Freight products, with Ocean Freight performing relatively well during the Quarter.

The Transpacific Trade lane continued to perform up to our expectations during the quarter where the company witnessed strong growth in most of our key markets. Furthermore, the Intra Asia & Europe Trade Lanes continued to augment the performance of the sector delivering a relatively positive performance.

Efforts continued to be directed towards attracting new customers, optimizing its service portfolio and enhancing its value proposition to its clientele, all of which enabled the group to retain its performance during the period under review.

Ensuing from the above, the logistics sector was able to generate a Gross Profit of Rs. 4.30BN (+17% YoY) and a Profit after Tax of Rs. 370MN (+10% YoY).

Procurement continued to remain a constant challenge impacting the performance of the sector. However, pre-emptive strategies which were implemented have enabled the company to retain its Margins at similar levels in comparison to last year.

Furthermore, the Warehouse sector which has witnessed consistent growth over the last two years in particular, experienced a good start to the year, generating improved revenue and margins within its business segment. The focus continues to remain in driving scale of the operation coupled with a focus on improving efficiency and profitability.

Leisure Sector

The performance of the Leisure sector was slightly muted during the quarter. A slight recovery in performance was witnessed during the latter part of the period in review. Nevertheless, the sector was able to generate a Revenue of Rs. 292MN and a Profit after Tax of Rs. 41MN. The corporate travel segment of the business continued to remain strong, whilst the Inbound and Leisure operations had slowed down during the quarter under review.

Being consistent with its strategy, the sector will continue to focus on its enhanced services to customers and expand its service portfolio. The company has introduced a wide range of services which is aimed at augmenting its customer offering.

Investment Sector

Meanwhile, the group's investment sector, which includes the group's export operations, IT services and corporate office contributed a further, Rs. 792 million, towards group turnover during the quarter.

The sector, which carries a part of the group shared services and other cost centers was able to implement vital cost efficiencies within the business during the current year.

Hanif Yusoof
Group CEO

05 August 2019

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at	Un Audited 30.06.2019	Audited 31.03.2019
ASSETS		
Non-current Assets		
Property, plant and equipment	3,168,586,947	3,961,747,782
Right-of-use assets	3,725,552,973	-
Intangible assets	665,536,049	635,099,255
Investment in an associate and joint ventures	250,874,585	237,698,403
Other financial assets	43,609,944	145,023,258
Deferred income tax assets	187,770,197	186,779,308
Prepayments and other assets	382,308,226	234,548,242
	8,424,238,921	5,400,896,248
Current Assets		
Inventories	134,339,798	122,879,282
Trade and Other Receivables	21,921,270,617	21,302,591,358
Amount Due from Related Parties	37,374,951	47,389,747
Prepayments	2,021,763,678	1,795,751,200
Other Financial Assets	205,466,361	194,276,010
Income Tax Recoverable	339,424,032	275,912,047
Cash and Cash Equivalents	4,656,833,312	4,456,865,049
	29,316,472,749	28,195,664,693
Total Assets	**37,740,711,670**	**33,596,560,941**
EQUITY AND LIABILITIES		
Stated Capital	4,097,985,000	4,097,985,000
Reserves	1,005,142,708	983,692,993
Retained Earnings	9,346,796,796	9,193,919,473
Equity Attributable to Equity Holders of Parent	14,449,924,504	14,275,597,466
Non-controlling Interest	1,650,607,876	1,511,718,909
Total Equity	16,100,532,380	15,787,316,375
Non-current liabilities		
Financing and Lease (Ijara) Payables	2,784,114,002	1,198,889,432
Deferred Income Tax liabilities	2,618,682	482,305
Retirement Benefit Obligation	531,771,116	514,217,666
	3,318,503,800	1,713,589,403
Current liabilities		
Financing and Lease (Ijara) Payables	6,590,807,711	4,132,734,967
Trade and Other Payables	11,466,459,776	11,517,862,977
Amount Due to Related Parties	31,083,976	35,655,019
Income Tax liabilities	233,324,027	409,402,200
	18,321,675,490	16,095,655,163
Total Equity and liabilities	**37,740,711,670**	**33,596,560,941**
Net asset per share	7.39	7.30

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

[SIGNED]

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

05th August 2019

CONSOLIDATED INCOME STATEMENT

	Three months ended 30th June		
	Un-Audited 2019	Un-Audited 2018	Change %
Revenue from contracts with customers	22,865,469,518	19,861,397,145	15.13
Cost of sales	(18,251,127,365)	(15,873,863,816)	14.98
Gross profit	4,614,342,153	3,987,533,329	15.72
Other income and gains	121,628,456	52,106,501	133.42
Administrative expenses	(3,946,891,134)	(3,258,118,645)	21.14
Selling and distribution cost	(238,004,171)	(302,699,839)	(21.37)
Finance cost	(107,304,200)	(54,784,699)	95.87
Finance income	354,424	354,424	-
Share of results of equity accounted investees	16,588,891	20,321,797	(18.37)
Profit before tax	460,714,419	444,712,868	3.60
Tax expense	(161,471,396)	(162,949,679)	(0.91)
Profit for the period	299,243,023	281,763,189	6.20
Attributable to:			
Equity holders of the parent	152,877,323	247,319,697	(38.19)
Non- Co ntrolling Interest	146,365,700	34,443,492	324.94
	299,243,023	281,763,190	
Basic earnings per share	0.08	0.13	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three months ended 30th June	
	Un-Audited 2019 Rs.	Un-Audited 2018 Rs.
Profit for the period	299,243,023	281,763,189
Other comprehensive income to be reclassified to statement of profit or loss in subsequent periods		
Net Exchange differences on translation of foreign operations	23,822,602	(46,252,770)
Net other comprehensive income to be reclassified to statement of profit or loss in subsequent periods	23,822,602	(46,252,770)
Other comprehensive income not to be reclassified to statement of profit or loss in subsequent periods		
Net (loss)/gain on financial instruments at fair value through OCI	(2,372,887)	-
Net other comprehensive income not to be reclassified to statement of profit or loss in subsequent periods	(2,372,887)	-
Other comprehensive income for the year, net of tax	21,449,715	(46,252,770)
Total comprehensive income for the year, net of tax	320,692,738	235,510,419
Attributable to:		
Equity holders of the parent	172,011,276	201,066,927
Non-controlling Interest	148,681,462	34,443,492
	320,692,738	235,510,419

CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended 30th June	Un Audited 2019	Un Audited 2018
Cash Flows From / (Used in) Operating Activities		
Profit before Income Tax Expenses	460,714,419	444,712,868
Adjustments for,		
Depreciation	395,367,686	101,321,841
Amortization	68,871,697	11,948,903
Amortization of prepayment and other assets	25,413,744	-
Investment Income	(22,713)	(2,338,503)
Profit on Sale of Property, Plant and Equipment	(1,147,855)	(1,271,422)
Dividend Income	(331,711)	(385,710)
Finance Cost	144,951,593	54,784,699
Share of results of equity accounted investees	(16,588,891)	(20,321,797)
Allowances for Expected Credit Losses	47,029,211	75,438,782
Provision for Defined Benefit Plans	164,516,212	30,810,199
Operating Profit / (Loss) before Working Capital Changes	1,288,773,392	633,363,956
(Increase)/Decrease in Inventories	(11,460,516)	66,395,351
(Increase)/Decrease in Trade and Other Receivables	(595,780,170)	521,048,793
(Increase)/Decrease in Prepayments	(250,887,185)	(418,461,010)
Increase/ (Decrease) in Trade and Other Payables	(225,141,438)	409,383,289
Cash Generated from Operations	205,504,083	1,211,730,379
Finance Cost paid	(107,304,200)	(54,784,699)
Income Tax Paid	(399,903,698)	(257,283,945)
Defined Benefit Plan Costs paid	(1,458,225)	(32,891,533)
Net Cash From / (Used in) Operating Activities	(303,162,040)	866,770,202
Cash Flows From / (Used in) Investing Activities		
Investment Income Received	22,713	2,338,503
Acquisition of Property, Plant and Equipment	(64,207,386)	(85,625,992)
Acquisition of Intangible assets	(80,925,330)	(6,959,413)
Proceeds from Sale of Property, Plant and Equipment	10,109,244	8,038,682
Net other current Investments	(11,190,351)	(50,239,268)
Sales Proceeds from Disposal of Equity Investment	60,713,750	-
Net Acquisition of Subsidiaries, net of Cash Aquired	(14,714,330)	-
Dividend Received	3,744,421	3,455,210
Additions to prepayment and other asset	(147,759,984)	(314,759,938)
Net Cash From / (Used in) Investing Activities	(244,207,256)	(443,752,216)
Net Cash Flows Used in Financing Activities		
Proceeds From Financing	807,551,250	411,418,187
Repayment of Financing and Lease	(894,981,096)	(196,432,065)
Dividends Paid to Minority Share holders	(7,476,733)	-
Net Cash From / (Used in) Financing Activities	(94,906,579)	214,986,122
Effect of Exchange Rate Changes	44,967,730	(31,608,800)
Net Increase / (Decrease) in Cash and Cash Equivalents	(597,308,145)	606,395,308
Cash and Cash Equivalents at the beginning of the year	4,216,366,784	2,793,673,778
Cash and Cash Equivalents at the end of the year	3,619,058,639	3,400,069,086

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of parent						
	Stated Capital	Fair Value Reserve of Finance Assets of FVOCI	Foreign Currency Translation Reserve	Retained Earnings	Total	Non-controlling Interest	Total Equity
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
As at 1 April 2019	4,097,985,000	(11,864,435)	995,557,428	9,193,919,473	14,275,597,466	1,511,718,909	15,787,316,375
					-		
Profit for the period	-	-	-	152,877,323	152,877,323	146,365,700	299,243,023
Other comprehensive income	-	(2,372,887)	23,822,602	-	21,449,715	-	21,449,715
Total comprehensive income	-	(2,372,887)	23,822,602	152,877,323	174,327,038	146,365,700	320,692,738
Dividend	-	-	-	-	-	(7,476,733)	(7,476,733)
As at 30th June 2019	4,097,985,000	(14,237,322)	1,019,380,030	9,346,796,796	14,449,924,504	1,650,607,876	16,100,532,380
As at 1 April 2018	4,097,985,000	-	603,849,826	8,075,240,615	12,777,075,441	1,250,977,852	14,028,053,293
					-		
Profit for the period	-	-	-	247,319,697	247,319,697	34,443,492	281,763,189
Other comprehensive income	-	-	(46,252,770)	-	(46,252,770)	-	(46,252,770)
Total comprehensive income	-	-	(46,252,770)	247,319,697	201,066,927	34,443,492	235,510,419
Changes in holdings during the year	-	-	-	5,275,494	5,275,494	(5,275,494)	-
As at 30th June 2018	4,097,985,000	-	557,597,056	8,322,560,312	12,978,142,368	1,285,421,344	14,263,563,712

COMPANY STATEMENT OF FINANCIAL POSITION

As at	Un Audited 30.06.2019	Audited 31.03.2019
ASSETS		
Non-current assets		
Property, plant and equipment	12,528,657	24,518,180
Right of Use Assets	39,293,167	-
Intangible assets	2,691,430	1,806,250
Investments in subsidiaries	4,570,227,815	4,570,227,815
Investment in associate	43,990,000	43,990,000
Other investments	41,130,041	142,561,786
	4,709,861,110	4,783,104,031
Current assets		
Trade and Other Receivables	11,814,750	4,540,000
Amounts Due from Related Parties	280,187,456	170,934,629
Prepayments	19,996,607	21,696,144
Other Financial assets	729,625	451,656
Cash and cash equivalents	53,577,908	155,779,974
	366,306,346	353,402,404
Total Assets	5,076,167,456	5,136,506,435
EQUITY AND LIABILITIES		
Equity attributable to equity holders of parent		
Stated capital	4,097,985,000	4,097,985,000
Reserves	(14,237,320)	(11,864,435)
Retained earnings/ (losses)	207,008,269	238,138,521
Total equity	4,290,755,949	4,324,259,086
Non-current liabilities		
Financing and lease (ijara) payables	230,320,053	691,284,493
Retirement benefit obligation	22,429,157	22,958,932
	252,749,210	714,243,425
Current liabilities		
Financing and lease (ijara) payables	11,514,881	-
Trade and other payables	514,466,695	91,997,265
Amounts Due to Related Parties	6,680,721	6,006,658
	532,662,297	98,003,923
Total equity and liabilities	5,076,167,456	5,136,506,434
Net asset per share	2.19	2.21

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

[SIGNED]
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

05th August 2019

COMPANY INCOME STATEMENT

	Three months ended 30th June		
	Un-Audited 2019 Rs.	Un-Audited 2018 Rs.	Change %
Revenue	31,260,000	26,835,000	16.49%
Other income and gains	(2,184)	37,174	-105.88%
Administrative expenses	(59,522,642)	(89,908,731)	-33.80%
Selling and distribution costs	(2,508,031)	(3,598,451)	-30.30%
Finance Income	2,406,318	3,069,500	-21.61%
Finance cost	(2,763,713)	(595,479)	364.12%
Loss before tax	(31,130,252)	(64,160,988)	-51.48%
Income tax expense	-	-	
Loss for the period	(31,130,252)	(64,160,988)	-51.48%
Earnings per share	(0.02)	(0.03)	

COMPANY STATEMENT OF COMPREHENSIVE INCOME

	Three Months ended 30th June	
	Un audited	Un audited
	2019	2018
	Rs.	Rs.
Loss for the period	(31,130,252)	(64,160,988)
Other comprehensive income not to be reclassified to statement of profit/loss in subsequent period		
Loss on financial instruments at fair value through OCI	(2,372,885)	-
Other comprehensive income not to be reclassified to statement of profit/loss in subsequent period	(2,372,885)	-
Total comprehensive income for the year, net of tax	(33,503,137)	(64,160,988)

COMPANY STATEMENT OF CASH FLOW

For the three months ended 30th June	Un Audited 2019	Un Audited 2018
CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES		
Loss before income tax expenses	(31,130,252)	(64,160,988)
Adjustments for,		
Depreciation	5,958,895	2,369,925
Amortization	196,250	196,250
Income from investments	(8,250)	(6,534)
Profit / Loss on sale of Investments	1,014,642	-
Dividend Income	(3,412,710)	(3,069,500)
Finance Cost	2,763,713	595,479
Provision for defined benefit plans	539,425	539,425
Operating profit / (loss) before working capital changes	(24,078,287)	(63,535,943)
(Increase)/Decrease in trade and other receivables	(109,272,826)	(215,280,470)
(Increase)/Decrease in Prepayments	1,699,537	(30,908,894)
Increase/(Decrease) in trade and other payables	460,473,960	163,495,597
Cash generated from / (used in) operations	328,822,384	(146,229,710)
Finance Cost paid	(1,933,141)	(595,479)
Defined benefit plan costs paid	(1,069,200)	(80,850)
Net cash from / (used in) operating activities	325,820,043	(146,906,039)
CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES		
Investment income received	8,250	6,534
Acquisition of property, plant and equipment	-	(3,440,920)
Acquisition of Intangible assets	(1,081,430)	
Net Other current Investment	(277,969)	-
Sales Proceeds from Disposal of Equity Investment	53,459,000	-
Dividend Received	3,412,710	3,069,500
Net cash flows from / (used in) investing activities	55,520,561	(364,886)
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES		
Proceeds from financing and lease	-	125,217,317
Repayment of financing and lease	(483,542,670)	-
Net cash flows from / (used in) financing activities	(483,542,670)	125,217,317
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(102,202,066)	(22,053,608)
CASH AND CASH EQUIVALENTS AT THE BEGINNING	155,779,974	34,882,581
CASH AND CASH EQUIVALENTS AT THE END	53,577,908	12,828,973

COMPANY STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs.	Fair Value Reserve Of Financial Assets at FVOCI Rs.	Retained Earnings Rs.	Total Rs.
As at 01 April 2019	4,097,985,000	(11,864,435)	238,138,521	4,324,259,086
Profit for the period			(31,130,252)	(31,130,252)
Other comprehensive income		(2,372,885)	-	(2,372,885)
Total comprehensive income		(2,372,885)	(31,130,252)	(33,503,137)
As at 30th June 2019	4,097,985,000	(14,237,320)	207,008,269	4,290,755,949
As at 1 April 2018	4,097,985,000	-	537,552,216	4,635,537,216
			-	
Profit for the period	-	-	(64,160,988)	(64,160,988)
Other comprehensive income	-	-		-
Total comprehensive income	-	-	(64,160,988)	(64,160,988)
As at 30th June 2018	4,097,985,000	-	473,391,228	4,571,376,228

SEGMENT ANALYSIS OF REVENUE AND PROFIT

Logistics For the three months ended 30th June	Un-Audited 2019	Un-Audited 2018	Change %
Revenue	21,781,391,475	18,922,136,535	15
Earnings Before finance cost and Tax	589,589,964	534,437,678	10
Profit before tax	513,604,643	497,879,693	3
Profit for the period	370,133,247	337,930,014	10

Leisure For the three months ended 30th June	Un-Audited 2019	Un-Audited 2018	Change %
Revenue	291,744,186	312,089,873	(7)
Earnings Before finance cost and Tax	71,595,973	79,746,125	(10)
Profit before tax	59,635,946	72,696,333	(18)
Profit for the period	41,635,946	69,696,333	(40)

Investment For the three months ended 30th June	Un-Audited 2019	Un-Audited 2018	Change %
Revenue	792,333,857	627,170,738	26
Loss Before finance cost and Tax	(93,167,317)	(114,686,235)	(19)
Loss before tax	(112,526,169)	(125,863,157)	(11)
Loss for the period	(112,526,169)	(125,863,157)	(11)

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 of June 2019 were authorized for issue by the Board of Directors on 5th of August 2019.

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 2019.

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.

The Group applied SLFRS 16 with effect from 1 April 2019. Due to the transition method chosen in applying these standards, comparative information throughout these financial statements have not been restated to reflect the requirements of the new standards.

4. New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2019, except for the adoption of new standards effective as of 1 April 2019. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The Group applies, for the first time, SLFRS 16 Leases. As required by LKAS 34, the nature and effect of these changes are disclosed below.

SLFRS 16 supersedes SLAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Lessor accounting under SLFRS 16 is substantially unchanged under SLAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in SLAS 17. Therefore, SLFRS 16 did not have an impact for leases where the Group is the lessor.

The Group adopted SLFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

	Group	Company
Assets		
Right-of-use assets	3,725,552,973	39,293,167
Property, plant and equipment	(732,241,492)	(9,634,318)
Total Assets	2,993,311,481	29,658,849
Liabilities		
Financing and lease payables	3,022,104,563	30,595,133
Total Liabilities	3,022,104,563	30,595,133
Total Net Assets	(28,793,082)	(936,284)
Total Adjustment on Equity		
Retained earnings	(25,958,707)	(936,284)
Reserves	(91,671)	-
Non-controlling Interest	(2,742,704)	-
Total Equity	(28,793,082)	(936,284)

a). Nature of the effect of adoption of SLFRS 16

The Group has lease contracts for various items such as lands, offices, warehouses, retail stores and vehicles. Property leases are the major asset included in the right of use assets category, typically made for in between 1 to 30 years of lease term and have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. On adoption of SLFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of LKAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate as of the transition date.

Leases previously classified as finance leases

For leases previously classified as finance leases, the entity recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The requirements of SLFRS 16 was applied to these leases from 1 April 2019.

Leases previously accounted for as operating leases

The Group recognised right of use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right of use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

b) Summary of new accounting policies

Set out below are the new accounting policies of the Group upon adoption of SLFRS 16, which have been applied from the date of initial application:

Right of use assets

The Group recognises right of use assets when the underlying asset is available for use. Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right of use assets are depreciated on a straight-line basis over the shorter of its estimated useful life or the lease term.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Amounts recognised in the statement of financial position and income statement set out below, are the carrying amounts of the Group's right of use assets and lease liabilities and the movements for the period ended 30 June 2019.

	Right of Use Assets				
	Leasehold properties	Motor vehicles	Plant and Machinery	Total	Lease Liabilities
As at 1 April 2019	-	-	-	-	141,835,545
Additions	3,253,989,456	-	-	3,253,989,456	3,251,404,892
Transfers	638,757,290	73,778,463	43,127,561	755,663,313	-
Depreciation	(282,220,429)	(5,838,821)	(4,558,227)	(292,617,477)	-
Disposal	(350,506)	-	(5,014,010)	(5,364,516)	-
Acquisition of subsidiaries	806,170	-	-	806,170	-
Interest Accrued	-	-	-	-	12,220,519
Payments	-	-	-	-	(267,734,344)
Exchange difference	13,042,596	33,430	-	13,076,026	21,545,865
	3,624,024,576	67,973,072	33,555,324	3,725,552,973	3,159,272,478

5. Share Information

5.1 Public share holding

The percentage of shares held by the public as at 30th of June 2019 was

Issued Share Capital as at 30th June 2019	**1,954,915,000**
Less	
Parent Company	1,333,141,210
Subsidiaries or Associate Companies of Parent	0
Subsidiaries or Associate Companies	0
Directors shareholding	147,021,464
Key Management Personnel	24,000
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	**474,728,326**
Public Holding as a % of Issued Share Capital	**24.28%**
Total No. of Shareholders representing the Public Holding as at 30th of June 2019	**6,956**

5.2 Directors share holdings

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

	30.06.2019	31.03.2019
	No of Shares	**No of Shares**
Naosuke Kawasaki	Nil	Nil
Hanif Yusoof	147,021,464	147,021,464
Yoshifumi Matsubara	Nil	Nil
Sanjay Kulatunga	Nil	Nil
Harsha Amarasekera	Nil	Nil
Motonori Matzusono	Nil	Nil

5.3 Twenty largest shareholders of the Company are as follows;

No	Name of the Share Holder	As at 30 June 19	%	As at 31 March 19	%
1	SG HOLDINGS GLOBAL PTE.LTD	1,333,141,210	68.19%	1,319,165,681	67.48%
2	CACEIS BANK, LUXEMBOURG BRANCH-BARCA GLOBAL MASTER FUND LP	173,811,433	8.89%	173,811,433	8.89%
3	MR. H. YUSOOF	147,021,464	7.52%	147,021,464	7.52%
4	BBH-MATTHEWS EMERGING ASIA FUND	94,231,424	4.82%	94,231,424	4.82%
5	MR. F. KASSIM	23,560,811	1.21%	23,560,811	1.21%
6	J.B. COCOSHELL (PVT) LTD	11,161,962	0.57%	11,161,962	0.57%
7	SRI LANKA INSURANCE CORPORATION LTD-LIFE FUND	9,499,000	0.49%	9,499,000	0.49%
8	E.W. BALASURIYA & CO. (PVT) LTD	7,591,805	0.39%	7,591,805	0.39%
9	MR. S. KASSIM	5,401,559	0.28%	5,401,559	0.28%
10	AMANA BANK PLC	4,540,098	0.23%	4,540,098	0.23%
11	MR. K.A.S.R. NISSANKA	4,500,000	0.23%	4,500,000	0.23%
12	MRS. V. SARASWATHI	4,036,860	0.21%	4,036,860	0.21%
13	MR. M.U.M.A SABRY	3,800,000	0.19%	6,500,000	0.33%
14	EMPLOYEES TRUST FUND BOARD	3,486,700	0.18%	3,486,700	0.18%
15	HALLSVILLE TRADING GROUP INC.	3,000,000	0.15%	3,000,000	0.15%
16	MR. M.H. OMAR	2,898,660	0.15%	2,898,660	0.15%
17	PEOPLE'S LEASING & FINANCE PLC/MR.D.M.P.DISANAYAKE	2,732,904	0.14%	1,000,000	0.05%
18	HATTON NATIONAL BANK PLC-ASTRUE ALPHA FUND	2,502,305	0.13%		
19	MR. A.M. WEERASINGHE	1,956,966	0.10%	1,956,966	0.10%
20	MR. M.N. HAMEED	1,829,330	0.09%	1,829,000	0.09%

5.4. Stated capital

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

As at	30th June 2019	31st March 2019
Ordinary Shares	1,954,915,000	1,954,915,000

5.5. 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.

5.6. Market price per share

For the three months ended 30th June	2019 RS	2018 RS
Highest	5.70	5.10
Lowest	3.80	4.00
Last Traded	5.70	4.00

5.7. Float Adjusted Market Capitalization

As at	30.06.2019	31.03.2019
Public shareholding (%)	24.28%	25%
Public Shareholders	6,956	7,108
Float adjusted market capitalization	2,705,524,163	1,954,915,000

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 31 March 2019

7. Events after the reporting period

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

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 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

Naosuke Kawasaki – Chairman
Hanif Yusoof – Chief Executive Officer
Yoshifumi Matsubara
Harsha Amarasekera
Sanjay Kulatunga
Motonori Matzusono

Registered office of the Company
10, Milepost Avenue,
Colombo 03
Sri Lanka

Audit Committee
Sanjay Kulatunga – Chairman
Harsha Amarasekera

CORPORATE INFORMATION

Remuneration Committee

Harsha Amarasekera – Chairman

Sanjay Kulatunga

Contact Details

P. O. Box 1162
10, Milepost Avenue
Colombo 03
Sri Lanka

Telephone : +94 11 4659500
Facsimile : +94 11 4659565
Internet : www.expolanka.com

Contact for Media

Marketing, Corporate Communications & CSR
Expolanka Holdings PLC
15 A, Clifford Avenue
Colombo 03

Sri Lanka

Telephone : +94 11 4659500
Facsimile : +94 11 4659565

Web : www.expolanka.com

Investor Relations

Expolanka Holdings PLC
15 A, Clifford Avenue
Colombo 03
Sri Lanka

Telephone : +94 11 4659500
Facsimile : +94 11 4659565
Web : www.expolanka.com
E mail : investor@expolanka.com

CORPORATE INFORMATION

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
P V 931
101, Inner Flower Road
Colombo 03
Sri Lanka

Telephone : +94 11 2573894, +94 11 2576871
Facsimile : +94 11 2573609

Company Auditors

Ernst and Young
Chartered Accountants
201, De Seram Place
P. O. Box 101
Colombo 10
Sri Lanka

#15 A, Clifford Avenue, Colombo 3, Sri Lanka
Tel: +94 11 4659500 | Fax: +94 11 4659565 | Email: investor@expolanka.com

www.expolanka.com