



# SEASONS OF RESILIENCE



INTERIM REPORT

NINE MONTHS ENDED 31<sup>ST</sup> DECEMBER 2023

# CEO Message

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## Dear Shareholder,

I am pleased to share with you the interim financial statements of Ex-polanka Holdings PLC for the quarter ended 31st December 2023. Your company has withstood a challenging macro environment by leveraging its strengths in navigating through this transitional period.

Your organization delivered a revenue of Rs. 66.8 Bn, a gross profit of Rs. 10.9 Bn and net loss of Rs. 5.1 Bn for the quarter. The group has recorded a revenue of Rs. 183.9 Bn, a gross profit of Rs. 34.2 Bn and a net Loss of Rs. 12.3 Bn for the nine months ending 31st December 2023.

## Logistics Sector

### Market conditions

Global Trade has remained subdued during the year. Tightening of monetary policy, high inflation, geopolitical tensions, trade protectionism and high energy prices resulted in uncertainty and reduced consumer spending ensuing low demand conditions.

### Operational performance

EFL adopted a resilient approach to navigate through these market conditions. The company's primary focus was pivoted on strengthening customer relationships. EFL was able to retain all its core customers, whilst also seeing a growth in new customers albeit at lower volumes which was evidenced by an overall decline in volume.

Freight rates which had seen a steep decline during the year had steadied during the quarter. Freight capacity yet remains high causing a demand supply imbalance.

Profitability decline was visible across both Air Freight & Ocean Freight, however the impact was more pronounced in the Ocean Freight portfolio, a result of Ocean Rates experiencing visible corrections during the year.

EFL's strategy of enhancing service offering & domestic logistics capabilities have had a positive impact both commercially and financially. These investments, although long term in nature, is part of EFL's aim to be positioned as a Global Logistics company.

The recent acquisitions namely, Trans American Global and the LEI Group have performed to expectations, whilst integration efforts have moved forward expeditiously.

EFL was able to leverage its strong network presence, market know-how, infrastructure capabilities and its experienced leadership team to bring to bear the exceptional value added service offering to its customers.

The organization is expediting efforts to enhance process improvements and efficiency related initiatives aimed at improving margins and profitability.

### Financial performance

The logistics sector delivered a revenue of Rs. 64.4 Bn, with a gross profit of Rs. 10.2 Bn whilst reporting a net loss of Rs. 5.2 Bn for the quarter. The sector reported a revenue of Rs. 177.0 Bn, a gross profit of Rs 32.1 Bn and a net loss of Rs. 12.7 Bn for the nine months ended 31st December 2023. A drop in volumes and a steep decline in Freight rates had impacted both revenue & gross profit, which resulted in operating losses.

## Leisure Sector

The leisure sector recorded a revenue of Rs. 1.0 Bn, a gross profit of Rs. 655 Mn and a profit after tax of Rs 200.4 Mn for the quarter under review. This has resulted in the sector posting a revenue of Rs. 2.6 Bn, gross profit of Rs 2.01 Bn and a profit after tax of Rs. 715 Mn for the nine months ended 31st December 2023.

The robust performance has been led by its core corporate travel business whilst the inbound and leisure portfolios showed positive momentum, enabling the sector to strengthen its market position. The lean operating model, efficient procurement and service excellence were the key factors that have enabled the sector to achieve these results over the last several quarters.

## Investment Sector

The Investment Sector recorded a revenue of Rs.1.3 Bn, a gross profit of Rs.33.8 Mn for the quarter and a YTD Revenue & gross profit of Rs 4.1 Bn and Rs 92.5 Mn respectively. The export operation has now stabilized whilst the IT business has continued to make gradual progress.

## Cashflow & Gearing

The organization maintained a healthy cashflow position as of the reporting date. Efficient working capital management was the foundation of the group's cash management strategies. The company maintained a low geared capital structure, The group settled a total debt of Rs. 10.02 Bn, during the nine months ended 31st December 2023.

The efficiency in working capital management has enabled the company to minimize its finance costs and reinvest cash into operations.

## 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.

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

Whilst the uncertain macro-economic environment has impacted performance, your company remains agile and committed in mitigating the challenges it faces. Your organization is focusing on growing business, driving efficiency and improving liquidity.

For the long term, your organization will continue to invest in building capabilities, infrastructure and systems whilst enhancing its operational efficiencies, with the single focus being to face the ever changing and evolving global business environment.

Hanif Yusoof  
Group CEO  
24th January 2024

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at	Un Audited 31.12.2023	Audited 31.03.2023
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment	10,793,773,399	9,894,496,716
Right-of-use assets	23,052,357,370	14,525,000,155
Intangible assets	37,407,671,706	36,313,013,905
Investment in an associate and joint venture	471,019,924	409,684,874
Other financial assets	16,700,759	19,653,983
Deferred income tax assets	2,361,693,214	447,126,095
	<u>74,103,216,372</u>	<u>61,608,975,728</u>
Current assets		
Inventories	270,943,780	264,555,543
Trade and other receivables	50,207,070,750	67,930,772,857
Amounts due from related parties	49,456,093	28,014,320
Prepayments and other assets	8,276,723,808	7,769,887,447
Other financial assets	1,523,090,161	336,469,506
Income tax recoverable	2,943,109,755	5,268,379,797
Cash and cash equivalents	58,403,289,477	77,781,817,840
	<u>121,673,683,824</u>	<u>159,379,897,310</u>
<b>Total Assets</b>	<b><u>195,776,900,196</u></b>	<b><u>220,988,873,038</u></b>
<b>EQUITY AND LIABILITIES</b>		
Stated capital	4,097,985,000	4,097,985,000
Reserves	37,334,909,007	37,986,344,016
Retained earnings	87,676,501,679	106,851,258,991
Equity attributable to equity holders of parent	129,109,395,686	148,935,588,007
Non-controlling interest	722,730,721	693,093,887
<b>Total Equity</b>	<b><u>129,832,126,407</u></b>	<b><u>149,628,681,894</u></b>
Non-current liabilities		
Financing and lease payables	23,817,319,480	16,794,614,339
Deferred income tax liabilities	17,277,979	94,589,425
Retirement benefit obligation	1,164,254,693	1,068,437,484
	<u>24,998,852,152</u>	<u>17,957,641,248</u>
Current liabilities		
Financing and lease payables	11,136,957,095	15,062,191,673
Trade and other payables	28,970,314,154	33,292,411,990
Amounts due to related parties	49,790,463	113,833,422
Income tax liabilities	788,859,925	4,934,112,811
	<u>40,945,921,637</u>	<u>53,402,549,896</u>
<b>Total equity and liabilities</b>	<b><u>195,776,900,196</u></b>	<b><u>220,988,873,038</u></b>
Net asset per share	66.04	76.19

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

24<sup>th</sup> January 2024

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Sanjay Kulatunga  
Director

## CONSOLIDATED INCOME STATEMENT

	Three months ended 31 <sup>st</sup> December		Nine months ended 31 <sup>st</sup> December		Change %
	Un Audited 2023	Un Audited 2022	Un Audited 2023	Un Audited 2022	
Revenue from contracts with customers	66,874,463,795	94,280,892,235	183,924,910,530	491,231,171,441	(62.56)
Cost of sales	(55,950,664,064)	(73,641,699,184)	(149,652,632,634)	(405,278,653,594)	(63.07)
Gross profit	10,923,799,731	20,639,193,051	34,272,277,896	85,952,517,847	(60.13)
Other operating income and gains	138,519,003	167,483,156	1,153,226,458	6,327,041,002	(81.77)
Administrative expenses	(15,260,827,132)	(16,263,844,769)	(43,798,034,183)	(47,775,764,727)	(8.33)
Selling and distribution expenses	(874,547,392)	(656,116,711)	(3,260,640,189)	(3,825,230,430)	(14.76)
Finance cost	(394,333,748)	(278,225,441)	(1,203,714,577)	(1,438,478,630)	(16.32)
Finance income	559,517,652	246,581,159	1,742,405,181	359,603,112	384.54
Share of results of equity accounted investees (net of tax)	21,689,454	(2,800,616)	61,335,050	66,035,143	(7.12)
Profit/(loss) before tax	(4,886,182,432)	3,852,269,829	(11,033,144,364)	39,665,723,317	(127.82)
Income tax expense	(278,108,176)	(841,324,546)	(1,320,458,979)	(7,444,155,499)	(82.26)
Profit/(loss) for the period	(5,164,290,608)	3,010,945,283	(12,353,603,343)	32,221,567,818	(138.34)
Attributable to:					
Equity holders of the parent	(5,159,270,785)	2,989,679,170	(12,371,653,112)	32,123,249,813	
Non- controlling interest	(5,019,823)	21,266,113	18,049,769	98,318,005	
Basic earnings/(loss) per share	(2.64)	1.54	(6.32)	16.48	

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three months ended 31 <sup>st</sup> December		Nine months ended 31 <sup>st</sup> December	
	Un Audited 2023	Un Audited 2022	Un Audited 2023	Un Audited 2022
Profit /(loss) for the period	(5,164,290,608)	3,010,945,283	(12,353,603,343)	32,221,567,818
		(271.52)		(138.34)
Other comprehensive income to be reclassified to statement of profit or loss in subsequent periods				
Net exchange differences on translation of foreign operations	1,120,366,208	802,877,112	(661,088,934)	21,805,237,936
		39.54		(103.03)
Net other comprehensive income to be reclassified to statement of profit or loss in subsequent periods	1,120,366,208	802,877,112	(661,088,934)	21,805,237,936
		39.54		(103.03)
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	1,120,366,208	802,877,112	(661,088,934)	21,805,237,936
		39.54		(103.03)
Total comprehensive income for the period, net of tax	(4,043,924,400)	3,813,822,395	(13,014,692,277)	54,026,805,754
		(206.03)		(124.09)
Attributable to:				
Equity holders of the parent	(4,022,016,389)	3,773,686,967	(13,023,088,121)	53,785,781,831
Non-controlling Interest	(21,908,011)	40,135,428	8,395,844	241,023,923
	(4,043,924,400)	3,813,822,395	(13,014,692,277)	54,026,805,754

## CONSOLIDATED STATEMENT OF CASH FLOWS

	Nine months ended 31st December	
	Un Audited 2023	Un-Audited 2022
Cash flows from/(used in) operating activities		
Profit/ (loss) before tax	(11,033,144,364)	39,665,723,317
Adjustments for,		
Depreciation of property, plant and equipment and right-of-use assets	7,218,753,205	4,207,248,032
Amortization of intangible asset	1,009,671,555	204,589,642
Investment income	(1,740,438,034)	(377,482,520)
Profit/loss on sale of property, plant and equipment	(76,592,968)	(33,812,537)
Dividend income	(1,967,147)	(2,314,290)
Finance cost	1,203,714,577	1,438,478,630
Share of results of equity accounted investees	(61,335,050)	(66,035,143)
Gain on disposal of subsidiaries	(20,213,984)	10,998,135
Allowances for expected credit losses	1,253,213,039	1,331,072,960
Provision for defined benefit plans	198,170,706	202,384,776
Unrealised net exchange (gains)/losses	1,928,049,534	(2,283,899,718)
Expense relating to leases of low-value assets and short term leases	1,153,621,119	562,382,948
Operating profit before working capital changes	<u>1,031,502,188</u>	<u>44,859,334,232</u>
(Increase)/decrease in inventories	(6,582,542)	(27,835,797)
(Increase)/decrease in trade and other receivables	13,054,229,769	125,570,272,145
(Increase)/decrease in prepayments	(686,447,195)	9,118,761,153
Increase/(decrease) in trade and other payables	(3,106,722,035)	(33,331,761,709)
Net change in working capital due to group structure change	<u>(20,408,010)</u>	<u>101,005,067</u>
Cash generated from / (used in) operations	<u>10,265,572,175</u>	<u>146,289,775,091</u>
Finance cost paid	(373,882,100)	(979,676,773)
Income tax paid	(4,095,770,507)	(12,285,531,208)
Defined benefit plan costs paid	(90,995,736)	(135,472,231)
Net cash flow from / (used in) operating activities	<u>5,704,923,832</u>	<u>132,889,094,879</u>
Cash flows from/(used in) investing activities		
Investment income received	1,323,780,990	377,482,520
Dividend received	1,967,147	25,029,120
Acquisition of property, plant and equipment	(2,322,870,520)	(3,755,216,328)
Acquisition of intangible assets	(268,550,461)	(25,319,630)
Proceeds from sale of property, plant and equipment	169,486,396	399,808,029
Other current investments (net)	(1,190,470,179)	(578,291,900)
Other non current investments (net)	22,031,310	261,695
Proceeds from sale of subsidiaries	-	238,625,952
Net acquisition of subsidiaries, net of cash acquired	-	(724,255,605)
Net cash flows from / (used in) investing activities	<u>(2,264,625,317)</u>	<u>(4,041,876,147)</u>
Cash flows from/(used in) financing activities		
Proceeds from financing	-	1,144,322,779
Repayment of financing	(10,020,530,941)	(83,804,032,204)
Repayment of lease	(9,222,559,301)	(4,390,989,670)
Dividends paid to equity holders of the parent	(6,803,104,200)	(16,010,753,850)
Net cash flows from / (used in) financing activities	<u>(26,046,194,442)</u>	<u>(103,061,452,945)</u>
Effect of exchange rate changes	(416,111,227)	5,809,651,376
Net increase in cash and cash equivalents	<u>(23,022,007,154)</u>	<u>31,595,417,163</u>
Cash and cash equivalents at the beginning of the period	<u>77,206,751,172</u>	<u>42,011,242,735</u>
Cash and cash equivalents at the end of the period	<u>54,184,744,018</u>	<u>73,606,659,898</u>



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity holders of parent				Total	Non-Controlling Interest	Total Equity
	Stated Capital	Foreign Currency translation Reserve	Retained Earnings				
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
As at 1 April 2023	4,097,985,000	37,986,344,016	106,851,258,991	148,935,588,007	693,093,887	149,628,681,894	
Profit for the period	-	-	(12,371,653,112)	(12,371,653,112)	18,049,769	(12,353,603,343)	
Other comprehensive income	-	(651,435,009)	-	(651,435,009)	(9,653,925)	(661,088,934)	
Total comprehensive income	-	(651,435,009)	(12,371,653,112)	(13,023,088,121)	8,395,844	(13,014,692,277)	
Dividends paid	-	-	(6,803,104,200)	(6,803,104,200)	-	(6,803,104,200)	
Liquidation of subsidiaries	-	-	-	-	21,240,990	21,240,990	
As at 31st December 2023	4,097,985,000	37,334,909,007	87,676,501,679	129,109,395,686	722,730,721	129,832,126,407	
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 year	-	-	32,123,249,813	32,123,249,813	98,318,005	32,221,567,818	
Other comprehensive income	-	21,662,532,018	-	21,662,532,018	142,705,918	21,805,237,936	
Total comprehensive income	-	21,662,532,018	32,123,249,813	53,785,781,831	241,023,923	54,026,805,754	
Dividends paid	-	-	(16,010,753,850)	(16,010,753,850)	-	(16,010,753,850)	
Acquisition of subsidiaries	-	-	-	-	92,777,300	92,777,300	
As at 31st December 2022	4,097,985,000	49,648,646,818	107,960,220,088	161,706,851,906	755,916,924	162,462,768,830	



## COMPANY STATEMENT OF FINANCIAL POSITION

	Un Audited 31-Dec-2023	Audited 31-Mar-2023
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment	19,556,696	25,062,425
Right-of-use assets	34,018,084	68,500,041
Intangible assets	2,287,517	3,080,133
Investment in subsidiaries	4,555,482,116	4,555,482,116
Investment in an associate	111,490,000	111,490,000
Other financial assets	10,000,000	10,000,000
	<u>4,732,834,413</u>	<u>4,773,614,715</u>
Current assets		
Trade and other receivables	341,539	-
Amounts due from related parties	875,158,023	922,058,030
Prepayments and other assets	39,519,041	39,427,085
Other financial assets	991,297,098	8,774,998
Cash and cash equivalents	2,975,669,068	3,655,491,019
	<u>4,881,984,769</u>	<u>4,625,751,132</u>
<b>Total Assets</b>	<b><u>9,614,819,182</u></b>	<b><u>9,399,365,847</u></b>
<b>EQUITY AND LIABILITIES</b>		
Stated capital	4,097,985,000	4,097,985,000
Retained earnings	2,238,858,700	2,526,947,906
<b>Total Equity</b>	<b><u>6,336,843,700</u></b>	<b><u>6,624,932,906</u></b>
Non-current liabilities		
Financing and lease payables	2,013,047,528	2,649,943,993
Retirement benefit obligation	20,199,217	19,627,000
	<u>2,033,246,745</u>	<u>2,669,570,993</u>
Current liabilities		
Financing and lease payables	10,324,708	15,126,121
Trade and other payables	63,016,560	68,968,476
Amounts due to related parties	1,171,387,469	20,767,351
	<u>1,244,728,737</u>	<u>104,861,948</u>
<b>Total equity and liabilities</b>	<b><u>9,614,819,182</u></b>	<b><u>9,399,365,847</u></b>
<b>Net asset per share</b>	<b>3.24</b>	<b>3.39</b>

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

24<sup>th</sup> January 2024



## COMPANY INCOME STATEMENT

	Three months ended 31st December		Nine months ended 31st December	
	Un Audited 2023	Un Audited 2022	Un Audited 2023	Un Audited 2022
Revenue from contracts with customers	11,685,000	29,870,515	35,055,000	53,240,515
Cost of sales	-	-	-	-
Gross profit	11,685,000	29,870,515	35,055,000	53,240,515
Other operating income and gains	(287,308)	26,642,062	6,864,000,000	17,462,941,866
Administrative expenses	(140,353,074)	(197,639,862)	(480,624,664)	(522,636,036)
Selling and distribution expenses	(2,237,938)	(17,212,210)	(22,219,035)	(55,004,981)
Finance cost	(34,193,006)	(1,336,146)	(45,979,478)	(2,684,384)
Finance income	48,341,126	113,708,679	164,783,171	178,321,240
Profit/(loss) before tax	(117,045,200)	(45,966,962)	6,515,014,994	17,114,178,220
Income tax expense	-	-	-	-
Profit/(loss) for the period	(117,045,200)	(45,966,962)	6,515,014,994	17,114,178,220
Basic earnings/(loss) per share	(0.06)	(0.02)	3.33	8.75
Dividend per share	-	-	3.48	8.19

## COMPANY STATEMENT OF COMPREHENSIVE INCOME

	Three months ended 31 <sup>st</sup> December		Nine months ended 31 <sup>st</sup> December	
	Un Audited 2023	Un Audited 2022	Un Audited 2023	Un Audited 2022
Profit/(loss) for the period	(117,045,200)	(45,966,962)	6,515,014,994	17,114,178,220
Net other comprehensive income to be reclassified to statement of profit or loss in subsequent periods	-	-	(354.63)	(61.93)
Other comprehensive income not 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	(117,045,200)	(45,966,962)	6,515,014,994	17,114,178,220
Change %				

## COMPANY STATEMENT OF CASH FLOWS

	Nine months ended 31 <sup>st</sup> December	
	Un-Audited 2023	Un-Audited 2022
Cash flows from/(used in) operating activities		
Profit/(loss) before tax	6,515,014,994	17,114,178,220
Adjustments for,		
Depreciation of property plant and equipment and right-of-use assets	42,219,962	28,814,459
Amortization of intangible assets	792,616	830,524
Investment income	(164,783,171)	(178,321,240)
Dividend income	(6,864,000,000)	(16,238,427,330)
Finance cost	45,979,478	2,684,384
Unrealised net exchange (gains)/losses	147,159,100	(1,095,985,939)
Provision for defined benefit plans	3,789,817	3,243,268
Expense relating to leases of low-value assets and short term leases	1,419,767	326,025
Operating Profit/(loss) before working capital changes	<u>(272,407,437)</u>	<u>(362,657,629)</u>
(Increase)/decrease in trade and other receivables	(15,441,532)	(34,150,288)
(Increase)/decrease in prepayments	(91,956)	3,031,448
Increase/(decrease) in trade and other payables	3,710,832	(13,669,402)
Cash generated from / (used in) from operations	<u>(284,230,093)</u>	<u>(407,445,871)</u>
Finance cost paid	(42,957,370)	-
Defined benefit plan costs paid	(3,217,600)	(13,681,001)
Net cash flows from / (used in) operating activities	<u>(330,405,063)</u>	<u>(421,126,872)</u>
Cash flows from/(used in) investing activities		
Investment income received	164,783,171	178,321,240
Dividend received	6,864,000,000	16,238,427,330
Acquisition of property, plant and equipment	(7,457,250)	(5,387,067)
Proceeds from sale of property, plant and equipment	2,938,732	-
Other current investments (net)	(982,522,100)	(290,295,633)
Investment in subsidiaries	-	(30,000,000)
Loans (granted to)/received from Inter-companies net of repayments	1,202,957,370	(1,316,962,500)
Net cash flows from / (used in) investing activities	<u>7,244,699,923</u>	<u>14,774,103,370</u>
Cash flows from/(used in) financing activities		
Proceeds from financing	-	2,583,344,544
Repayment of financing	(628,725,462)	-
Repayment of lease	(15,128,050)	(44,412,702)
Dividends paid to equity holders of the parent	(6,803,104,200)	(16,010,753,850)
Net cash flows from/(used in) financing activities	<u>(7,446,957,212)</u>	<u>(13,471,822,008)</u>
Effect of exchange rate changes	(147,159,100)	1,096,152,884
Net increase/(decrease) in cash and cash equivalents	<u>(679,821,952)</u>	<u>1,977,307,374</u>
Cash and cash equivalents at the beginning of the period	<u>3,655,491,019</u>	<u>3,758,302,668</u>
Cash and cash equivalents at the end of the period	<u>2,975,669,067</u>	<u>5,735,610,042</u>

## COMPANY STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Retained Earnings	Total Equity
	Rs.	Rs.	Rs.
As at 1 <sup>st</sup> April 2023	4,097,985,000	1,969,955,167	6,067,940,167
Profit for the period	-	6,515,014,994	6,515,014,994
Other comprehensive income	-	-	-
Total comprehensive income	-	6,515,014,994	6,515,014,994
Dividends paid	-	(6,803,104,200)	(6,803,104,200)
As at 31 <sup>st</sup> December 2023	4,097,985,000	1,681,865,961	5,779,850,961
As at 1 <sup>st</sup> April 2022	4,097,985,000	1,969,955,166	6,067,940,166
Profit for the period	-	17,114,178,220	17,114,178,200
Other comprehensive income	-	-	-
Total comprehensive income	-	17,114,178,220	17,114,178,200
Dividends paid	-	(16,010,753,850)	(16,010,753,850)
As at 31 <sup>st</sup> December 2022	4,097,985,000	3,073,379,536	7,171,364,536

## SEGMENT ANALYSIS OF REVENUE AND PROFIT | (LOSS)

	Un-Audited 2023	Un-Audited 2022	Change %
<b>Logistics Sector</b>			
For the Nine months ended 31st December			
Revenue from contracts with customers	177,060,066,150	484,711,999,711	(63.47)
Earnings before interest and tax	(12,226,014,468)	38,578,861,966	(131.69)
Profit/(loss) before tax	(11,673,225,265)	37,431,709,284	(131.19)
Profit/(loss) for the period	(12,709,207,912)	30,112,910,904	(142.21)

<b>Leisure Sector</b>			
For the Nine months ended 31st December			
Revenue from contracts with customers	2,675,914,038	2,262,830,514	18.26
Earnings before interest and tax	981,568,045	857,146,146	14.52
Profit before tax	923,669,887	821,986,957	12.37
Profit for the period	715,595,923	678,971,935	5.39

<b>Investment Sector</b>			
For the Nine months ended 31st December			
Revenue from contracts with customers	4,750,575,362	4,877,520,017	(2.60)
Earnings before interest and tax	(327,388,545)	1,308,590,723	(125.02)
Profit/(loss) before tax	6,580,411,014	17,627,739,576	(62.67)
Profit/(loss) for the period	6,504,008,646	17,645,397,479	(63.14)

<b>Intra-Segment Eliminations</b>			
For the Nine months ended 31st December			
Revenue from contracts with customers	(561,645,020)	(621,178,801)	9.58
Earnings before interest and tax	-	-	-
Profit/(loss) before tax	(6,864,000,000)	(16,215,712,500)	57.67
Profit/(loss) for the period	(6,864,000,000)	(16,215,712,500)	57.67

## NOTES TO THE FINANCIAL STATEMENTS

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### 1. Corporate Information

Expolanka Holdings PLC is a public limited Company incorporated and domiciled in Sri Lanka. The ordinary shares of the Company are listed on the Colombo Stock Exchange. The interim financial statements of the Group and the Company for the nine months ended 31st December 2023 were authorized for issue by the Board of Directors on 24th January 2024.

### 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 2023.

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 relevant to the previous period in the Financial Statements, have been disclosed. 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 December 2023 was

<b>Issued Share Capital as at 31st December 2023</b>	<b>1,954,915,000</b>
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	2,434,556
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
 <b>Public Holding</b>	 <b>193,926,354</b>
 <b>Public Holding as a % of Issued Share Capital</b>	 <b>9.919%</b>
 <b>Total No. of Shareholders representing the Public Holding as at 31st December 2023</b>	 <b>20,850</b>

#### 4.2 Directors share holdings

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

	31.12.2023	30.09.2023
	No of Shares	No of Shares
Bokuto Yamauchi	Nil	Nil
Hanif Yusoof	147,021,464	147,021,464
Ha Yo	Nil	Nil
Junji Shimasaki	Nil	Nil
Harsha Amarasekera	Nil	Nil
Sanjay Kulatunga	Nil	Nil

## NOTES TO THE FINANCIAL STATEMENTS

### 4.3 Twenty largest shareholders of the Company are as follows;

No	Shareholder	31.12.2023		30.09.2023	
		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	MR. F. KASSIM	12,093,553	0.62%	11,844,553	0.61%
4.1	PHANTOM INVESTMENTS (PVT) LTD	8,300,000	0.42%	8,300,000	0.42%
4.2	SEYLAN BANK PLC/PHANTOM INVESTMENTS (PVT) LTD	5,548,504	0.28%	5,548,504	0.28%
5	SRI LANKA INSURANCE CORPORATION LTD-LIFE FUND	6,646,973	0.34%	13,074,342	0.67%
6	SEYLAN BANK PLC/ PINNADUWAGE ARAVINDA DE SILVA	3,416,777	0.17%	2,903,141	0.15%
7	SRI LANKA INSURANCE CORPORATION LTD-GENERAL FUND	3,373,519	0.17%	3,510,519	0.18%
8	HATTON NATIONAL BANK PLC/SUBRAMANIAM VASUDEVAN	3,200,000	0.16%	3,598,390	0.18%
9	SSBT-GLOBAL MACRO CAPITAL OPPORTUNITIES PORTFOLIO	2,909,684	0.15%	2,214,372	0.11%
10	FINCO HOLDINGS (PRIVATE) LIMITED	2,500,510	0.13%	NIL	NIL
11	NUWARA ELIYA PROPERTY DEVELOPERS (PVT) LTD	2,444,868	0.13%	2,444,868	0.13%
12	MR. S. SENTHILNATHAN	2,379,256	0.12%	2,379,256	0.12%
13	SIMONAS TRUST SERVICE PVT LTD	2,261,768	0.12%	2,261,768	0.12%
14	DFCC BANK PLC/I.K.DE SILVA	2,037,681	0.10%	2,037,681	0.10%
15	MR. R.P. WEERASOORIYA	2,000,000	0.10%	NIL	NIL
16	RUSH JAPAN CORPORATION	1,981,921	0.10%	1,981,921	0.10%
17	MR. M.H. OMAR	1,935,875	0.10%	1,935,875	0.10%
18	AMANA BANK PLC / HI-LINE TRADING PVT LTD	1,435,844	0.07%	634,897	0.03%
19	MRS. T.T.A. DE SILVA WEERASOORIA	1,400,000	0.07%	NIL	NIL
20	WINSLAND REALITY (PVT) LTD	1,361,073	0.07%	1,315,868	0.07%

## 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 December 2023	30th September 2023
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 December	2023	2022
	RS	RS
Highest	152.00	217.50
Lowest	120.00	116.00
Last Traded	143.25	182.25

### 4.7. Float Adjusted Market Capitalization

As at	31.12.2023	30.09.2023
Public shareholding (%)	9.919%	9.919%
Public Shareholders	20,850	22,481
Float adjusted market capitalization	27,777,323,700.26	26,371,490,563.60

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 31st March 2023.

## 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. Acquisitions of subsidiaries during the period ended 31st March 2023

In addition to the disclosure in Note 34 of the Annual Report of Expolanka Holdings PLC for the financial year ended 31 March 2023, the intangibles assets allocation on Acquisitions of Trans American Customhouse Brokers LLC and its related Companies (Trans American Group) and Locher Evers International Inc and its Group Companies (LEI Group) have been updated. Accordingly, below is the impact on cost and amortisation of the intangible assets.

	Trans American Group			
	Cost - As at 31 March 2023 & as at 31 Dec 2023	Amortisation - year ended 31 March 2023	Amortisation - period ended 31 Dec 2023	Useful Life
Net Assets	1,090,105,482			
Goodwill	7,374,970,401	-	-	
Customer list	5,280,961,000	-	256,797,028	15 Years
Trademark	951,229,000	-	34,691,541	20 Years
Non-compete agreements	98,403,000	-	14,355,113	5 Years
Purchase consideration	14,795,668,883	-	305,843,682	

	LEI Group			
	Cost - As at 31 March 2023 & as at 31 Dec 2023	Amortisation - year ended 31 March 2023	Amortisation - period ended 30 June 2023	Useful Life
Net Assets	2,305,356,477			
Goodwill	5,090,108,852	-	-	
Brand value	3,480,318,000	-	100,730,226	25 Years
Customer list	7,720,287,000	-	223,446,944	25 Years
Licence	1,740,159,000	-	50,365,113	25 Years
Purchase consideration	20,336,229,329	-	374,542,284	

## CORPORATE INFORMATION

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### **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**

Bokuto Yamauchi	–	Chairman
Hanif Yusoof	–	Chief Executive Officer
Ha Yo		
Junji Shimasaki		
Harsha Amarasekera		
Sanjay Kulatunga		

### **Registered office of the Company**

10, Milepost Avenue,  
Colombo 03  
Sri Lanka

### **Audit Committee**

Sanjay Kulatunga	–	Chairman
Harsha Amarasekera		

## CORPORATE INFORMATION

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### **Related Party Transaction Review Committee**

Sanjay Kulatunga – Chairman

Harsha Amarasekera

### **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](http://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](http://www.expolanka.com)



## CORPORATE INFORMATION

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### **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](http://www.expolanka.com)

Email : [investor@expolanka.com](mailto: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 PLC

ING Bank

BIDC Bank Cambodia

Diamond Trust Bank

Vietnam Joint Stock Commercial Bank For Industry And Trade

Industrial Bank Banan

Industry And Trade

China Merchants Bank

Ned Bank

Dutch- Bangla Bank

## CORPORATE INFORMATION

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### **Bankers Cont.**

MUFG Bank (Malaysia) Berhad

ENBD

Hatton National Bank

Citi Bank

Bank SinoPac

Amana Bank PLC

Nations Trust Bank PLC

Peoples 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



**Expolanka Holdings PLC**

15A, Clifford Avenue, Colombo 3, Sri Lanka

Telephone: +94 11 465 9500 | Facsimile: +94 11 465 9565