

**EPL Packaging (Jiangsu) Limited**  
**Audit Report and Financial Statements**  
**From April 1, 2022 To March 31, 2023**

## Audit Report

CXK (2023) No.029

### To: EPL Packaging (Jiangsu) Limited

We have audited the accompanying financial statements of EPL Packaging (Jiangsu) Limited. (hereinafter referred to as "the company") attached, which comprise the balance sheet as at March 31, 2023, income statement, cash-flow statement and statement of changes in owner's equity for the year then ended, and notes to the financial statements.

### Management's Responsibilities for the Financial Statements

The preparation and fair presentation of financial statements are the responsibility of the management of the company. This responsibility includes: (1) preparing the financial statements according to the accounting standards for business enterprises issued by the Ministry of Finance, and making the financial statements present fairly, (2) designing, implementing and maintaining necessary internal control to make financial statement free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with China's Auditing Standards for Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



### Audit Report (Continued)

CXK (2023) No.029

#### Audit Opinion

In our opinion, the financial statements comply with the requirement of the Accounting Standards for Business Enterprises and present fairly, in all material respects, the financial position of the company as at March 31, 2023 and the results of operations and its cash flows of the company for the year then ended.

Changshu Xinlian Certified Public Accountants



China CPA:



China CPA:



Changshu China

Report Date: April 8, 2023



# Balance Sheet

Fiscal Year Ended March 31, 2023

**Company Name: EPL Packaging (Jiangsu) Limited.**

**Currency Unit: RMB**

ITEMS	AT BEG. OF YEAR	AT END OF YEAR
Cash & Bank Balance	4,736,655.97	14,360,428.91
Trade Recievable Excludking Inter Com	21,487,053.16	22,753,501.73
Trade Recievable For Inter Co.Goods S	3,733,883.89	4,603,831.88
Other Recievable Inter Company	12,553,368.39	5,908,905.97
Inventories	6,731,623.35	4,472,124.59
Prepaid Expense Other Reciv,Loans Adv	874,101.77	749,716.66
Vat Advances (Net Of Vat Payable)	1,409.08	743.24
<b>Total Current Assets</b>	<b>50,118,095.61</b>	<b>52,849,252.98</b>
Gross Block Of Fixed Assets	99,558,603.08	100,506,513.48
Total Accumulated Depreciation	53,448,680.05	62,606,983.58
Net Block	46,109,923.03	37,899,529.90
Capital Work In Progress	229,636.90	-
Capital Advances	-	-
<b>Total Fixed Assets</b>	<b>46,339,559.93</b>	<b>37,899,529.90</b>
<b>Total Assets</b>	<b>96,457,655.54</b>	<b>90,748,782.88</b>
Creditors For Capital Goods	4,900.00	-
Trade Creditors For Goods	7,528,289.78	6,500,158.95
Trade Creditors For Goods For Inter C	-	-
Trade Creditors(Excluding Inter Co.)	8,165.99	29,414.19
Other Inter Co. Creditors(Royalty/Exp	59,710.97	74,513.57
Vat Payable	670,333.27	642,350.68
Accrued Tax Expenses	6,201,742.63	6,425,130.47
<b>Current Liabilities</b>	<b>14,473,142.64</b>	<b>13,671,567.86</b>
Deferred Tax Assets	-	-
Deferred Tax Liability	265513.6	130,779.69
<b>Deferred Tax Balance (Net)</b>	<b>265,513.60</b>	<b>130,779.69</b>
Lease Liabilities (Non Current)	4690265.35	3,163,358.48
<b>Non Current Liabilities</b>	<b>4690265.35</b>	<b>3,163,358.48</b>
Provision For Income Tax	499,353.14	413,606.17
<b>Provisions</b>	<b>499,353.14</b>	<b>413,606.17</b>
Equity Capital	65,000,000.00	65,000,000.00
Reserves & Surpluses	2,413,428.54	3,272,062.11
Retained Earnings Previous Year	1,235,331.44	529,616.59
Current Year Profit	7,880,620.83	4,567,791.98
Dividends Payable (Appropriation Of P	-	-
<b>Total Shareholders Funds</b>	<b>76,529,380.81</b>	<b>73,369,470.68</b>
<b>Total Liabilities</b>	<b>96,457,655.54</b>	<b>90,748,782.88</b>

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# Income Statement

Fiscal Year Ended March 31, 2023

Company Name: EPL Packaging (Jiangsu) Limited.

Currency Unit: RMB

ITEMS	CURRENT YEAR	LAST YEAR
Net Sales	101,114,201.09	116,687,319.18
Material Cost	57,805,327.28	67,326,995.39
Variable Cost	6,149,038.45	7,044,252.10
<b>Contribution</b>	<b>37,159,835.36</b>	<b>42,316,071.69</b>
Manufacturing Expenses	6,454,843.20	7,257,694.03
Personnel Cost	12,948,954.51	12,854,454.23
Administrative Expenses	2,072,600.49	2,149,494.84
Selling And Distribution Expenses	11,166.06	16,185.87
Inter Company Income	-	-
Perating Lease	-	-
<b>Ebidta (Before Forex Gain / Loss)</b>	<b>15,672,271.10</b>	<b>20,038,242.72</b>
Forex Gain/Loss On Trade Rec/Payable	-43,549.90	16,933.44
<b>Ebidta (After Forex Gain / Loss)</b>	<b>15,715,821.00</b>	<b>20,021,309.28</b>
Net External Company Finance Cost	298,889.54	305,512.73
Total Depreciation	9,309,173.34	9,163,958.16
Non Operating Income/Expense-Net	-17,310.53	24,769.34
<b>Profit Before Tax</b>	<b>6,125,068.65</b>	<b>10,527,069.05</b>
Total Income Tax	1,557,276.67	2,646,448.22
<b>Profit After Tax</b>	<b>4,567,791.98</b>	<b>7,880,620.83</b>



## Cash-Flow Statement

Fiscal Year Ended March 31, 2023

Company Name: EPL Packaging (Jiangsu) Limited.

Currency Unit: RMB

ITEM	CURRENT YEAR	LAST YEAR	ITEM	CURRENT YEAR	LAST YEAR
1. Cashflows From Operating Activities			Cash paid to acquire investments		
Cash received from sale of goods or rendering of services	106,604,422.97	100,349,319.92	Net cash paid by subsidiaries and other business units		
Refund of tax and levies	161,314.60	156,769.71	Other cash payments relating to investing activities		
Other cash received relating to operating activities	64,983.98	120,060.53	Subtotal of cash outflows	2,604,636.57	3,346,326.84
Subtotal of cash inflows	106,830,721.55	100,626,150.16	Net cash flows from investing activities		
Cash paid for goods and services	64,196,118.44	75,618,046.00	3. Cashflows From Financing Activities		
Cash paid to and on behalf employees	12,220,194.90	12,957,424.37	Cash received from capital contribution		
Payments of all types of taxes	6,007,672.50	6,164,253.65	Cash received from borrowings		
Other cash paid relating to operating activities	4,450,624.09	2,302,081.63	Other cash received relating to financing activities		
Subtotal of cash outflows	86,874,609.93	97,041,805.65	Subtotal of cash inflows		
Net cashflows from operating activities	19,956,111.62	3,584,344.51	Cash repayments of amounts borrowed		
2. Cashflows From Investing Activities			Cash payments for interest expenses and distribution of dividends or profit	7,727,702.11	8,020,909.20
Cash received from disposal of investments			Other cash payments relating to financing activities		
Cash received from returns on investments			Subtotal of cash outflows	7,727,702.11	8,020,909.20
Net cash received from disposal of fixed assets, intangible assets and other long-term assets			Net cashflows from financing activities	-7,727,702.11	-8,020,909.20
Net cash received from disposal of subsidiaries and other business units			4. Effect Of Foreign Exchanges Rate Change On Cash		
Cash received relating to investing activities			5. Net Increase/(Decrease) In Csh And Cash Equivalents	9,623,772.94	-7,782,891.53
Subtotal of cash inflows			Plus: Cash equivalents at beginning of year	4,736,655.97	12,519,547.50
Cash paid to acquire fixed assets, intangible assets and other	2,604,636.57	3,346,326.84	6. Cash equivalents at end of year	14,360,428.91	4,736,655.97



## Statement Of Changes In Owner's Equity

Fiscal Year Ended March 31, 2023

Company Name: EPL Packaging (Jiangsu) Limited.

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 Currency Unit: RMB

	SHARE CAPITAL	OTHER RESERVES	RETAINED PROFITS	TOTAL
<b>Balance at 1 April 2021</b>	65,000,000.00	1,522,216.41	10,147,452.77	76,669,669.18
(I) Profit for the year			7,880,620.83	7,880,620.83
(II) Appropriation of profits		891,212.13	-8,912,121.33	-8,020,909.20
Less: Distributions to shareholders			8,020,909.20	8,020,909.20
<b>Balance at 31 March 2022</b>	65,000,000.00	2,413,428.54	9,115,952.27	76,529,380.81
<b>Balance at 1 April 2022</b>	65,000,000.00	2,413,428.54	9,115,952.27	76,529,380.81
(I) Profit for the year			4,567,791.98	4,567,791.98
(II) Appropriation of profits		858,633.57	-8,586,335.68	-7,727,702.11
Less: Distributions to shareholders			7,727,702.11	7,727,702.11
<b>Balance at 31 March 2023</b>	65,000,000.00	3,272,062.11	5,097,408.57	73,369,470.68

# EPL Packaging (Jiangsu) Limited.

## Footnotes of Accounting Statements for the year 2022.04-2023.03

UNIT: CNY

### 1. Brief Introduction

EPL Packaging (Jiangsu) Limited.(hereinafter referred to as "the company") established by EPL Packaging (Guangzhou) Limited. on June 9, 2014. The number of the License is 91320581302261417T. The registered capital of the company was RMB65,000,000 .

### 2. Explanations of Failure to Accord with Accounting Premise

There is no status failing to accord with accounting premise in the company.



### 3. Material Accounting Policies and Accounting Estimates

#### (1) Accounting Systems

The company enforces Enterprise Accounting Systems.

#### (2) Accounting Period

The fiscal year of the company is from April 1 To March 31 on the India Gregorian calendar basis.

#### (3) Accounting Basis and Costing Principles

The company use accrual basis as the accounting basis, and original cost as the costing principle.

#### (4) Standard Currency and Foreign Currency Exchange

The company employs RMB as its standard currency of account. All foreign currency transactions, occurring during the statement period, are exchanged and charged up at the market exchange rate (medium rate) published by the People's Bank of China on the first day of the month when the transactions occur. At the end of period, all the balances of foreign currency are adjusted according to the market exchange rate on Balance Sheet date, the exchange loss/income from which is charged to current loss/income or other relevant items.

#### (5) Definition of Cash Equivalents

All investments simultaneously settling for four terms, namely short-term (mature within 3 months from the purchase date), high liquidity, aptness to be transformed to foreseeable amounts of cash, as well as very low risk of variation in value, are defined as cash equivalents.

#### (6) Inventory Costing Method

The merchandise inventory of the company mainly covers raw materials and finished goods in stock and in transit, which are recorded at the basis of the actual costs.

#### (7) Recording Method of Fixed-Assets

The fixed assets of the company are valued at actual cost. The standard of Fixed assets: property, plant, and equipment related to production and operation, with higher unit value and useful life of over one year.

The depreciation of fixed assets is computed in straight-line method, and the depreciation rate is computed based on category, estimated useful life, and the estimated rate of salvage value (%). The useful life and annual depreciation rate are listed below:

Fixed Assets Category	Useful Life (Year)	Annual Depreciation Rate	Rate of Salvage Value
Machinery	10	9%	10%
Equipments	5	18%	10%
Electronic & Office Facilities	5	18%	10%
Lease Assets	4.75/2	21%/50%	0%



# EPL Packaging (Jiangsu) Limited.

## Footnotes of Accounting Statements for the year 2022.04-2023.03

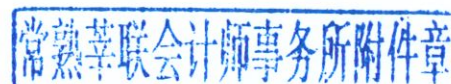
UNIT: CNY

### (8) Recording Method of Intangible assets

The intangible assets of this company refer to non-currency and intangible long-term assets, the purpose of possessing it is to serve for producing goods, providing services, lease, or management. The intangible assets of this company mainly include software.

The intangible asset is recorded at the actual cost when purchased .

The intangible asset is evenly charged to overhead within its useful life from the date of putting to use. The useful life of software is 10 years.



### (9) Lease

Lease refers to a contract in which the lessor transfers the right to use assets to the lessee for consideration within a certain period of time. As the lessee, the company recognizes the right to use assets on the beginning date of the lease term, and recognizes the lease liabilities according to the present value of the unpaid lease payments. Lease payments include fixed payments and payments to be made when it is reasonably determined that the option to purchase or terminate the lease will be exercised. The variable rent determined according to a certain proportion of sales is not included in the lease payment and is included in the current profit and loss when it actually occurs. The right to use assets of the company include rented houses and buildings、transformer and forklift. The right of use assets are initially measured according to the cost, which includes the initial measurement amount of lease liabilities, lease payments paid on or before the beginning of the lease term, initial direct expenses, etc., and deducting the received lease incentives. If the company can reasonably determine the ownership of the leased asset at the expiration of the lease term, depreciation shall be accrued within the remaining service life of the leased asset; If it is impossible to reasonably determine whether the ownership of the leased asset can be obtained at the expiration of the lease term, depreciation shall be accrued within the shorter of the lease term and the remaining service life of the leased asset. When the recoverable amount is lower than the book value of the right to use assets, the company will write down its book value to the recoverable amount. For short-term leases with a lease term of no more than 12 months and low value asset leases with a lower value when a single asset is new, the company chooses not to recognize the right to use assets and lease liabilities, and the relevant rental expenses are included in the current profit and loss or the cost of relevant assets according to the straight-line method in each period of the lease term.

### (10) Accounting For Provision For Devaluation of Assets

The Company regularly reviews the book value of all assets (Including inventory fixed assets, intangible assets and other assets), in order to evaluate whether the recoverable amount has fallen to less than book value. When a matter or changes indicate that the book value may not be able to recover, these assets will be required to carry out impairment testing. If there is impairment and the book value will be lower than its recoverable amount, and the reduced value is asset impairment losses.

Recoverable amount is the higher one between net sales and the present value of expected future cash flow formed in assets' continuing use and disposal at the end of its useful life.

### (11) Recording Method of Construction in Progress

The construction in progress of the company is recorded on the basis of costs actually occurred and transferred to fixed assets when arriving at the state can be put to use.

### (12) Recognition of revenue

The company sales is recorded on accrual basis and recognized when the main risk of property and rewards have been transferred to purchase neither retaining continuous management power usually related to the property nor exerting controls on the sold merchandise, the economic interest related to the transactions has flowed in the company, as well as the revenue and costs can be reliably measured.

# EPL Packaging (Jiangsu) Limited.

## Footnotes of Accounting Statements for the year 2022.04-2023.03

UNIT: CNY

### (13) Accounting for Corporation Income Tax

The business income tax is deferred income taxes method.

#### 4. Main Taxes

The company refers following taxes.

##### (1) Business Income Tax

Business Income Tax rate of 25%.



##### (2) Value-Added Tax

The company is a common tax payer, with 13% of VAT on Sales and 6% on serve.

##### (3) Individual Income Tax

The individual income tax of the company is totally burdened with the employees, and deducted from the wages and paid by the company.

### 5. Notes of Main Items of Accounting Statements

#### (1) Cash & Bank Balance

		Ending Balance	14,360,428.91
Items	At Beg. of Year	At End of Year	
Cash in Bank	4,736,655.97	14,360,428.91	

#### (2) Trade Recievable Excludking Inter Com

##### Including:

		Ending Balance	22,753,501.73
Including:	At Beg. of Year	At End of Year	
Shanghai Jahwa Abt Associates Inc	7,477,675.56	8,735,785.24	
Suzhou Colori Cosmetics Manufacturing Co.,Ltd	4,375,872.02	5,779,187.44	
Hangzhou Nameizhikang Technology Company Limited	4,568,289.24	1,955,115.33	

#### (3) Trade Recievable For Inter Co.Goods S

##### Including:

		Ending Balance	4,603,831.88
Including:	At Beg. of Year	At End of Year	
Essel Propack Philippines,Inc.	3,733,883.89	4,603,831.88	

#### (4) Other Recievable Inter Company

##### Including:

		Ending Balance	5,908,905.97
Including:	At Beg. of Year	At End of Year	
EPL Packaging (Guangzhou) Limited	12,553,368.39	5,908,905.97	

#### (5) Inventory

		Ending Balance	4,472,124.59
Items	At Beg. of Year	At End of Year	
Goods in transit	204,965.08	463,004.41	
Raw Materials	1,689,160.63	1,251,984.27	
Spares & Consumables	505,248.96	479,337.47	
Semi-Finish Goods	1,426,700.33	795,436.54	
Finished Goods in Stock	2,817,245.79	1,419,746.47	
Packing materials	129,588.29	114,877.90	
Inventory impairment	-41,285.73	-52,262.47	
<b>Totals</b>	<u>6,731,623.35</u>	<u>4,472,124.59</u>	

## EPL Packaging (Jiangsu) Limited.

### Footnotes of Accounting Statements for the year 2022.04-2023.03

UNIT: CNY



**(6) Prepaid Expense Other Reciv, Loans Adv**

Items	At Beg. of Year	At End of Year	Ending Balance
			749,716.66
Advance for Exps	226,044.33	86,400.00	
Advances for Purchases	139,032.59	0.00	
Deposits With Others	67,350.00	140,050.00	
Foreign Curr Adj	23.43	0.00	
L&Adv-OtherRel.Party	-	0.00	
Other Receivables	2,491.90	217.75	
Prepaid Exps	534,242.47	524,048.91	
Staff Advances	-95,082.95	-1,000.00	
<b>Totals</b>	<b>874,101.77</b>	<b>749,716.66</b>	

**(7) Gross Block Of Fixed Assets**

Category	At Beg. of Year	Increase	Decrease	At End of Year	Ending Balance
					37,899,529.90
Machinery	72,481,746.86	0.00	0.00	72,481,746.86	
Equipments	9,185,992.97	462,724.35	31,610.26	9,617,107.06	
Electronic & Office Facilities	746,862.20	56,839.84	76,566.26	727,135.78	
Lease Assets	7,725,357.49	362,109.29	55,223.46	8,032,243.32	
software	162,872.09	0.00	0.00	162,872.09	
LT defer	9,255,771.47	0.00	0.00	9,255,771.47	
Mac Enhance	0.00	229,636.90	0.00	229,636.90	
<b>Totals</b>	<b>99,558,603.08</b>	<b>1,111,310.38</b>	<b>163,399.98</b>	<b>100,506,513.48</b>	

**Total Accumulated Depreciation**

Category	At Beg. of Year	Increase	Decrease	At End of Year
Machinery	38,365,887.21	6,521,736.60	0.00	44,887,623.81
Equipments	3,703,280.89	923,374.34	28,449.22	4,598,206.01
Electronic & Office Facilities	364,153.20	127,610.83	67,197.13	424,566.90
Lease Assets	1,658,943.83	1,716,337.07	55,223.46	3,320,057.44
software	100,643.45	16,287.22	0.00	116,930.67
LT defer	9,255,771.47	0.00	0.00	9,255,771.47
Mac Enhance	0.00	3,827.28	0.00	3,827.28
<b>Totals</b>	<b>53,448,680.05</b>	<b>9,309,173.34</b>	<b>150,869.81</b>	<b>62,606,983.58</b>
<b>Net Block</b>	<b>46,109,923.03</b>			<b>37,899,529.90</b>

**(8) Capital Work In Progress**

Items	At Beg. of Year	Increase	Transfer	At End of Year	Ending Balance
					0.00
Equipment project	229,636.90	519,564.19	749,201.09	0.00	

## EPL Packaging (Jiangsu) Limited.

### Footnotes of Accounting Statements for the year 2022.04-2023.03

UNIT: CNY

<b>(9) Trade Creditors For Goods</b>			<b>Ending Balance</b>	6,500,158.95
	<b>Items</b>	<b>At Beg. of Year</b>	<b>At End of Year</b>	
	Realeffect-APGoods	543.19	0.00	
	Account Payable-Exp	972,889.05	857,239.54	
	Account Payable-Goods	5,126,257.93	3,735,182.21	
	Vendor Clearing (GR/IR)	1,428,599.61	1,907,737.20	
	<b>Totals</b>	<b>7,528,289.78</b>	<b>6,500,158.95</b>	
<b>(10) Other Inter Co. Creditors(Royalty/Exp</b>			<b>Ending Balance</b>	74,513.57
	<b>Including:</b>	<b>At Beg. of Year</b>	<b>At End of Year</b>	
	EPL Limited	59,710.97	74,513.57	
<b>(11) Vat Payable</b>			<b>Ending Balance</b>	642,350.68
	<b>Items</b>	<b>At Beg. of Year</b>	<b>At End of Year</b>	
	VAT	670,333.27	642,350.68	
<b>(12) Accrued Tax Expenses</b>			<b>Ending Balance</b>	6,425,130.47
	<b>Items</b>	<b>At Beg. of Year</b>	<b>At End of Year</b>	
	Salary、 Welfare Payable	2,282,565.83	3,037,088.23	
	Outstanding Liabilit	2,272,374.62	1,457,324.12	
	Other Liabilities	1,543,067.14	1,802,312.36	
	Taxes Payable- Stamp Tax	1,738.03	22,917.28	
	Taxes Payable-Individ	13,479.48	8,177.57	
	Taxes Payable- Other	88,517.53	97,310.91	
	<b>Totals</b>	<b>6,201,742.63</b>	<b>6,425,130.47</b>	
<b>(13) Provision for Income Tax</b>			<b>Ending Balance</b>	413,606.17
	<b>Items</b>	<b>At Beg. of Year</b>	<b>At End of Year</b>	
	Income Tax	499,353.14	413,606.17	
<b>(14) Deferred Tax Liability</b>			<b>Ending Balance</b>	130,779.69
	<b>Items</b>	<b>At Beg. of Year</b>	<b>At End of Year</b>	
	Deferred Tax Liability	265,513.60	130,779.69	
<b>(15) Lease Liabilities (Non Current)</b>			<b>Ending Balance</b>	3,163,358.48
	<b>Items</b>	<b>At Beg. of Year</b>	<b>At End of Year</b>	
	Factory Rental	4,493,004.41	2,939,862.70	
	Transformer Rental	197,260.94	129,071.78	
	Shuttle Rental	0.00	94,424.00	
	<b>Totals</b>	<b>4,690,265.35</b>	<b>3,163,358.48</b>	

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# EPL Packaging (Jiangsu) Limited.

## Footnotes of Accounting Statements for the year 2022.04-2023.03

UNIT: CNY

<b>(16) Equity Capital</b>		<b>Ending Balance</b>	65,000,000.00
	<b>Investor</b>	<b>Registered capital</b>	<b>At End of Year</b>
	EPL Packaging (Guangzhou) Limited	65,000,000.00	65,000,000.00
<b>(17) Business Income</b>		<b>Current accumulation</b>	101,114,201.09
	<b>Items</b>	<b>Last Year</b>	<b>Current Year</b>
	Sales Revenue	116,467,275.34	101,102,016.70
	Sales Revenue Scrap	391,229.85	528,196.95
	Trade Income	0.00	93,100.88
	Sales Revenue Others	903,334.85	103,030.08
	Sales Returns, Rebates, Credit Claims E	-1,074,520.86	-712,143.52
	<b>Totals</b>	116,687,319.18	101,114,201.09
<b>(18) Manufacturing Expenses</b>		<b>Current accumulation</b>	6,454,843.20
	<b>Items</b>	<b>Last Year</b>	<b>Current Year</b>
	Energy & Utilities (Power & Fuel)	1,360,761.69	1,327,750.02
	Stores & Spares	1,127,948.31	1,048,291.52
	Factory Rent	0.00	0.00
	Cost fo Outsourcing	2,689,704.55	2,144,647.62
	Other Manufacturing Expenses	577,261.62	571,380.22
	Repairs&Maintenance Manufacturing	1,502,017.86	1,362,773.82
	<b>Totals</b>	7,257,694.03	6,454,843.20
<b>(19) Personnel Cost</b>		<b>Current accumulation</b>	12,948,954.51
	<b>Items</b>	<b>Last Year</b>	<b>Current Year</b>
	Direct Personnel Cost	3,384,237.46	3,142,533.75
	Indirect Personnel Cost	6,442,500.86	7,330,981.64
	Over Time Charges	2,163,464.95	1,732,413.52
	Welfare Expenses	864,250.96	743,025.60
	<b>Totals</b>	12,854,454.23	12,948,954.51
<b>(20) Administrative Expenses</b>		<b>Current accumulation</b>	2,072,600.49
	<b>Items</b>	<b>Last Year</b>	<b>Current Year</b>
	Travelling and Conveyance Exp.-Domest	455,901.51	334,806.21
	Communication Expense (Tel/Fax/E-Mail	187,584.99	205,978.11
	Professional & Consultancy Charges	12,486.72	29,079.25
	Insurance	76,949.93	73,923.02
	Information Technology Expenses	261,976.26	270,281.51
	Taxes (Other than Income Tax)	471,645.51	481,216.17
	Other Office Expenses	679,803.51	673,870.47
	Repairs & Maintenance Admin	3,146.41	3,445.75
	<b>Totals</b>	2,149,494.84	2,072,600.49

常熟莘联会计师事务所附件章

## EPL Packaging (Jiangsu) Limited.

### Footnotes of Accounting Statements for the year 2022.04-2023.03

UNIT: CNY

#### 6. Disclosure of Related Party Relationships and Transactions

##### (1) Related Party Relationships

Related Party	Relation
EPL Limited	Direct control
EPL Packaging (Guangzhou) Limited	Direct control
Essel Propack Philippine, INC.	under common control
EPL Packaging (Guangzhou) Limited Hefei branch office	under common control
EPL Packaging (Guangzhou) Limited Tianjin branch office	under common control

##### (2) Related Party Transactions

(a) The substantial transactions from related party as follows:

Related Party	Content	Amount
EPL Limited	Purchase	\$34,311.65
EPL Packaging (Guangzhou) Limited	Sale	5,931,284.08
EPL Packaging (Guangzhou) Limited	Purchase	38,595,102.73
Essel Propack Philippine, INC.	Sale-LmTub	9,206,287.75
Essel Propack Philippine, INC.	Sale-Lam	684,671.13
EPL Packaging (Guangzhou) LTD Hefei branch	Sale	12,914,895.88
EPL Packaging (Guangzhou) LTD Tianjin branch	Sale	100,148.50
EPL Packaging (Guangzhou) LTD KF branch	Purchase	<u>10,309.78</u>

(b) The balance of related party as follows:

Related Party	Accounts receivable	Accounts Payable
EPL Limited		\$10,843.54
EPL Packaging (Guangzhou) Limited	5,908,905.97	
Essel Propack Philippine, INC.	<u>4,603,831.88</u>	

