



# IPO Bulletin | JF Packaging Limited

15<sup>th</sup> Oct 2025

**AMBEON**  
SECURITIES



# IPO Snapshot

<b>IPO Price (LKR)</b>	11.60 per Ordinary Voting Share
<b>Number of Shares to be Issued</b>	51,724,144 new Ordinary Voting Shares
<b>Board to be Listed</b>	Main Board
<b>Stake Offered</b>	30.05%
<b>Expected IPO Proceeds (LKR)</b>	600 mn
<b>Offer Opening Date</b>	October 30, 2025
<b>Post-IPO Market Capitalization (LKR)</b>	1,997 mn
<b>Total Number of Shares Post- IPO</b>	172,130,944
<b>Objective of the IPO</b>	To settle outstanding debt relating to specific term loans and import loans amounting to LKR 600 mn.

Source: JF Packaging Limited Prospectus



**JF Packaging Limited** plans to raise **LKR 600mn** through a listing on the **Main Board** of CSE

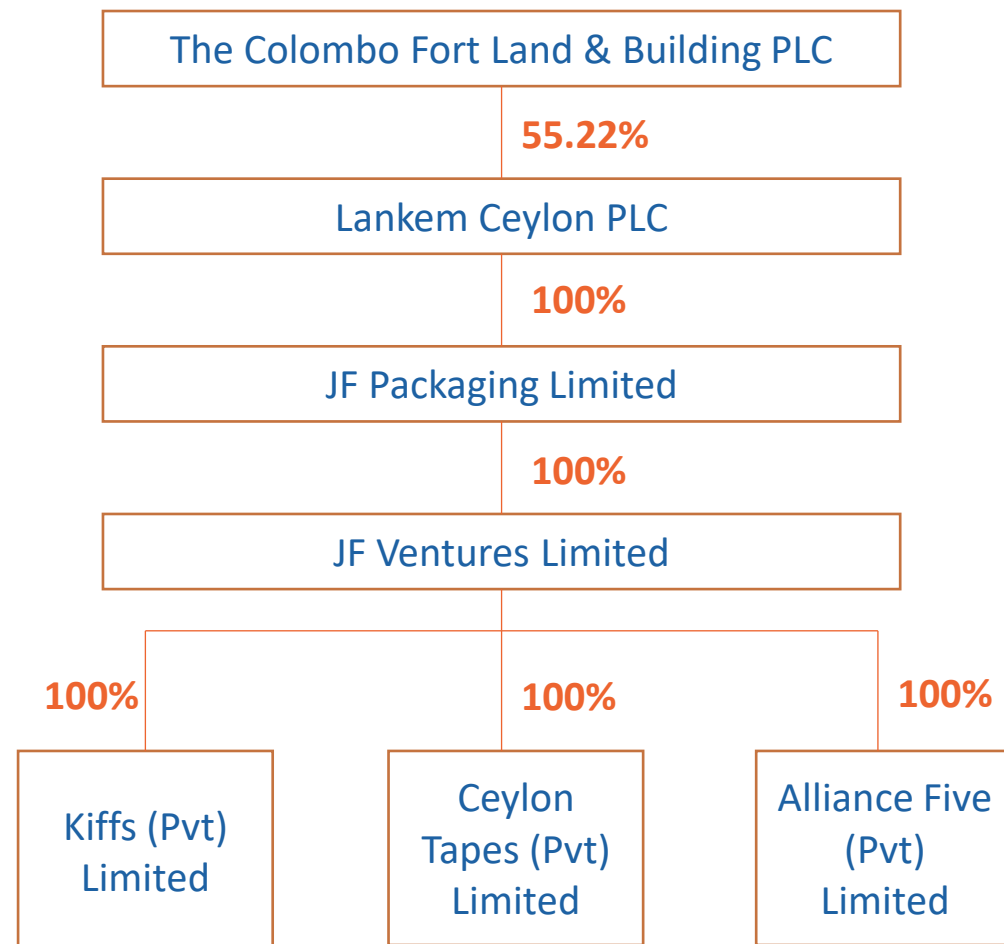
# Company Overview

**JF Packaging Limited** is a fully owned subsidiary of **Lankem Ceylon PLC** (“Lankem”) (CSE: LCEY.N). Established in 1987, the Company traces its origins to a family-owned enterprise founded in a small town near Kandy. The **Lankem Group** initially acquired a 72.5% stake in JF Packaging in 2015 and subsequently purchased the remaining shares in 2017, making it a wholly owned subsidiary of Lankem.

Although Lankem Ceylon PLC serves as the immediate parent company of JF Packaging Limited, its ultimate parent is **The Colombo Fort Land and Building PLC** (“CFLB”) (CSE: CFLB.N), which is the principal shareholder of Lankem. Lankem is a listed company with diversified operations spanning Agri-Inputs, Paints, Chemicals, Packaging, Plantations, Consumer Products, and Leisure. CFLB, also a listed entity, is primarily engaged in real estate, property development, and investment management.

JF Packaging Limited is the parent company to the below fully owned subsidiaries;

- **Kiffs (Pvt) Limited** – a manufacturer and supplier of a variety of polyethylene terephthalate (“PET”) products and plastic accessories such as bottles, preforms, bottle lids, and plastic spools accessories. Kiffs was established in 1997 and was acquired by JFP in 2017.
- **Ceylon Tapes (Pvt) Limited** - a leading manufacturer of various types of industrial tapes used for packaging particularly in the apparel and FMCG sectors. The Company was founded in 1990 and acquired by JFP in 2018.
- **Alliance Five (Pvt) Limited** - Alliance5 was initially founded in 1994 and was acquired by JFP in 2017. The company initially specialized in producing a variety of industrial brushes and brooms and expanded its operations to manufacture industrial plastic accessories.



Source: JF Packaging Limited Prospectus

# Strategic Importance



**One-stop packaging solutions provider with a diversified product portfolio**



**Cutting-edge manufacturing backed by dedicated quality assurance and in-house lab facilities**



**Leading flexible packaging solutions provider and brand reputation**



**Over 35 years in packaging solutions business with trusted, loyal Blue-chip client base**



**Sustainable growth strategy through successful acquisitions and new product launches**



**Multi disciplined and diverse board of directors coupled with experienced management team**

# Valuation Summary

HNB Investment Bank (“HNBIB”), Financial Advisor and Manager to the Issue, have considered 3 valuation methods; Discounted Cashflow method, Forward P/E method, and EV/EBITDA method to arrive at the intrinsic value of JF Packaging Limited’s shares.

Valuation Method	Value of Equity (LKR Mn)	Value per Share based on pre-IPO shares in issue (LKR)	Value per Share based on post-IPO shares in issue (LKR)	Discount compared to Issue Price*
Discounted Cash Flow Method	3,172	26.35	18.43	37.1%
Forward P/E Method	2,482	20.62	14.42	19.6%
EV/ EBITDA Method	2,526	20.99	14.68	21.0%
Average	2,727	22.65	15.84	26.8%

The Issue Price of LKR 11.60 per Share is at a **26.8%** discount to the Average Intrinsic Value Per Share of LKR 15.84 (based on post-IPO shares issue)

\*Compared to value per share based on post-IPO number of shares in issue

Source: JF Packaging Limited Prospectus

## Shareholder Information Pre and Post IPO

	Pre IPO		Post IPO	
	No. of Ordinary Voting Shares	%	No. of Ordinary Voting Shares	%
Lankem Ceylon PLC	120,406,800	100.00%	120,406,800	69.95%
IPO Shareholders	-	-	51,724,144	30.05%
<b>Total</b>	<b>120,406,800</b>	<b>100.00%</b>	<b>172,130,944</b>	<b>100.00%</b>

Source: JF Packaging Limited Prospectus

# Comparison with Peers

## Local

Listed Peers (Local)	Industry	P/E Multiple*	EV/EBITDA Multiple*
ACME Printing & Packaging PLC	Packaging	(1.17)	(13.51)
Printcare PLC	Packaging	(10.33)	20.67
Ex-Pack Corrugated Cartons PLC	Packaging	10.81	6.79
<b>Peer Average</b>		<b>10.81</b>	<b>6.79</b>
<b>ASPI Average</b>		<b>8.53</b>	
<b>CSE Materials Sector Average</b>		<b>10.24</b>	

\*Multiples are based on Market Capitalization as at July 3, 2025 and TTM earnings as at March 31, 2025

## Regional

Listed Peers (Regional)	Country	Industry	P/E Multiple*	EV/EBITDA Multiple*
Cosmo First Ltd	India	Packaging	23.07	12.41
Polyplex Corporation Ltd	India	Packaging	18.09	5.37
TCPL Packaging Ltd	India	Packaging	23.33	12.75
Cherat Packaging Ltd	Pakistan	Packaging	13.15	6.54
<b>Peer Average</b>			<b>19.41</b>	<b>5.95</b>

\* Multiples are based on Market Capitalization as at June 13, 2025 and trailing earnings as at FY Mar 2025

# Comparison with Peers

Peer Group	Average P/E (x)	Average EV/ EBITDA (x)	Weightage
Listed Peer Average (Local)	10.81	6.79	70%
Listed Peer Average (Regional)	19.41	5.95	30%
<b>Weighted Average</b>	<b>13.39</b>	<b>6.54</b>	
<b>ASPI Average</b>	<b>8.53</b>		
<b>CSE Material Sector Average</b>	<b>10.24</b>		
<b>Assumed Peer Multiples</b>			
<b>Low</b>	<b>8.53</b>	<b>5.95</b>	
<b>High</b>	<b>10.81</b>	<b>6.54</b>	

Source: JF Packaging Limited Prospectus

Multiples	P/E	EV/EBITDA
Forward (FY 2025/26)	7.78x	4.82x
Current (FY 2024/25)	10.62x	
Peer Multiples (Weighted Average)	13.39x	6.54x
ASPI Average	8.53x	
Sector Average (Materials)	10.24x	

Source: JF Packaging Limited Prospectus

# Purpose of the IPO

The **proceeds** from the IPO will be utilized to:

(i) **settle selected term loans** of **LKR 439,464,493** obtained from Bank of Ceylon, Nations Trust Bank PLC and Siyapatha Finance PLC

Loan Ref.	Period Granted	Purpose of the Obtained Loan	Capital Outstanding (LKR)	Interest Rate	Amount to be settled via IPO funds
Bank of Ceylon 83080582	Aug 2018	To settle hypothecation loans	34,747,314	AWPLR+2.0%	34,747,314
Bank of Ceylon 87323197	Mar 2021	To reschedule term loans	112,484,197	AWPLR+2.0%	112,484,197
Bank of Ceylon 80204645	Dec 2016	To purchase machinery	20,971,442	AWPLR+1.5%	20,971,442
Bank of Ceylon 79608472	Dec 2016	To settle short term loans	38,894,000	AWPLR+1.5%	38,894,000
Bank of Ceylon 89468508	Aug 2022	To reschedule term loans	128,126,850	AWPLR+1.0%	128,126,850
Nations Trust Bank PLC 700060044883	Jan 2024	To settle import loans	83,243,256	AWPLR+1.25%	83,243,256
Siyapatha Finance PLC 400109000002	Sep 2023	Converted a cheque discounting facility to a term loan	20,997,434	AWPLR+2.0%	20,997,434
<b>Total</b>			<b>439,464,493</b>		<b>439,464,493</b>

Source: JF Packaging Limited Prospectus

(ii) **partially settle outstanding import loans** of **LKR 160,535,577** obtained from the Bank of Ceylon.

Loan Ref.	Period Granted	Purpose of the Obtained Loan	Capital Outstanding (LKR)	Interest Rate	Amount to be settled via IPO funds
Bank of Ceylon - Import Loans	n/a	For working capital	602,336,019	AWPLR+1% to AWPLR+2%	160,535,577
<b>Total</b>			<b>602,336,019</b>		<b>160,535,577</b>

Source: JF Packaging Limited Prospectus

# Positive Catalysts



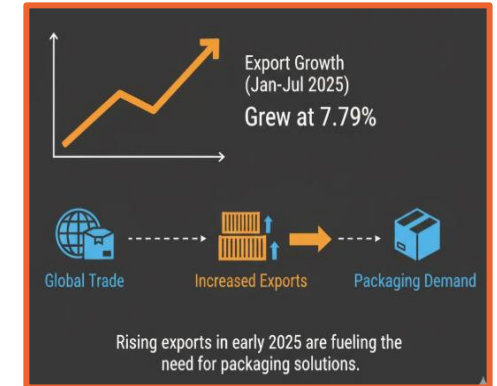
Sri Lanka's flexible packaging market is projected to grow at 10–12% in volume and 20–25% in value for 2025/26 (Ministry of Industries).



Food and beverage spending in Sri Lanka grew at a CAGR of 5.85% (2009–2019), a major end-use segment for flexible packaging. Supermarket penetration remains low at 15–20% (2022), compared to the regional average of 30%



Internet penetration reached 56.3% in 2024 (12.34 million users vs. 1.8 million in 2011), with 43% of users making online purchases (2022).

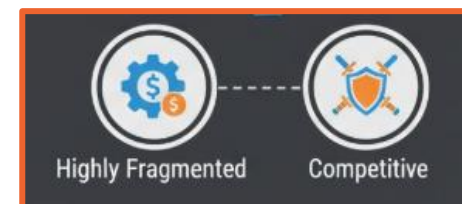


Export growth of 7.79% in the first seven months of 2025 is driving increased demand

# Investment Risks



The industry faces supply chain disruptions due to fluctuating raw material prices, geopolitical tensions, and logistics challenges. Shortages in key materials like plastics, paper, and metals lead to rising costs.



Sri Lanka's printing and packaging industry is highly fragmented and competitive, with many small players targeting lower market segments, making it a highly price-sensitive industry..

# Financial Summary

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26F	2026/27F	2027/28F	2028/29F
Revenue	2,022	2,455	5,220	3,786	4,385	5,309	6,026	6,633	7,303
Cost of Sales	(1,660)	(2,127)	(3,333)	(2,760)	(3,239)	(3,990)	(4,486)	(4,904)	(5,361)
<b>Gross Profit</b>	<b>363</b>	<b>328</b>	<b>1,886</b>	<b>1,026</b>	<b>1,147</b>	<b>1,319</b>	<b>1,540</b>	<b>1,729</b>	<b>1,942</b>
Other Income	2	12	1	2	7	-	-	-	-
Selling & Distribution	(100)	(103)	(175)	(188)	(206)	(253)	(282)	(305)	(330)
Administrative Expenses	(158)	(160)	(218)	(274)	(340)	(355)	(373)	(396)	(419)
Other Expenses	(208)	-	(20)	-	-	-	-	-	-
<b>Earning Before Interest &amp; Tax</b>	<b>(102)</b>	<b>78</b>	<b>1,475</b>	<b>566</b>	<b>608</b>	<b>710</b>	<b>886</b>	<b>1,029</b>	<b>1,193</b>
Finance Income	27	134	72	20	16	-	-	-	-
Finance Expenses	(215)	(191)	(375)	(399)	(321)	(296)	(266)	(251)	(244)
<b>Profit Before Tax</b>	<b>(290)</b>	<b>21</b>	<b>1,171</b>	<b>188</b>	<b>303</b>	<b>415</b>	<b>619</b>	<b>778</b>	<b>949</b>
Taxation	(16)	(20)	(261)	(116)	(172)	(158)	(227)	(280)	(338)
<b>Profit After Tax</b>	<b>(307)</b>	<b>0</b>	<b>911</b>	<b>72</b>	<b>131</b>	<b>257</b>	<b>392</b>	<b>498</b>	<b>611</b>

Source: JF Packaging Limited Prospectus

# Board of Directors



**MR. S.D.R. ARUDPRAGASAM**  
**CHAIRMAN**

Mr. S. D. R. Arudpragasam was appointed Chairman of JF Packaging Limited on 24th August 2017. He has been with The Colombo Fort Land & Building Group since 1982, serving as a Board Member since 2000, Deputy Chairman from 2011, and Chairman from 1st July 2022. He also chairs several CFLB subsidiaries, including E.B. Creasy & Company PLC, and serves on multiple Board Subcommittees. Mr. Arudpragasam is a Fellow of the Chartered Institute of Management Accountants (UK).



**MR. K.P. DAVID**  
**Managing Director**

Mr. K. P. David was appointed to the Board of JF Packaging Ltd on 30th January 2015 and became Managing Director on 11th April 2017. With over 30 years of financial and corporate leadership experience, he has held senior roles at E. B. Creasy & Company PLC and Lankem Ceylon PLC, where he also served as Executive Director until July 2020. Since 2017, he has led the JF Packaging Cluster, overseeing operations across multiple group companies.



**MR. A. RAJARATNAM**  
**Director**

Mr. Anushman Rajaratnam was appointed to the Board of JF Packaging Limited in 2015. He served as Managing Director of Lankem Ceylon PLC from 2009 to 2016 and previously worked overseas with a leading global accountancy firm. He holds a BSc in Economics from the University of Surrey, is a CPA (Australia), and holds an MBA from MIT, USA.



**MR. A. HETTRIARACHY**  
**Director**

Mr. A. Hettiarachy, a Chartered Chemical Engineer, was appointed to the Board of JF Packaging Limited in 2017. He is the Executive Chairman of ACME Printing and Packaging PLC, Chairman of ISL Services Ltd and Lankem Minerals Ltd, and Deputy Chairman of Lankem Ceylon PLC. He also serves as a Director of the Sri Lanka Institute of Nano Technology and has held senior positions in several prominent companies including Hayleys PLC and Haycarb PLC.

# Board of Directors



**MR. S. GOONEWARDEN**  
**Director**

Mr. Suren Goonewardene was appointed to the Board of JF Packaging Limited in 2020. He holds a degree in Business Accounting from Monash University, is a CPA member, and a Fellow of CIM (UK) and CMA (Sri Lanka). He has held senior roles at Bharti Airtel Lanka, Dialog, and Lanka Bell, and served on the Boards of Ceylon Shipping Corporation and the Civil Aviation Authority. He currently serves on the Boards of Associated Motor Finance PLC, First Guardian Equities Ltd, Dawi Investment Trust, and ACME Printing and Packaging PLC.



**MR.K. G. PUNCHIHEWA**  
**Director**

Mr. Kamal Punchihewa was appointed to the Board of JF Packaging Limited in 2025. He is a Fellow of the Institute of Chartered Accountants of Sri Lanka and a CPA Australia member. Formerly CEO of Maskeliya Plantations PLC until March 2023, he currently serves on the Boards of Lankem Ceylon PLC, Lankem Developments PLC, ACME Printing and Packaging PLC, and other CFLB Group companies



**MR.S.B.PERERA**  
**Director**

Mr. Shrihan B. Perera was appointed to the Board of JF Packaging Limited in 2025. He has over 30 years of experience, including as CEO of Teejay Group and Brandix Apparel Solutions. He currently serves as an Independent Director of Teejay Lanka PLC and sits on the Boards of The Colombo Fort Land and Building PLC, Fintrex Finance Ltd, C.W. Mackie PLC, and other CFLB Group companies. He holds a BSc in Mechanical Engineering from the University of Moratuwa and is a Fellow of the Chartered Institute of Management Accountants (UK).

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