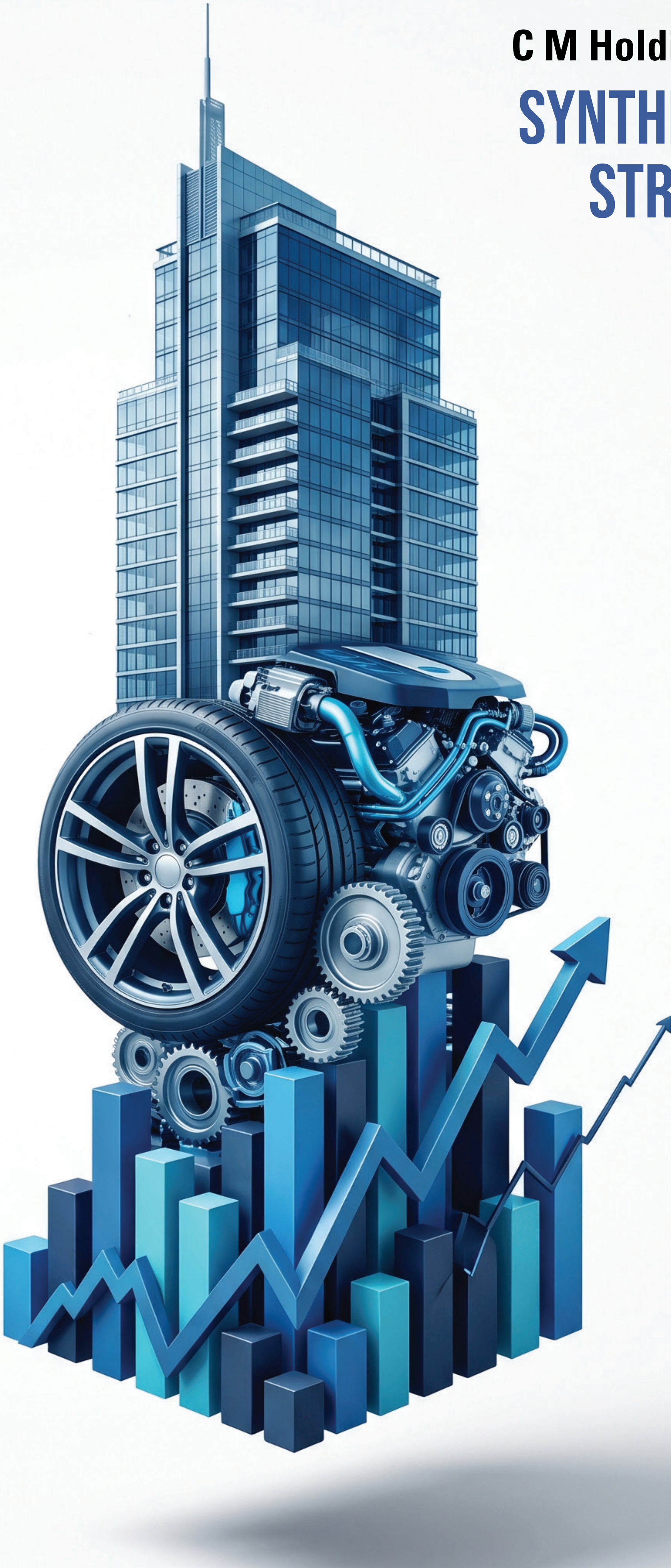
C M Holdings PLC

SYNTHESIZED STRENGTH



Annual Report

2025/26

Contents

Financial Reports

Chairman's Review

It is a privilege to welcome you to the 114th Annual General Meeting of C M Holdings PLC and to present the Annual Report and Audited Financial Statements for the year ended 31st March 2026.

At a national level, the economy continued its gradual recovery, supported by fiscal discipline, structural reforms under the IMF programme, and improved external stability. Moderating inflation, currency stability, and renewed investor confidence have contributed to a more conducive business environment.

The Group delivered a strong and resilient performance during the year, achieving significant growth despite a dynamic and evolving macroeconomic environment. Revenue rose sharply to Rs. 1.3 billion, reflecting strong operational momentum across key business segments and improved market conditions.

Operating profit increased to Rs. 758 million, supported by enhanced trading performance and disciplined cost management. The Group also continued to benefit from its diversified investment portfolio, which remained a key driver of earnings during the year.

Net fair value gains from share portfolio investments amounted to Rs. 740 million, reflecting continued volatility in market valuations compared to the prior year, while gross fair value gains stood at Rs. 810 million. Dividend income increased to Rs. 134 million, further strengthening the Group's recurring income base and reinforcing the effectiveness of the Group's investment strategy.

The Investment portfolio expanded significantly to Rs. 5.6 billion, up 25% from the previous year, demonstrating our continued commitment to value creation through prudent asset allocation and strategic positioning in equity markets. This growth, together with overall portfolio performance, contributed to a profit before tax of Rs. 658 million.

The Motor sector recorded a notable expansion, with revenue contribution increasing substantially as market conditions improved. The gradual normalization of vehicle imports regulations, coupled with rising consumer demand, supported sectoral recovery. However, ongoing regulatory and pricing pressures continue to require a cautious and adaptive approach.

The Property segment remained stable, contributing Rs. 108 million, supported by consistent rental income and sustained occupancy levels. The Group continues to explore opportunities to expand its property footprint and enhance recurring income streams through strategic development initiatives.

Total assets of the Group grew to Rs. 7.9 billion, reflecting the strengthening of the investment portfolio and improved asset base. Net assets per share stood at Rs. 39.68, impacted by market valuation movements during the period. The Group maintained a healthy balance sheet position, with a debt-to-equity ratio of 22%, underscoring prudent financial management.

Looking ahead, the Group remains cautiously optimistic. The Motor sector is expected to benefit further from market normalization, while the Property segment offers potential for steady expansion. The Investment portfolio will continue to be actively managed to optimize returns while balancing risk in a changing market environment.

I would like to extend my sincere appreciation to the Board of Directors for their continued guidance and strategic oversight. I also wish to thank our shareholders, customers, and business partners for their unwavering trust and support.

S D R Arudpragasam
Chairman

31 July 2026

Management Review and Analysis

Operating Environment

Sri Lanka's economy continued its recovery trajectory during FY 2025/26, supported by the ongoing implementation of economic reforms, improved macroeconomic stability, and strengthened investor confidence. Following the significant challenges experienced in recent years, the country recorded a more stable economic environment characterized by positive economic growth, low inflation, improved external sector performance, and a relatively stable financial system.

The economy expanded by approximately 5% in 2025, reflecting the continuation of the recovery momentum observed following the stabilization measures introduced under the IMF-supported reform programme. Inflation remained well contained throughout much of the financial year. Headline inflation stood at 1.6% in February 2026 and increased modestly to 2.2% in March 2026, remaining significantly below the Central Bank's medium-term target of 5%. The low inflation environment supported consumer purchasing power and contributed to favorable financing conditions for businesses and investors.

In response to prevailing economic conditions, the Central Bank of Sri Lanka maintained an accommodative monetary policy stance during March 2026, keeping the Overnight Policy Rate unchanged at 7.75%. The decision reflected confidence in the country's economic recovery while balancing potential inflationary pressures arising from global geopolitical developments and higher energy prices. Lower interest rates compared with previous years continued to support economic activity, investment, and private sector credit growth.

The Sri Lankan Rupee remained relatively stable during the period, although some depreciation pressures emerged towards the latter part of the financial year due to global geopolitical tensions and rising energy prices.

Despite the positive domestic economic outlook, global uncertainties continued to present challenges. Escalating geopolitical tensions in the Middle East resulted in higher global energy prices and increased uncertainty in international trade and financial markets. Nevertheless, Sri Lanka entered this period with stronger economic fundamentals, improved fiscal performance, enhanced foreign reserve buffers, and a more resilient financial sector compared to previous years.

Against this backdrop, C M Holdings PLC benefited from improving market conditions, renewed investor confidence, and increased economic activity. The gradual recovery of the motor industry, strengthening capital markets, and positive developments in the property sector provided a supportive environment for the Group's diversified portfolio and long-term value creation strategy.

Motor Sector Review

The motor sector was the most significant contributor to the Group's revenue growth during the year. Following the reopening of vehicle imports and the gradual normalization of market conditions, the sector experienced a strong recovery supported by pent-up demand and improved consumer confidence.

Revenue from the motor sector increased by 389% to Rs. 1.2 billion, while gross profit rose to Rs. 64 million compared to Rs. 16 million in the previous year. The recovery reflects the sector's ability to capitalize on improving market conditions and the return of business activity after several years of import restrictions and economic challenges.

While competition within the industry intensified with the reopening of the market, the long-term outlook for the motor sector remains positive as consumer demand, financing availability, and economic activity continue to improve.

Investment and Property Sector Review

The Investment and Property Sector continued to provide stability and long-term value to the Group's earnings portfolio. Property sector income increased by 4% to Rs. 108 million during the year, reflecting the resilience of the Group's investment strategy amid evolving market conditions.

Although net fair value gains were lower than the exceptional gains recorded in the previous financial year, the investment portfolio continued to benefit from improving capital market conditions and stronger investor sentiment. As a result, the portfolio value increased from Rs. 4.5 billion to Rs. 5.6 billion, supported by a net fair value gain of Rs. 740 million across both FVPL and FVOCI instruments, demonstrating continued appreciation in the underlying investments.

The property sector also benefited from improving economic conditions, lower borrowing costs, and increased investor confidence. Together, the Group's investment portfolio and property investments continued to generate stable returns while supporting portfolio diversification and long-term capital growth.

Management Review and Analysis

Financial Performance

The Group delivered a strong financial performance during the year under review, supported by significant growth in the motor sector and the continued strength of its diversified investment portfolio and the rental income.

Group revenue increased substantially to Rs. 1.3 billion, primarily driven by the revival of activities within the motor sector. Profits before tax improved by 7% to Rs. 658 million, reflecting the resilience of the Group's business model despite prevailing market challenges during the financial year.

Dividend income from the Group's strategic investments increased by 19% during the year, demonstrating the quality and income-generating capability of the investment portfolio. Total assets expanded by 26% to Rs. 7.9 billion, while the investment portfolio grew by 25% to Rs. 5.6 billion, reinforcing the Group's strong asset base and long-term wealth creation strategy.

The Group also maintained a healthy financial position with a debt-to-equity ratio of 22%, providing sufficient financial flexibility to pursue future growth opportunities while maintaining prudent capital management.

Outlook

Looking ahead, the Board remains cautiously optimistic regarding the prospects for FY 2026/27. Continued economic recovery, strengthening investor confidence, and ongoing structural reforms are expected to support business activity and investment growth across the sectors in which the Group operates.

The motor sector is expected to benefit from the continued normalization of market conditions and sustained consumer demand, while the investment and property sectors are well-positioned to capitalize on improving capital market performance and economic stability.

With a strong balance sheet, diversified investment portfolio, and disciplined approach to capital allocation, C M Holdings PLC remains committed to delivering sustainable growth and long-term value creation for its shareholders while pursuing opportunities arising from Sri Lanka's economic recovery.

Board of Directors

S. D. R. Arudpragasam
Chairman
FCMA (UK)

Mr. S.D.R. Arudpragasam joined the Board of C M Holdings PLC in 1999 and was appointed Deputy Chairman in November, 2012 and as Chairman effective 1st July 2022. Further, whilst being associated with The Colombo Fort Land and Building Group of companies since 1982 and having served on the Board of The Colombo Fort Land and Building PLC (CFLB) since the year 2000 and as Deputy Chairman up to end June 2022 was appointed as the Chairman of CFLB with effect from 1st July 2022. He also serves as Chairman Lankem Ceylon PLC, C.W. Mackie PLC and Chairman/Managing Director of E.B. Creasy & Company PLC in addition to holding other Directorships within the CFLB Group. He also functions as a member on several Board Subcommittees of the CFLB Group.

Mr. Arudpragasam is a Fellow of the Chartered Institute of Management Accountants (UK)

Anushman Rajaratnam
Director
B.Sc. (Hons.), CPA, MBA

Mr. Anushman Rajaratnam was appointed to the Board in October 2013. He is at present the Group Managing Director of The Colombo Fort Land & Building PLC (CFLB). In addition, he serves on the Boards of several subsidiary companies and also functions as a member on several Board Subcommittees of the CFLB Group. Prior to joining the CFLB group, he worked overseas for a leading global Accountancy Firm.

He holds a Bachelor of Science degree in Economics from the University of Surrey, UK, CPA Australia and MBA from Massachusetts Institute of Technology USA.

S. Rajaratnam
Director
B.Sc., CA

Mr. Sanjeev Rajaratnam was appointed to the Board in the year 2007. He currently holds the position of Joint Managing Director of E.B. Creasy & Company PLC amongst several other Directorships including The Colombo Fort Land & Building PLC. He also functions as a member on several Board Subcommittees of the CFLB Group. He is also a committee member of two associate companies of CFLB.

Mr. S. Rajaratnam holds a Bachelor of Science Degree in Business Administration from Boston College, U.S.A. and is a Member of the Institute of Chartered Accountants in Australia.

R. M. M. J. Ratnayake
Director
FCMA, CGMA, MBA

Mr Mohan J Ratnayake was appointed to the Board on 1st November 2022. He was the Chairman of the Committee which issued Sri Lanka's first internationally listed USD Bond by a corporate entity- Sri Lanka Telecom PLC which traded on the Singapore Stock Exchange. This was when the Sovereign had not been rated by international rating agencies. He currently serves as the Managing Director of Colonial Motors (Ceylon) Ltd. He also serves as an Independent Non Executive Director of ACL Plastics PLC and UB Finance PLC, Swisstek Ceylon PLC, Lanka Tiles PLC, Serandib Land PLC, Lee Hedges PLC and Lee Hedges Investments Limited. He continues to serve on several Boards, chairs audit committees , credit committees and other statutory Board Committees. He was Chairman of Lanka Reality Investments PLC and served on the Board of a state owned entity in the export sector. He has expertise in the fields of Tea Exports, Tea Plantations and Telecommunications.

Mr. Mohan Ratnayake is a Fellow Member of the Chartered Institute of Management Accountants UK, a Chartered Global Management Accountant and has read for a MBA.

Amrit Rajaratnam
Director
LLB (Notts.), Barrister- at - Law

Mr. Amrit Rajaratnam was appointed to the Board on 31st December 2024. He holds a Bachelor's Degree in Law from the University of Nottingham and is a Barrister at Law (Lincoln's Inn). He began his career at the Law Firm of Julius & Creasy and later joined Lankem Ceylon PLC. He is also a Director of Beruwala Resorts PLC, Marawila Resorts PLC, Sigiriya Village Hotels PLC, York Arcade Holdings PLC., Colombo Fort Investments PLC, Colombo Investment Trust PLC and The Colombo Fort Land & Building PLC. He also holds other Directorships in several unlisted companies within the CFLB Group.

Board of Directors

Eugen Duliksha Pratharp Soosaipillai
Director
(FCA (Sri Lanka), FCMA (Sri Lanka))

Mr. D. Soosaipillai was appointed to the Board on 10th February 2025 as an Independent Non-Executive Director. He chairs the Board Audit Committee, the Related Party Transactions Review Committee, the Remuneration Committee and the Nomination and Governance Committee of the Company.

In a career spanning over 35 years in the governance of financial and reporting systems both at the operational and strategic levels, Mr. Soosaipillai brings to the table a core discipline in finance, a core competency in Risk Identification, Assessment and Management at operational levels and Forward Risk Assessment at a strategic level and three decades of experience in senior management in the financial services industry.

His decade and a half of board level executive experience spans that of several leading specialized leasing companies in the capacity of Finance Director, Chief Executive Officer and Managing Director, whilst his experience as a Non-Executive Director includes the boards of LFC's, a Systemically Important LCB and Regional Plantation Companies.

He is currently an Independent Non-Executive Director on the Board of Finlays Colombo Ltd. since January 2021 and an Independent Non-Executive Director on the Board of York Arcade Holdings PLC since February 2025, where he chairs the Board Audit Committee, the Related Party Transactions Review Committee, the Remuneration Committee and the Nomination and Governance Committee of the company.

Mr. Soosaipillai previously served on the Board of Hatton National Bank PLC as an Independent Non-Executive Director, principally as Chair of the Board Integrated Risk Management Committee and the Board Procurement Committee as well as an active member of the Board Strategy and Investment Committee, the Board Recoveries Committee and the Board Human Resources and Remuneration Committee.

Appointed as an Independent Non-Executive Director of Commercial Credit and Finance PLC in January 2014, he was elected Chairman in March 2020, until his resignation from the Board in November 2022. During his Chairmanship at Commercial Credit and Finance PLC he chaired the Board Nomination Committee and the Board Remuneration Committee. He previously chaired the Board Audit Committee and was an active member of the Board Integrated Risk Management Committee and the Board Related Party Transactions Review Committee.

Mr Soosaipillai was a board member of the Colombo Port City Economic Commission and Acting Director General from June 2023 to November 2024, and Chairman and Independent Non-Executive Director of HDFC Bank of Sri Lanka from April 2023 to October 2024. He served as an Independent Non-Executive Director of the two Regional Plantation Companies of James Finlays Plantation Holdings (Lanka) Ltd from May 2017 to March 2022 and was the Chair of the Board Audit Committee and a member of the Board Related Party Transactions Review Committee and the Board Remuneration Committee

He was briefly engaged by the World Bank as a Short-Term Consultant on a Payables Assessment assignment in the Maldives as part of a wider Public Finance Management project in 2012. He also served as the Managing Director of the Maldives Finance Leasing Company Ltd., for over 7 years and as the Chief Executive Officer of Ceylease Financial Services Ltd., a subsidiary of the Bank of Ceylon, prior to that.

Asoka Indrasiri Piyadigama
Director
(FCA (Sri Lanka), CPA (Aus.))

Mr. Asoka Piyadigama was appointed to the Board on 10th February 2025 as an Independent Non-Executive Director. He serves on the Boards of York Arcade Holdings PLC and Acme Printing and Packaging PLC.

With extensive experience in operational and finance roles, Mr. Piyadigama has progressed from Manager to Chief Financial Officer at prominent conglomerates, including Carsons Cumberbatch PLC, Lankem Ceylon PLC, and C.W. Mackie PLC. He currently serves as a member of the Audit Committee for some of the CFLB Group Companies.

He has also held positions as Audit and Business Advisory Manager at KPMG Sri Lanka and Deloitte Fiji and worked in key finance roles within the Manufacturing and FMCG sectors in Australia. Most recently, he was the Chief Executive Officer of the Institute of Chartered Accountants of Sri Lanka.

Mr. Piyadigama is a Fellow Member (FCA) of the Institute of Chartered Accountants of Sri Lanka and a Member of CPA Australia.

Corporate Governance

The business and affairs of the Company and its subsidiaries are managed and directed with the objective of balancing the attainment of corporate objectives with the alignment of corporate behaviour within the legal good governance framework of the industry and the country and also the accountability to shareholders and responsibility to other stakeholders.

Corporate Governance ensures fairness, transparency and integrity of the Management. Corporate Governance is the culture of the Company, rather than a mere legal compulsion. It further inspires and strengthens investor confidence and commitment to the Company.

We present below the Corporate Governance practices adopted and practiced by C M Holdings PLC, in accordance with those listed in the code of Best Practice on Corporate Governance issued by The Institute of Chartered Accountants of Sri Lanka and the rules on Corporate Governance set out in the Listing Rules of the Colombo Stock Exchange (CSE).

THE BOARD

Composition of the Board

The Directors are from varied business and professional backgrounds. Their expertise in the fields of finance, corporate management and law with varied business and professional experience enables them to exercise independent judgement and their views carry substantial weight in decision making. The Board of Directors met on four occasions during the year under review. In addition to Board Meetings decisions are approved by Resolutions in writing. The composition of the Board during the year, attendance at Board Meetings and other Director details are as follows:

Director	Any material business relationships with other Directors of the Listed Entity	Attendance / Eligibility at Board Meetings	Date of Appointment	Date of Resignation	Board Committees of the Company served during the year
Mr S. D. R. Arudpragasam - Chairman Non-Executive Director	None	4/4	30/09/1999	-	NomCo, RemCo
Mr. S. Rajaratnam - Non-Executive Director	None	4/4	04/07/2007	-	Audit, RPTRC
Mr. Anushman Rajaratnam Non-Executive Director	None	4/4	08/10/2013	-	None
Mr. R. M. M. J. Ratnayake - Non-Executive Director	None	3/4	01/11/2022	-	None
Mr. Amrit Rajaratnam - Non-Executive Director	None	2/4	31/12/2024	-	None
Mr. E.D.P. Soosaipillai - Independent Non-Executive Director	None	4/4	10/02/2025	-	Chair of NomCo, RemCo, Audit, RPTRC
Mr. A.I. Piyadigama - Independent Non-Executive Director	None	4/4	10/02/2025	-	NomCo, RemCo, Audit, RPTRC

NomCo - Nominations & Governance Committee
RemCo - Remuneration Committee
Audit - Audit Committee
RPTRC - Related Party Transactions Review Committee

Details of attendance at Committee Meetings of the Audit, Related Party Transactions Review, Nominations and Governance and Remuneration Committees are given in the reports of the respective committees.

Board Balance

Presently the Board consists of seven Non- Executive Directors of whom two are Independent. All Directors carry a blend of expertise in the fields of finance, business management and Law and possess a high standard of integrity and business acumen. Directors both individually and as a whole, make a significant contribution towards the Board's decision-making process. Further, the balanced structure of the Board makes the strategic decision-making process more effective which ultimately facilitates build-up of sustainable value for shareholders and all its other stakeholders.

Independent Directors on the Board have declared that they are Independent of management and free of any business or other relationship that could materially interfere with or could reasonably be perceived to materially interfere with the exercise of their unfettered and independent judgements. All Independent Non-Executive Directors have also submitted signed and dated declarations of their independence or nonindependence to the Board.

The Board makes a determination annually as to the independence or non-independence of each Independent Non-Executive Director based on such declarations made on the defined criteria and other information available to the Board. Mr. E.D.P. Soosaipillai and Mr. A.I. Piyadigama as Independent Non-Executive Directors meet the criteria for defining independence as set out in Listing Rule 9.8.3 of the Colombo Stock Exchange and were determined to be independent by the Board.

Fit & Proper Assessment

The Company's fit and proper assessment for Directors are in line with the guidelines set out in the Listing Rules, includes criteria on honesty, integrity and reputation, competence and capability and financial soundness. The Chairman and Directors satisfy the fit and proper assessment criteria stipulated in the Listing Rules of the CSE.

Availability of Formal Schedule of Matters and Decision Making of the Board

The Code of Best Practice on Corporate Governance of the The Institute of Chartered Accountants of Sri Lanka advocates that the Board should have a formal schedule of matters especially reserved for its decision making.

The Board is responsible for:

- Determining the strategic direction of the Company and also setting the corporate values.
- Implementation and monitoring of business strategy of the Company.
- Ensuring an effective internal control system and a proactive risk management system.
- Ensuring compliance with ethical, legal, health, environment and safety standards.
- Approval of Interim and Annual Financial Statements.
- Approval of budgets, corporate plans, major capital investments, divestments and acquisitions.
- Ensuring compliance with Company policies.

The Directors have made themselves aware of applicable laws rules and regulations and subsequent changes particularly to the Listing Rules and applicable Capital Market provisions.

Chairman's Role

The Chairman is a Non-Executive Director and is responsible for steering the Board to preserve order and to facilitate the effective discharge of the Board's functions. He conducts Board proceedings in a manner which always ensures the following:

- The effective participation of Directors.
- Encourages an effective contribution from Directors within their respective capabilities, for the benefit of the Company.
- Ascertains the views of Directors on issues under consideration.

The Board is in complete control of the Company's affairs and is aware of its obligation to all shareholders and other stakeholders.

Chief Executive Officer (CEO)

Mr. Arosh Azariah, Chief Executive Officer of the Company resigned with effect from 31st October 2025.

Company Secretaries and Independent Professional Advice

The Company and all the Directors may seek advice from Corporate Managers & Secretaries (Private) Limited who are qualified to act as Secretaries as per the provisions of the Companies Act No. 07 of 2007. Advice is also sought from independent external professionals whenever the Board deems it necessary.

Independent Judgement

The Board is committed to exhibit high standards of integrity and independence of judgement. Each Director dedicates the time and effort necessary to carry out his responsibilities.

Financial Acumen

The Board includes six Finance Professionals who possess the knowledge and the competence to offer the Board the necessary guidance on matters of finance.

Nominations and Governance Committee and Appointments to the Board

There is a formal and transparent procedure for the appointment of new Directors to the Board, which is in accordance with the recommendations made by the Nominations & Governance Committee, in consultation with the Chairman and in compliance with the provisions of the Articles of Association of the Company, the policies adopted by the Company and the Rules on Corporate Governance.

The Board as a whole annually assesses the Board composition to ascertain whether the combined knowledge and experience of the Board matches the strategic demands facing the Company. The findings of such assessments are taken into account when new Board appointments are considered and when incumbent Directors come up for re-election.

Upon the appointment of a new Director to the Board, the Company makes the required disclosures to the shareholders by making announcements to the Colombo Stock Exchange.

The report of the Nominations and Governance Committee is set out on Page 34

Re-election and Reappointment of Directors

In terms of the Articles of Association any Director appointed by the Board holds office until the next Annual General Meeting at which he seeks re-election by the Shareholders.

The Articles of Association require one third or a number nearest to one third of the Directors in office to retire at each Annual General Meeting. The Directors to retire in each year are those who have been longest in office since their last election or appointment. Retiring Directors are eligible for re- election by the Shareholders.

The Nominations & Governance Committee of the Company has recommended to the Board the re-election and reappointment of the Directors at the forthcoming Annual General Meeting and the Board of Directors have duly approved the said re-election and reappointment of the Directors. Further the Members have refrained from participating in decisions relating to his / her own re-election/ reappointment.

A Director appointed to the office of Chairman, Managing or Joint Managing Director shall not whilst holding that office be subject to retirement by rotation.

Directors - Other Directorships

The details pertaining to the names of the Companies (in Sri Lanka) in which the Directors serve as a Director or Key Management personnel is presented on pages 11 to 14.

DIRECTORS' REMUNERATION

Remuneration Committee and the Remuneration Procedure

The Remuneration Committee Report is set out on page 33 of this report.

A Directors fee is paid to all Non -executive Directors based on a policy of non-discriminatory pay practices.

All managerial and secretarial services are provided by Corporate Managers & Secretaries (Private) Limited to whom a fee is paid.

Disclosures

Aggregate remuneration paid to Directors is disclosed in Note 24 to the Financial Statements on page 119.

RELATIONSHIP WITH SHAREHOLDERS

Constructive use of Annual General Meeting (AGM) and Conduct of General Meetings.

The Board considers the Annual General Meeting/ General Meetings an opportunity to communicate with shareholders and encourages their active participation. Questions raised by the shareholders are answered and an appropriate dialogue is maintained with them.

The policy on Relations with Shareholders and Investors is available on the Company's website https://www.cmholdingsplc.com with names of the persons to be contacted for further information. Major issues and concerns of shareholders are communicated to all Directors by the Senior Management, Corporate Secretaries, Managers and Registrars of the Company.

Major Transactions

There have been no transactions during the year under review which falls within the definition of 'Major Transactions' under Section 185 of the Companies Act No. 07 of 2007.

Others

The Company's principal communication with all its stakeholders is its Annual Report and Quarterly Financial Statements.

Price Sensitive Information

The Company exercised due care with respect to share price sensitive information.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board places emphasis on complete disclosure of financial and non- financial information within the bounds of commercial reality. This enables both existing and prospective shareholders to make fair assessment on the Company's performance and future prospects. The Financial Statements are prepared and presented in accordance with the Sri Lanka Accounting Standards adopted by The Institute of Chartered Accountants of Sri Lanka and the requirements of the Companies Act No. 07 of 2007.

Disclosures

The Annual Report of the Board of Directors is given on pages 37 to 39 in this Report. The Auditors' Report on the Financial Statements is given on pages 42 to 46 of the Report.

Going Concern

The Directors are of the view that the Company is capable of operating in the foreseeable future after adequate assessment of the Company's financial position and resources. Therefore, the Going Concern principle has been adopted in the preparation of these Financial Statements.

However, any system can ensure only reasonable and not absolute assurance that errors and irregularities are prevented or detected within a reasonable timeframe.

Audit Committee

The Audit Committee Report is set out on page 29 to 30 of this Report.

Related Party Transactions Review Committee

The Related Party Transactions Review Committee Report is set out on page 31 to 32 of this Report.

The Related Party Transactions are disclosed in Note 32 to the financial statements.

COMPLIANCE STATUS WITH THE COLOMBO STOCK EXCHANGE LISTING RULES ON CORPORATE GOVERNANCE

The Company's compliance status with the Colombo Stock Exchange Listing Rules on Corporate Governance is disclosed on pages 15 to 27.

Compliance with Legal Requirements

The Board is conscious of its responsibility to the shareholders, the Government and the Society in which it operates and is explicitly committed to upholding ethical behaviour in conducting its business. The Company obtains legal advice from appropriately qualified and experienced legal professionals on a timely basis.

Company Policies

C M Holdings PLC has established a comprehensive suite of corporate policies that align with the Listing Rules of the Colombo Stock Exchange (CSE) and reflect the Company's commitment to ethical governance, transparency, and sustainable business practices. These policies encompass key areas such as:

- Matters relating to the Board of Directors
- Board Committees
- Corporate Governance, Nominations, and Re-election
- Remuneration
- Internal Code of Business Conduct and Ethics
- Risk Management and Internal Controls
- Relations with Shareholders and Investors
- Environmental, Social, and Governance (ESG) Sustainability
- Control and Management of Company Assets and Shareholder Investments
- Corporate Disclosures
- Whistleblowing
- Anti-Bribery and Corruption

These policies are publicly accessible on the company's website https://www.cmholdingsplc.com ensuring transparency and adherence to best practices in corporate governance.

Internal Control

The Board of Directors is responsible for the Company's system of internal controls and for reviewing its effectiveness. The system is designed to safeguard assets against unauthorized use or disposal and to ensure that proper records are maintained. It includes all controls including financial, operational and compliance controls and risk management.

However, any system can ensure only reasonable and not absolute assurance that errors and irregularities are prevented or detected within a reasonable timeframe.

DIRECTORS OTHER DIRECTORSHIPS

The details pertaining to the names of the Companies (in Sri Lanka) in which the Directors serve as a Director or Key Management personnel is presented on pages 11 to 14.

The following table illustrates the total number of Board seats held by each Director of the Company.

Abbreviations:

C - Chairman
DC - Deputy Chairman
EC - Executive Chairman
EX - Executive Director
NE - Non-Executive
INE - Independent Non-Executive Director

GMD - Group Managing Director
MD - Managing Director
JMD - Joint Managing Director
CEO - Chief Executive Officer
D - Director
Alt - Alternate Director

Companies	Mr. S.D.R. Arudpragasam		Mr. Sanjeev Rajaratnam		Mr. Anushman Rajaratnam		Mr. R.M.M.J. Ratnayake		Mr. Amrit Rajaratnam		Mr. E.D.P. Soosaipillai		Mr. A.I. Piyadigama	
The Colombo Fort Land and Building PLC*	✓	C/NE	✓	NE	✓	GMD/ EX			✓	NE				
C M Holdings PLC*	✓	C/NE	✓	NE	✓	NE	✓	NE	✓	NE	✓	INE	✓	INE
York Arcade Holdings PLC*	✓	C/NE	✓	NE	✓	NE			✓	NE	✓	INE	✓	INE
Lankem Ceylon PLC*	✓	C/NE			✓	EX								
Lankem Developments PLC*	✓	C/NE			✓	NE								
Kotagala Plantations PLC*	✓	C/NE			✓	NE								
Agarapatana Plantations PLC*	✓	C/NE			✓	NE								
E.B. Creasy & Company PLC *	✓	C/MD/ EX	✓	JMD/ EX										
Muller & Phipps (Ceylon) PLC*	✓	C/NE	✓	NE										
Laxapana PLC (Formerly known as Laxapana Batteries PLC)*	✓	C/NE	✓	NE										
Beruwala Resorts PLC*	✓	C/NE	✓	NE	✓	NE			✓	NE				
Marawila Resorts PLC*	✓	C/NE	✓	NE	✓	NE			✓	NE				
Sigiriya Village Hotels PLC*	✓	C/NE	✓	NE	✓	NE			✓	NE				
C W Mackie PLC *	✓	NE			✓	NE								
ACME Printing & Packaging PLC*	✓	NE			✓	NE							✓	INE
Colombo Fort Investments PLC*	✓	C/NE	✓	NE	✓	NE			✓	NE				
Colombo Investment Trust PLC*	✓	C/NE	✓	NE	✓	NE			✓	NE				

Corporate Governance

Companies	Mr. S.D.R. Arudpragasam		Mr. Sanjeev Rajaratnam		Mr. Anushman Rajaratnam		Mr. R.M.M.J. Ratnayake		Mr. Amrit Rajaratnam		Mr. E.D.P. Soosaipillai		Mr. A.I. Piyadigama	
Alliance Five (Private) Limited*	✓	C			✓	D								
American Lloyd Travels Limited*	✓	D	✓	NE	✓	D			✓	D				
Associated Farms (Private) Limited*	✓	C												
ACME Packaging Solutions (Pvt) Limited*	✓	D			✓	D								
B.O.T. Hotel Services (Private) Limited*	✓	C	✓	D					✓	D				
C. F. Travels Limited*			✓	D					✓	D				
C. W. M. Hotels Holdings Limited	✓	D			✓	D								
Candy Delights Limited*	✓	C/MD	✓	JMD										
Capital Finance Limited			✓	D										
Capital Investments Limited*	✓	D												
Capital Leasing Company Limited*	✓	C			✓	D								
Century Equity Trust Limited (Formerly Century Investments and Finance Limited)	✓	D												
Ceyflex Rubber Limited*	✓	C	✓	D										
Ceylon Tapes (Private) Limited*	✓	C			✓	D								
Ceytape (Private) Limited*	✓	C			✓	D								
Colombo Fort Group Services (Pvt) Limited*	✓	D			✓	D								
Colombo Fort Holdings Limited*	✓	D	✓	D										
Colombo Fort Hotels Limited*	✓	C	✓	D	✓	D			✓	D				
Colombo Fort Properties (Private) Limited					✓	D								
Colombo Fort Travels Limited*	✓	D	✓	D	✓				✓	D				
Colombo Residencies (Private) Limited	✓	D												
Colonial Motors (Ceylon) Limited*	✓	DC	✓	D	✓	D	✓	MD						
Company Holdings (Private) Limited	✓	D	✓	D										
Consolidated Commercial Investments (Private) Limited			✓	D	✓	D			✓	D				
Consolidated Holdings (Private) Limited	✓	D			✓	D								
Consolidated Tea Plantations Limited*	✓	D			✓	D								
Corporate Systems Limited*	✓	C	✓	D										
Creasy Plantation Management Limited*	✓	D												
Darley Butler & Company Limited*	✓	C/MD	✓	JMD										
E B Creasy Ceylon (Private) Limited*	✓	C	✓	D										
E. B. Creasy Logistics Limited*	✓	C	✓	D										
E.B. Creasy Trading Limited*	✓	D	✓	D										
Financial Trust Limited			✓	D	✓	D			✓	D				
Fortland Finance Limited	✓	C	✓	D										
Galle Fort Hotel (Private) Limited*	✓	D	✓	D	✓	D			✓	MD				
Guardian Asset Management Limited*	✓	D	✓	D										
Great Eastern Resorts Ltd			✓	D	✓	D			✓	D				
Group Three Associate (Private) Limited*	✓	C	✓	D										
Horton Plains Resorts and Spa Limited					✓	D			✓	D				

Companies	Mr. S.D.R. Arudpragasam		Mr. Sanjeev Rajaratnam		Mr. Anushman Rajaratnam		Mr. R.M.M.J. Ratnayake		Mr. Amrit Rajaratnam		Mr. E.D.P. Soosaipillai		Mr. A.I. Piyadigama	
Imperial Hotels Limited*	✓	C	✓	D	✓	D			✓	D				
J.F. Packaging Limited*	✓	C			✓	D								
JF Ventures Limited*	✓	C			✓	D								
Kiffs (Private) Limited*	✓	C			✓	D								
Lanka Special Steel Limited*	✓	C	✓	D										
Lankem Agrochemicals Limited*	✓	C			✓	D								
Lankem Cargo Storage Limited*	✓	D			✓	D								
Lankem Chemicals Limited*	✓	C			✓	D								
Lankem Consumer Products Limited*	✓	C			✓	D								
Lankem Exports (Private) Limited*	✓	C												
Lankem Minerals Limited*	✓	D			✓	D								
Lankem Paints Limited*	✓	C			✓	D								
Lankem Plantation Services Limited*	✓	D			✓	D								
Lankem Research Limited*	✓	C												
Lankem Tea & Rubber Plantations (Pvt) Limited*	✓	C												
Lankem Technology Services Limited*	✓	C												
Maitland & Knox (Private) Limited*	✓	D	✓	D	✓	D			✓	D				
Mayfield Investments (Private) Limited					✓	D								
Motor Mart Ceylon (Private) Limited	✓	D	✓	D	✓	D	✓	D						
Muller & Phipps (Health Care) Limited (Formally known as Pettah Pharmacy (Pvt) Limited*	✓	C	✓	D										
Nature's Link Limited*	✓	C												
Nutriklim (Ceylon) Limited*	✓	D	✓	D										
Oakley Investments (Private) Limited	✓	D	✓	D	✓	D			✓	D				
Property and Investment Holdings (Private) Limited	✓	D	✓	D	✓	D			✓	D				
Rubber & Allied Products (Colombo) Limited*	✓	C			✓	D								
Sherwood Holidays Limited*	✓	C	✓	D					✓	D				
Sigiriya Resorts Limited*			✓	D	✓	D			✓	D				
Sunagro Farms Limited *	✓	C			✓	D								
Sunagro Lifescience Limited*	✓	C			✓	D								
Sunrise Resorts Limited			✓	D	✓	D			✓	D				
Teacom (Private) Limited*	✓	C			✓	D			✓	D				
Transways (Private) Limited*			✓	D	✓	D			✓	D				
Tropical Beach Resorts Limited			✓	D	✓	D			✓	D				
Udaveriya Plantations Limited	✓	D			✓	D								
Unicom Clearing and Forwarding (Private) Limited*	✓	C			✓	D			✓	D				
Union Commodities (Private) Limited*	✓	C			✓	MD			✓	D				
Union Commodities Exports (Pvt) Limited*	✓	C			✓	D			✓	D				
Union Commodities Teas (Pvt) Limited*	✓	C			✓	D			✓	D				
Union Group (Private) Limited*	✓	D			✓	D								
Union Investments (Private) Limited*	✓	D	✓	D	✓	D	✓	D						
Villa Investments (Private) Limited			✓	D										

Corporate Governance

Companies	Mr. S.D.R. Arudpragasam		Mr. Sanjeev Rajaratnam		Mr. Anushman Rajaratnam		Mr. R.M.M.J. Ratnayake		Mr. Amrit Rajaratnam		Mr. E.D.P. Soosaipillai		Mr. A.I. Piyadigama	
Voyages Ceylan (Private) Limited*			✓	D										
Waverly Power (Private) Limited*	✓	C	✓	D	✓	D			✓	D				
Weligama Hills Limited*	✓	D			✓	D								
York Conventions (Private) Limited*			✓	D	✓	D			✓	D				
York Hotel Management Services Limited*	✓	C	✓	D	✓	D			✓	MD				
York Tours Limited*			✓	D	✓	D			✓	D				
Sterling Steels (Pvt) Limited (Formerly known as Bluescope Lysaght Lanka (Private) Limited)	✓	D	✓	D										
Cambodian Rubber Plantations Industries PTE Ltd					✓	D			✓	D				
Consolidated Rubber Plantations PTE Ltd					✓	D			✓	D				
Kelani Valley Canneries Limited*					✓	D								
Sunquick Lanka (Pvt) Limited*					✓	D								
Sunquick Lanka Properties (Pvt) Limited*					✓	D								
Lanka Agro Plantations Limited					✓	D			✓	D				
Lake Investments(Pvt) Ltd									✓	D				
Vanya Safari (Pvt) Ltd									✓	D				
ACL Plastics PLC							✓	INE						
Lanka Tiles PLC							✓	INE						
Lee Hedges PLC							✓	INE						
Swisstek (Ceylon) PLC							✓	INE						
U B Finance PLC							✓	INE						
Serendib Land PLC							✓	INE						
Finlays Colombo Ltd											✓	INE		
Far Eastern Exports (Colombo) Ltd	✓	D			✓	D			✓	D				

Mr. Anushman Rajaratnam was appointed as Managing Director to Union Commodities (Pvt) Ltd on 16.05.2025.

Mr. S. D. R Arudpragasam was appointed as Non-Executive Chairman of C. W Mackie PLC w.e.f. 1st April, 2026. Further,

Mr. S. D. R Arudpragasam was appointed Non - Executive Chairman of Colonial Motors (Ceylon) Limited w.e.f. 2nd April, 2026

Note: The companies marked with an * are Subsidiaries or Associates of The Colombo Fort Land and Building Group.

Adherence to the Corporate Governance Rules of the Colombo Stock Exchange

Rule		Adherence
9.2	POLICIES	
9.2.1	Establish and maintain the following policies a) Matters relating to the Board of Directors b) Board Committees c) Corporate Governance, Nominations and Re-election d) Remuneration e) Internal Code of Business Conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities f) Risk management and Internal controls g) Relations with Shareholders and Investors h) Environmental, Social and Governance Sustainability i) Control and Management of Company Assets and Shareholder Investments j) Corporate Disclosures k) Whistleblowing l) Anti-Bribery and Corruption	Complied
9.2.2	Any waivers from compliance with the Internal code of business conduct and ethics or exemptions granted by the Listed Entity shall be fully disclosed in the Annual Report	Not Applicable
9.2.3	Listed entities shall disclose in its Annual Report. (i) The list of policies that are in place in conformity rule 9.2.1. above with reference to its website. (ii) Details pertaining to any changes to policies adopted by the Listed Entities in compliance with Rule 9.2 above	Complied
9.2.4	Listed Entities shall make available all such policies to shareholders upon written request being made for any such Policy.	Will be made available when requests are received
9.2.5	i. If a Listed Entity fails to comply with Rule 9.2.1, the Exchange will issue a Notice of Show Cause, granting seven (7) Market Days to provide reasons for the non-compliance. ii. If no response is received within the given time or if the explanation is deemed insufficient, enforcement measures will follow as outlined below: a. A letter of warning will be issued by the Exchange. b. If the Entity fails to rectify the non-compliance within three (3) months from the date of the warning letter, a penalty of Rs. 250,000 will be imposed. iii. The Exchange will make a Market Announcement regarding the non-compliance, enforcement action, and penalty. The penalty must be settled within seven (7) Market Days from notification. Failure to do so will result in referral to the SEC under Section 65 of the SEC Act.	Not Applicable

Rule		Adherence
9.3	BOARD COMMITTEES	
9.3.1	Establishment of Committee	
	(a) Nominations and Governance Committee (b) Remuneration Committee (c) Audit Committee (d) Related Party Transactions Review Committee	Complied
9.3.2	Compliance with composition, responsibilities and disclosures required in respect of the above Board committees	Complied
9.3.3	The Chairperson of the Board of Directors of the Listed Entity shall not be the Chairperson of the Board Committees	Complied
9.4	ADHERENCE TO PRINCIPLES OF DEMOCRACY IN THE ADOPTION OF MEETING PROCEDURES AND THE CONDUCT OF ALL GENERAL MEETINGS WITH SHAREHOLDERS	
9.4.1	Maintain records of all resolutions and the following information upon a resolution being considered at any General Meeting (a) The number of shares in respect of which proxy appointments have been validly made; (b) The number of votes in favour of the resolution; (c) The number of votes against the resolution; and (d) The number of shares in respect of which the vote was directed to be abstained.	Complied
9.4.2	Communication and relations with shareholders and investors a) Have a policy on effective communication and relations with shareholders and investors b) Disclose the contact person for such communication. c) Policy on relations with shareholders and investors shall include a process to make all Directors aware of major issues and concerns of shareholders d) When conducting of any shareholder meetings through virtual or hybrid means, compliance with the Guidelines issued by the Exchange	Complied
9.5	POLICY ON MATTERS RELATING TO THE BOARD OF DIRECTORS	
9.5.1	Establish and maintain formal policy governing matters relating to the Board a) Composition and Board Balance (Executive and Non-Executive), Role and function of Chairman and CEO and Procedure for Appraisal of Board Performance and appraisal of CEO	Complied
	b) Where Role of Chairman and CEO are combined Appointment of SID-Establish Board Charter inclusive of functions and safeguards for SID	Not Applicable
	c) Board diversity - experience, skills, competencies, age, gender, industry requirements d) Maximum number of Directors and rationale e) Frequency of Board meetings f) Mechanisms for ensuring that Directors are kept abreast of the Listing Rules and on-going compliance and/or non-compliance g) Specify the minimum number of meetings, in numbers and percentage, that a Director must attend, h) Requirements relating to trading in securities of the Listed Entity and its listed group Companies and disclosure of such requirements i) Specify the maximum number of directorships in Listed Entities that may be held by Directors. j) Participation at meeting of the Board and Board committees by audio visuals means and participation to be taken into account when deciding the quorum.	The company has established the Policy on Matters relating to the Board as Directors' and it is published on the Corporate Website

Rule		Adherence
9.5.2	Confirm compliance of 9.5.1 in Annual Report - If non compliant provide explanations with reasons and proposed remedial action.	Complied
9.6	CHAIRPERSON AND CEO	
9.6.1	Chairperson shall be a Non-Executive Director Chairperson and CEO shall not be held by the same individual, unless otherwise a SID is appointed	Complied Not Applicable
9.6.2	Market Announcement in the event Chairperson is an Executive Director and / or the positions of Chairman and CEO are held by the same individual.	Not Applicable
9.6.3	The Requirement for a SID (a) Appoint of an Independent Director as the SID in the following instances: i. The positions of the Chairperson and CEO are held by the same individual. ii. The Chairperson is an Executive Director. iii. The Chairperson and CEO are Close Family Members or Related Parties (b)-(e) Responsibilities and duties of SID	Not Applicable
9.6.4	Set out the rationale for appointment of SID in the Annual Report	Not Applicable
9.7	FITNESS OF DIRECTORS AND CEOS	
9.7.1	a) Listed Entities shall ensure that the Directors and CEO are at all times fit and proper persons as required in terms of these Rules. b) In evaluating fitness and propriety of the persons referred in these Rules. Listed Entities shall utilize the Fit and Proper Assessment Criteria set out in Rule 9.7.3 below.	Complied
9.7.2	Listed Entities shall ensure that the persons recommended by the Nominations and Governance Committee as Directors are fit and proper before such nominations are placed before Shareholders' meeting or appointments	Complied
9.7.3	'Fit and Proper Assessment Criteria' set out in Rule 9.7.3 a) Honesty, Integrity and Reputation - (i)-(vii) b) Competence and Capability -(i)-(ii) c) Financial Soundness -(i)-(iii)	Complied
9.7.4	Declarations to be obtained from Directors and CEO on an annual basis confirming that each of them have continuously satisfied the Fit and Proper Assessment Criteria set out in the Rules during the financial year concerned and satisfies the said criteria as at the date of such confirmation.	Complied
9.7.5	Disclosures in the Annual Report (a) Statement on Directors and CEO satisfying Fit and Proper Assessment Criteria (b) Any non-compliance/s and remedial action taken to rectify non compliance	 Complied Not Applicable
9.8	BOARD COMPOSITION	
9.8.1	The Board of Directors of a Listed Entity shall, at a minimum, consist of five (05) Directors.	Complied
9.8.2	Minimum Number of Independent Directors: (a) At least two (2) Independent Directors or such number equivalent to one third (1/3) of the total number of Directors at any given time, whichever is higher.	Complied
	(b) Any change occurring to this ratio shall be rectified within ninety (90) days from the date of the change.	Not Applicable

Corporate Governance

Rule		Adherence
9.8.3	Criteria for determining independence:	
	A Director shall not be considered independent if he/she: (i) Has been employed by the Listed Entity during the period of three (3) years immediately preceding appointment as Director (ii) Currently has/had during the period of three (3) years immediately preceding appointment as a Director, a Material Business Relationship with the Listed Entity, whether directly or indirectly. (iii) Currently has/had during the preceding financial year a close Family Member who is a Director and/or CEO in the Listed Entity. (iv) Has a Significant Shareholding in the Listed Entity. (v) Has served an aggregate period of nine (9) years on the Board of the Listed Entity from the date of the first appointment. (vi) Is employed in another Company or business; a) In which a majority of the other directors of the Listed Entity are employed or are directors; or b) In which a majority of the other directors of the Listed Entity have a Significant Shareholding or Material Business Relationship; or c) That has a Significant Shareholding in the Listed Entity or with which the Listed Entity has a Business Connection. (vii) Is a director of another Company; a) In which a majority of the other Directors of the Listed Entity are employed or are Directors; or b) That has a Business Connection in the Listed Entity or a Significant Shareholding. (viii) Has a Material Business Relationship or a Significant Shareholding in another company or business; a) In which a majority of the other Directors of the Listed Entity are employed or are Directors; and/or b) Which has a Business Connection with the Listed Entity or Significant Shareholding in the same; and/or c) Where the core line of business of such Company is in direct conflict with the line of business of the Listed Entity. (ix) Is above the age of seventy (70) years. Provided that a person above the age of seventy (70) years may nevertheless be considered independent if compliant with Rule 9.8.3 (ix) (a) to (d) and The requirements of sub clauses (a), (b) and (c) shall be repeated at each Annual General Meeting of the Listed Entity in respect of any director over the age of seventy years whom the Listed Entity wishes to continue to treat as independent.	Complied
9.8.5	The Board of Directors of Listed Entities shall require:	
	(a) Each Independent Director to submit a signed and dated declaration annually	Complied
	(b) Make an annual determination as to the “independence” of Independent Director and set out the names of Directors determined to be ‘independent’ in the Annual Report.	Complied
	(c) If independence is impaired against any of the criteria set out in Rule 9.8.3, an immediate Market Announcement is required	Not Applicable

Rule		Adherence
9.8.6	Enforcement Actions for Non-Compliance with Rules 9.8.1 and 9.8.2	
	A. In the event a Listed Entity fails to comply with Rules 9.8.1 and/or 9.8.2 of these Rules B. Where a Listed Entity has failed to comply with Rules 9.8.1 or 9.8.2 and has not disclosed of such noncompliance to the Exchange or the market	Complied with Rule 9.8.1 and 9.8.2 9.8.6 A and B Not Applicable
9.9	ALTERNATE DIRECTORS	
	Compliance with the following requirements and such requirements shall also be incorporated into the Articles of Association a) Alternate Directors shall only be appointed in exceptional circumstances and for a maximum period of one (1) year from the date of appointment b) If an Alternate Director is appointed for a Non-Executive Director such alternate should not be an executive Director. c) If an Alternate Director is appointed by an Independent Director, the person so appointed should meet the criteria of independence The Nominations and Governance Committee shall review and determine that the person nominated as the alternate would qualify as an Independent Director before such appointment is made. d) Immediate Market Announcement regarding the appointment of an Alternate Director e) Attendance of Alternate Director to be counted for the purpose of quorum at Board and Board Committee meetings.	Not applicable
9.10.	DISCLOSURES RELATING TO DIRECTORS	
9.10.1	Disclose its policy on the maximum number of directorships in Listed Entities Board members shall be permitted to hold as per Rule 9.5.1. Non compliance to be reported in the Annual Report (maximum number of Listed Company Directorships - 25).	Complied
9.10.2	Market announcement on appointment of new Director (i - iii)	Not Applicable
9.10.3	Immediate Market Announcement regarding any changes to the composition of the Board Committees (i - iii)	Not Applicable
9.10.4	Disclosure in Annual Report - Directors details	
	• Name, qualifications and brief profile • Nature of his/her expertise in relevant functional areas • Whether either the Director or Close Family Members has any material business relationships with other Directors • Whether Executive, Non-Executive and/or independent Director • Total number and names of Companies in Sri Lanka in which the Director concerned serves as a Director and/or KMP stating whether listed or unlisted, whether functions as executive or non-executive (If the directorships are within the Group names need not be disclosed) • Number of Board meetings attended • Names of Board Committees in which the Director serves as Chairperson or a member • Attendance of committee meetings	Complied
	• TOR and powers of SID	Not Applicable

Rule		Adherence
9.10.5	Non-Disclosure of Changes to Board and Committees A. Failure to disclose new appointments or changes to the Board of Directors B. Failure to disclose changes to the composition of Board Committees in terms of Rule 9.10.3 (ii)	Not Applicable
9.11	NOMINATIONS AND GOVERNANCE COMMITTEE	
9.11.1	Establishment of Nominations and Governance Committee	Refer Nomination and Governance Committee Report
9.11.2	Maintain a formal procedure for the appointment of new Directors and re-election of Directors to the Board through the Nominations and Governance Committee.	Complied
9.11.3	Written terms of reference	
9.11.4	Composition	
	(1) The members of the Nominations and Governance Committee shall; (a) Comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors. (b) Not comprise of Executive Directors of the Listed Entity (2) An Independent Director shall be appointed as the Chairperson (3) Identify Members in the Annual Report	
9.11.5	Functions	
	(i) Evaluate the appointment of Directors to the Board of Directors and Board Committees (ii) Recommend (or not recommend) the re-appointment/ re-election of current Directors (iii) Establish and Maintain a formal and transparent procedure to evaluate, select and appoint/ re-appoint Directors (iv) Establish and maintain a set of criteria for selection of Directors (v) Establish and maintain a suitable process for the periodic evaluation of the performance of the Board of Directors and the CEO of the Entity to ensure that their responsibilities are satisfactorily discharged. (vi) Develop a succession plan for the Board of Directors and Key Management Personnel (vii) Review the structure, size and composition of the Board and Board Committees with regard to effective discharge of duties and responsibilities (viii) Review and recommend the overall corporate governance framework of the Listed Entity taking into account the Listing Rules of the Exchange, other applicable regulatory requirements and industry/international best practices. (ix) Periodically review and update the Corporate Governance Policies / Framework of the Entity in line with the regulatory and legal developments relating to same, as a best practice. (x) Receive reports from the Management on compliance with the corporate governance framework of the Entity including the Entity's compliance with provisions of the SEC Act, Listing Rules of the Exchange and other applicable laws, together with any deviations/ non-compliances and the rational for same.	Complied
9.11.6	Disclosures in Annual Report Nomination & Governance Committee Report and contents to be incorporated -Sections (a)-(m)	Complied

Rule		Adherence
9.12	REMUNERATION COMMITTEE	Refer Remuneration Committee Report
9.12.1	The term "remuneration" shall make reference to cash and all non-cash benefits whatsoever received	Complied
9.12.2	Establishment of Remuneration Committee	
9.12.3	Establish and maintain a formal and transparent procedure for developing policy on Executive Directors' remuneration and for fixing the remuneration packages of individual Directors. No Director shall be involved in fixing his/her own remuneration.	
9.12.4	Remuneration for Non-Executive Directors should be based on a policy which adopts the principle of non-discriminatory pay practices among them to ensure that their independence is not impaired.	
9.12.5	Written terms of reference	
9.12.6	Composition	
	(1) The members of the Remuneration Committee shall;	
	(a) Comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors. (b) Not comprise of Executive Directors of the Listed Entity	
	(3) An Independent Director shall be appointed as the Chairperson.	
9.12.7	Functions	
	(1) Recommend the remuneration payable to the Executive Directors and CEO of the Listed Entity and/or equivalent position thereof to the Board of the Listed Entity which will make the final determination upon consideration of such recommendations. (2) Engage any external Consultant or expertise that may be considered necessary to ascertain or assess the relevance of the remuneration levels applicable to Directors and CEO.	
9.12.8	Disclosure in Annual Report	
	a) Names of the Chairperson and members of the Remuneration Committee and the nature of directorships held by such members (b) A statement regarding the remuneration policy; and, (c) The aggregate remuneration of the Executive and Non-Executive Directors	
9.13	AUDIT COMMITTEE	Refer Audit Committee Report
9.13.1	Where Listed Entities do not maintain separate Committees to perform the Audit and Risk Functions, the Audit Committee of such Listed Entities shall additionally perform the Risk Functions	Complied
9.13.2	Written terms of reference	Complied

Rule		Adherence
9.13.3	Composition	Complied
	(1) The members of the Audit Committee shall; (a) Comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors. (b) Not comprise of Executive Directors of the Listed Entity	
	(2) Quorum - requires that the majority of those in attendance to be independent Directors.	Complied
	(3) Compulsorily to meet on a quarterly basis prior to recommending the financials to be released to the market.	Complied
	(4) An Independent Director shall be appointed as the Chairperson of the Audit Committee by the Board of Directors.	Complied
	(5) Unless otherwise determined by the Audit Committee, the CEO and the Chief Financial Officer (CFO) of the Listed Entity shall attend the Audit Committee meetings by invitation. Provided however where the Listed Entity maintains a separate Risk Committee, the CEO shall attend the Risk Committee meetings by invitation.	Representatives of the Managers & Secretaries were in attendance by invitation.
	(6) The Chairperson of the Audit Committee shall be a Member of a recognized professional accounting body. Provided however, this Rule shall not be applicable in respect of Risk Committees where a Listed Entity maintains a separate Risk Committee and Audit Committee.	Complied
9.13.4	Functions Detailed in Rule (1) (i) -(xiii) and (2)	Complied
9.13.5	Disclosures in Annual Report	Complied
	Audit Committee Report (a) Names of chairperson and members with nature of directorship (b) Status of risk management and internal control – Company and group (c) Statement on CEO and CFO assurance on operations and finances (d) Opinion on compliance with Financial reporting requirements, information requirements Listing Rules, Companies Act, SEC Act and any other requirements. (e) Availability of formal Audit Charter (f) Internal audit assurance and summary of the work internal audit function (g) Details demonstrating effective discharge of functions and duties (h) Statement on external auditors' assurance on their independence (i) Confirmation on determining auditor's independence	

Rule		Adherence
9.14	RELATED PARTY TRANSACTIONS REVIEW COMMITTEE	Refer Related Party Transactions Review Committee Report
9.14.1.	Establishment of Committee Listed Entities shall have a Related Party Transactions Review Committee that conforms to the requirements set out in Rule 9.14 of these Rules	Complied
9.14.2	Composition (1) The Related Party Transactions Review Committee shall comprise of; • Minimum three (03) Directors out of which a minimum of two (02) members shall be Independent Directors • May comprise of Executive Directors • An Independent Director shall be appointed as the Chairperson	Complied
9.14.3	Functions	
	(1) Committee shall be responsible for reviewing the Related Party Transactions (2) Objective - ensure that the interests of shareholders as a whole are taken into account when entering into Related Party Transactions. (3) The objective and the economic and commercial substance of the Related Party Transactions should take precedence over the legal form and technicality. (4) Establish and maintain a clear policy, procedure and process in place for the identification, clarification and reporting the Related Party Transactions on an end-to-end basis across the Entity's operations	Complied
9.14.4	General Requirements	
	(1) The Related Party Transactions Review Committee shall meet at least once a calendar quarter. It shall ensure that the minutes of all meetings are properly documented and communicated to the Board of Directors.	Complied
	(2) Should ensure having access to, enough knowledge or expertise to assess or aspects of proposed Related Party Transactions, and where necessary obtain appropriate professional and expert advice from appropriately qualified person when necessary.	
	(3) Board of Directors to approve RPT when required by the committee	
	(4) If a Director has a material personal interest in a matter being considered at a Board Meeting to approve a Related Party Transaction as required in Rule 9.14.4(3), such Director shall not: (a) be present while the matter is being considered at the meeting; and, (b) vote on the matter.	Not Applicable
9.14.5	Review of Related Party Transactions by the Related Party Transactions Review Committee (1-6)	Complied

Rule		Adherence
9.14.6	Shareholder Approval	
	1. Listed Entities shall obtain shareholder approval by way of a Special Resolution for the following Related Party Transaction. a) Non-recurrent transactions i) Transactions exceeding one third (1/3) of the Total Assets as per the latest Audited Financial Statements ii) Transactions exceeding one third (1/3) of the Total Assets as per the latest Audited Financial Statements when aggregated with other non- recurrent transactions entered into with the same Related Party during the same financial year iii) Acquisition of substantial asset from, or disposal of a substantial asset to, any Related Party of the Entity or its associates	Complied
	b) Recurrent transactions (i) One third (1/3) of the gross revenue (or equivalent term for revenue in the Income Statement) and in the case of group entity consolidated group revenue of the Entity as per the latest Audited Financial Statements; or (ii) One third (1/3) of the gross revenue (or equivalent term for revenue in the Income Statement) and in the case of group entity consolidated group revenue of the Entity as per the latest Audited Financial Statements of the Entity, when aggregated with other recurrent transactions entered into with the same Related Party during the same Financial year; and; (iii) The transactions are not in the ordinary course of business and in the opinion of the Related Party Transactions Review Committee, are on terms favorable to the Related Party than those generally available to the public.	Not Applicable
9.14.7	Disclosures	
	(1) Immediate Disclosures A Listed Entity shall make an immediate Market Announcement to the Exchange (a) Any non-recurrent Related Party Transaction with a value exceeding 10% of the Equity or 5% of the Total Assets whichever is lower, of the Entity as per the latest Audited Financial Statements; or (b) Of the latest transaction, if the aggregate value of all non- recurrent Related Party Transactions entered into with the same Related Party during the same Financial year amounts to 10% of the Equity or 5% of the Total Assets whichever is lower, of the Entity as per the latest Audited Financial Statements. Subsequent non-recurrent transactions which exceed 5% of the Equity of the Entity, entered into with the same Related Party during the Financial year.	Not Applicable

Rule		Adherence
9.14.8	Disclosures in the Annual Report (1) to (4)	Not Applicable
9.14.9	Acquisition and Disposal of Assets From/to Related Parties	
	1) Shareholder approval is required by Special Resolution for the acquisition from or disposal of substantial assets to Related Companies. [Subject to exemptions as per Rule 9.14.9 (3)] 2) Substantial Value of the asset or the value of the consideration relating to such asset exceeds 1/3 of the Total Assets.	Not Applicable
	(3) Rule 9.14.9 (1) does not apply to:	
	a) Transactions between the Listed entity and a wholly owned subsidiary. b) Transaction between wholly owned subsidiaries of the Listed Entity. c) Takeover offer made by the Listed Entity in accordance with Takeovers and Mergers Code 1995 (as amended). d) Any transaction entered into by the Listed Entity with a bank as principal, on arm's length terms and in the ordinary course of it's banking business.	
	(4) a) The Related Party Transactions Review Committee should obtain competent independent advice from independent professional experts with regard to the value of the substantial assets of the Related Party Transaction under consideration. b) Person who is in the same group of the Listed Entity or significant interest in or financial connection with the Listed Entity or the relevant Related Party shall not be eligible to give such advice.	
	(5) Independent advice obtained should be circulated with the notice of meeting to obtain the shareholder approval	
	(6) The competent independent advice required in terms of Rule 9.14.9 (4) shall include:	
	a) Key assumptions, conditions or restrictions that impact the estimate value. b) The different valuation methodologies considered in valuing the subject asset/s and justification for adopting one or more of them in the valuation. c) Sources of information relied upon for the valuation. d) Identity of individuals participating in the valuation assignment and their qualifications. e) Confirmation of the independence of the parties participating in the advice. f) A statement as to whether the transaction is on usual commercial terms, in ordinary and usual course of business, fair and reasonable and in the interests of the Listed Entity and its shareholders.	
9.14.10	Exempted Related Party Transactions	

Rule		Adherence
	(a) Subject to Rule 9.14.8 (2), transactions with Related Parties which are recurrent, of revenue or trading nature and which is necessary for day-to-day operations of a Listed Entity or its subsidiaries and, in the opinion of the Related Party Transactions Review Committee, terms are not favorable to the Related Party than those generally available to the public. (b) The payment of dividend, issue of Securities by the Listed Entity by way of a capitalization of reserves, the exercise of Rights, options or warrants (subject to Rules contained in Section 5 and 7 of these Rules), sub-division of shares or consolidation of shares. (c) The grant of options, and the issue of Securities pursuant to the exercise of options, under an employee share option scheme/employees share purchase scheme (subject to Rule 5.6 of these Rules). (d) A transaction in marketable securities carried out in the open market where the counterparty's identity is unknown to the Listed Entity at the time of the transaction. (e) The provision or receipt of financial assistance or services, upon usual commercial terms and in the ordinary course of business, from a Company whose activities are regulated by any written law relating to licensed banks, Finance Companies or insurance Companies or are subject to supervision by the Central Bank of Sri Lanka or Insurance Board of Sri Lanka. (f) Directors' fees and remuneration, and employment remuneration	Complied
9.15	PENALTIES FOR NON-COMPLIANCE WITH BOARD COMMITTEE COMPOSITION REQUIREMENTS	Not Applicable
	A. When a Listed Entity fails to comply with Rules 9.11.4(1), 9.11.4(2), 9.12.6, 9.13.3(1), 9.13.3(4), 9.13.3(6), or 9.14.2 (i) - (vi) B. Where a Listed Entity has failed to comply with Rules 9.11.4(1), 9.11.4(2), 9.12.6, 9.13.3(1), 9.13.3(4), 9.13.3(6) or 9.14.2 and has not disclosed of such non-compliance to the Exchange or the market: - If non-compliance is rectified: (a) - (b) - If non-compliance is not rectified: (c) - (e)	Not Applicable
9.17	ADDITIONAL DISCLOSURES BY BOARD OF DIRECTORS	
	(i) Declared all material interests in contracts involving the entity and that they have refrained from voting on matters in which they were materially interested (ii) Conducted a review of the internal controls covering Financial, operational and compliance controls and risk management and obtained reasonable assurance of their effectiveness and successful adherence, and, if unable to make any of these declarations an explanation on why it is unable to do so; (iii) Made arrangement to make themselves aware of applicable laws, rules and regulations and are aware of changes particularly to Listing Rules and applicable capital market provisions; (iv) Disclosure of relevant areas of any material non-compliance with law or regulation and any fines, which are material, imposed by any government or regulatory authority in any jurisdiction where the Entity has operations.	Complied

Rule		Adherence
9.18	ENFORCEMENT PROCEDURE FOR NON-COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS	
	a) Immediate Market Announcement on non compliance in the event of failure to comply with any of the requirements contained in Rules 9.3.1, 9.8.1, 9.8.2(a), 9.11.4(1),9.11.4(2), 9.12.6, 9.13.3(1),9.13.3(4),9.13.3(6) or 9.14.2 about such non-compliance within one (1) Market Day from the date of the non-compliance. Announcement shall be repeated on the first (1st) Market Day of each calendar month until the Entity becomes compliant with these Rules. b) The non-compliance must be rectified within three (03) months from the date of non-compliance. c) If not rectified within three months, the Entity's Securities shall be transferred to the Watch List immediately upon the expiration of the said period. d) While the Securities are on the Watch List, Directors, CEO, their Close Family Members, parent Entity, and entities where they hold 50% or more voting rights, cannot transact in the Entity's Securities without prior SEC approval. This restriction continues for three (03) months after resignation or until compliance is restored-whichever is earlier. e) Upon being placed on the Watch List, the Entity must make a Market Announcement including: • The remedial action proposed within six (06) months. • The following statements: i) Any change in the plan will be announced within 1 Market Day after Board approval. ii) If the plan is not implemented within 6 months, trading will be suspended. iii) If suspension lasts more than 6 months, delisting will follow. f) At the first General Meeting following the transfer to the Watch List, shareholders must be informed of the non-compliance, remedial actions, and that continued failure will result in suspension and potential delisting. g) The outcome of the above General Meeting must be announced to the Market by the next Market Day, including any decisions made. h) The Entity must rectify non-compliance within six (06) months from the date of Watch List transfer. i) Failure to comply within six months will result in trading suspension. The Exchange will also announce the enforcement action and any penalties imposed. j) In addition to actions under 9.18(c) and 9.18(i), the Exchange shall impose penalties on the Listed Entity and/or its Directors as of the date of non-compliance. k) If suspension exceeds six (06) months, the Securities shall be delisted under Rule 11.3. l) The Exchange's decision to delist the Securities and any attached conditions shall be communicated to the SEC.	Not Applicable

Risk Management Report

Risk management is a mission-critical function of C M Holdings PLC. Our corporate strategy mandates the identification and assessment of all risks that underpin our corporate objectives. It is important to prevent the business from being adversely impacted by these risks and to mitigate and manage them in order to maximize positive outcomes. Our risk management philosophy involves identifying and taking steps to reduce and eliminate exposure to potential losses faced by the Company. In managing the Company's risks, many tools and techniques, including but not limited to a comprehensive Risk Register, a Risk Grid, and discussions at Board meetings, have been designed and implemented successfully.

Risk Factors Operational Risk

Operational risk relates to the effectiveness of our people, integrity of our internal systems and processes as well as external events that affect the operation of our businesses. It includes quality of the maintenance and ancillary services, business disruption, human resources and reputation.

Legal and Compliance Risk

Legal and compliance risk relates to changes in the Government and regulatory environment, as well as compliance with regulatory and statutory requirements, policies, and procedures, including those relating to financial reporting, environmental matters, health and safety, and intellectual property. Government and regulatory risk is the risk that the Government or regulatory authorities will impose changes to the Company's enabling laws and regulations, resulting in additional costs or causing changes to the Company's business models or practices.

Financial Risk

Financial risk relates to our ability to meet financial obligations and mitigate credit risk, liquidity risk and exposure to broad market risks, including interest rates, commodity price risk and the market prices of publicly tradable securities the Company invests. Liquidity risk is the risk of being unable to accommodate liability maturities, fund asset growth and meet contractual obligations through access to funding at reasonable market rates. Credit risk is the risk of financial losses arising from a customer or counterparty failing to meet its contractual obligations to the Company.

The Company faces several operational risks on an ongoing basis. Additional risks and uncertainties not presently known to management or currently deemed to be less material may have an adverse impact on the business and which the Management endeavors to mitigate at all times.

Audit Committee Report

The Audit Committee has the responsibility of assisting the Board in fulfilling its overall responsibility to the shareholders in relation to the integrity of the Company's financial reporting process in accordance with the Companies Act and other legislative reporting requirements including the adequacy of disclosures in the financial statements in accordance with the Sri Lanka Accounting Standards. The Terms of References of the Audit Committee defines the authority of the Committee and is periodically reviewed and revised with the concurrence of the Board.

Composition

In compliance with Corporate Governance Rules of the Colombo Stock Exchange, the Company constituted its independent Audit Committee comprising the following members.

Mr. E.D.P. Soosaipillai – Chairman Independent Non-Executive Director
Mr. A.I. Piyadigama – Member, Independent Non-Executive Directo
Mr. S. Rajaratnam – Member, Non-Executive Director

The members have varied experience, financial knowledge and business acumen to carry out their role effectively and efficiently. The Chairman of the Committee, Mr. E.D.P. Soosaipillai, Independent Non-Executive Director, is a Fellow member of the Institute of Chartered Accountants of Sri Lanka. The Committee has extensive experience in financial oversight and audit, financial expertise and regulatory compliance. All three members are finance professionals. Brief profiles of the Audit Committee members are given on pages 5 and 6.

The Company's Secretaries, Corporate Managers & Secretaries (Private) Limited functions as the Secretaries to the Audit Committee.

Meeting and Attendance

The Audit Committee has met on 06 occasions during the financial year ended 31st March 2026 and the attendance was as follows:

Name	15/05/2025	02/06/2025	04/08/2025	28/10/2025	06/02/2026	06/03/2026	
Mr. E.D.P. Soosaipillai	1	1	1	1	1	1	6/6
Mr. A.I. Piyadigama	1	1	1	1	1	1	6/6
Mr. S. Rajaratnam	1	1	1	1	1	1	6/6

Meetings of the Audit Committee were held in each calendar quarter of the financial year.

In addition to Meetings, matters referred to the Committee were reviewed and recommended in writing, to the Board for approval.

Other members of the Board, the Chief Executive Officer (CEO) and representatives from Corporate Managers & Secretaries (Private) Limited, Managers & Secretaries are invited to attend meetings as and when required. The proceedings of the Audit Committee are regularly reported to the Board. The CEO of C M Holdings PLC resigned with effect from 31st October 2025.

Terms of Reference

The Committee is governed by specific terms of reference set out in the Terms of Reference. The Committee focuses on the following objectives in discharging its responsibilities taking into consideration the terms of reference together with the requirements of the Listing Rules of the Colombo Stock Exchange.

a) Risk Management.
b) Efficiency of the system of internal controls.
c) Independence and objectivity of the External (Statutory) Auditors.
d) Appropriateness of the principal accounting policies used.
e) Financial Statement integrity.

Audit Committee Report

Role of the Audit Committee

The Audit Committee principally performs an advisory role to the Board and its main objective is to assist the Board of Directors by advising the management in ensuring that the Company follows best practices of sound financial reporting and adhering to relevant accounting standards and principles, adequacy of internal controls and risk control measures, efficient management reporting systems and adherence to other statutory requirements. In fulfilling this role, the Audit Committee is empowered to examine the financial records of the Company and other communications as necessary in order to ensure that the Company adheres to accepted norms of ethical guidelines, rules and regulations.

The Audit Committee recommends to the Board the appointment or re-appointment of external Auditors ensuring independence and maintains a close professional relationship with them. The Committee also recommends to the Board the fees payable to external Auditors.

Activities during the year

Risk management, internal control and financial reporting

The committee obtained and reviewed the statements from management confirming that adequate internal control measures are in place and implemented in the Company, including but not limited to a statement of assurance from the CEO and the Director of Corporate Managers & Secretaries (Private) Limited on the Company's operations and finances. A risk management framework based on a Board approved Risk Appetite Statement, a quarterly updated Risk Register and Risk Grid were operationalised this year. This will be developed in the next year and be subject to review and improvement over time.

The Audit Committee reviewed the financial reporting system adopted to prepare Financial Statements to ensure that the reliability of the process and consistency of the accounting policies and methods adopted are in compliance with financial reporting requirements, information requirements under the CSE Listing Rules, the Companies Act, the SEC Act, Sri Lanka Accounting Standards (SLFRS/LKAS) and other relevant financial reporting related regulations and requirements.

The Committee is reasonably satisfied that adequate internal controls and procedures are in place to provide reasonable assurance that the Company's assets are safeguarded.

A formal Internal Audit Charter has been compiled, and the Internal Audit function was implemented and carried out during the year 2025/26 period.

The Committee effectively discharged its apex function of reviewing and recommending the quarterly unaudited financials and the annual audited financials for approval of the Board.

External Audit

The Company has appointed Deloitte Partners (formerly PricewaterhouseCoopers) as its External Auditors and the services provided by them are segregated between audit/ assurance services and other advisory services such as tax consultancy.

Deloitte Partners (formerly PricewaterhouseCoopers) has also issued a declaration as required by the Company's Act No. 07 of 2007 that they do not have any relationship or interest in any of the companies in the Group, which may have a bearing on the independence of their role as Auditors.

The Audit Committee has evaluated the auditor's independence and determined that they are in fact independent and objective in their role. No non-audit work was performed by them or affiliated parties in the year under review, other than tax advisory services. Audit Partner rotation is under review by the committee as is auditor rotation and appropriate recommendations will be made to the Board in the next year.

The Committee after evaluating the independence and performance of the External Auditors has recommended to the Board the reappointment of Messrs. Deloitte Partners for the financial year ending 31st March, 2027 subject to the approval of the Shareholders at the Annual General Meeting of the Company.

E.D.P. Soosaipillai
Chairman

31 July 2026

Report of the Related Party Transactions Review Committee

The Related Party Transactions Review Committee (RPTRC) is entrusted with the responsibility of ensuring that the interests of the Shareholders are taken into consideration when entering into transactions with a Related Party.

Composition

In compliance with the Corporate Governance Rules of the Colombo Stock Exchange, the Company constituted its Independent Related Party Transactions Review Committee comprising the following members.

Mr. E.D.P. Soosaipillai - Chairman, Independent Non-Executive Director
Mr. A.I. Piyadigama - Member, Independent Non-Executive Director
Mr. S. Rajaratnam - Member, Non-Executive Director

The Committee has extensive experience in financial oversight, regulatory compliance and business acumen in order to carry out their role efficiently and effectively. All three members are finance professionals. Brief profiles of the Committee members are given on pages 5 and 6.

The Company's Secretaries, Corporate Managers & Secretaries (Private) Limited functions as the Secretaries to the Committee.

Moreover, the Director and senior management from Corporate Managers & Secretaries (Private) Limited, Managers & Secretaries, other Directors and the CEO are invited to the meetings as and when required. The CEO of C M Holdings PLC resigned with effect from 31st October 2025.

Meetings of the Committee

The Related Party Transactions Review Committee has met on 4 occasions in respect of C M Holdings PLC during the financial year ended 31st March, 2026. A Meeting was held in each calendar quarter during the financial year ended 31st March, 2026 and the attendance is as follows;

Name	15/05/2025	04/08/2025	28/10/2025	06/02/2026	
Mr. E.D.P. Soosaipillai	1	1	1	1	4/4
Mr. A.I. Piyadigama	1	1	1	1	4/4
Mr. S. Rajaratnam	1	1	1	1	4/4

In addition to these Meetings, Related Party Transactions were referred to the RPTRC and have been reviewed and recommended by Resolutions in writing

During the period, the RPTRC has reviewed and recommended to the Board for approval, Related Party Transactions in a manner consistent with the Listing Rules in respect of C M Holdings PLC and the activities and views of the Committee are communicated on a regular basis to the Board of Directors.

The Committee is free to seek external professional advice on matters within their purview when necessary.

Report of the Related Party Transactions Review Committee

Policies, Procedures and Functions of the Committee

The policies and procedures adopted by the Related Party Transactions Review Committee when reviewing and recommending transactions are consistent with Section 9.14 of the Listing Rules of the Colombo Stock Exchange.

The functions of the Committee are as follows,

- To identify the persons/entities considered to be Related Parties.
- Review all proposed Related Party Transactions. (Except for transactions which are exempt)
- Advise Management on Related Party Transactions and where necessary direct the transactions for Board approval/ Shareholder approval as deemed appropriate.
- Obtain updates on previously reviewed Related Party Transactions from Senior Management and approve any material changes.
- Establish guidelines for Senior Management to follow in ongoing dealings with Related Parties.
- Review and assess on an annual basis the transactions for Compliance against the Committee guidelines.
- Ensuring that immediate market disclosures and disclosures in the Annual Report are made as required by the applicable rules and regulations.

Conclusion

The Related Party Transactions Review Committee has reviewed the Related Party Transactions entered into during the financial year under review and has communicated its comments and observations to the Board of Directors.

The Board of Directors have also declared in the Annual Report of the Board of Directors that there were no recurrent/ non-recurrent related party transactions which exceeded the respective disclosure thresholds stated in Section 9.14 of the Colombo Stock Exchange Listing Rules.

The Company has complied with the requirements of Section 9.14 of the CSE Listing Rules on Related Party Transactions.

E D P Soosaipillai
Chairman

31 July 2026

Report of the Remuneration Committee

The principal function of the Remuneration Committee is to assist the Board in developing and administering an equitable and transparent method for setting policy on the overall human resources strategy of the Group and the remuneration of the Directors, and senior management of the Group. There is a Board approved nondiscriminatory remuneration policy for all Non-Executive Directors to ensure that their Independence is not impaired.

Composition

In compliance with the Corporate Governance Rules of the Colombo Stock Exchange, the Company has constituted its Remuneration Committee comprising the following members.

Mr. E.D.P. Soosaipillai - Chairman (Independent Non-Executive Director)
Mr. A.I. Piyadigama - Member (Independent Non-Executive Director)
Mr. S.D.R. Arudpragasam - Member (Non-Executive Director)

A brief profile of the Members is given on pages 5 and 6 of the Annual Report.

The Company's Secretaries, Corporate Managers & Secretaries (Private) Limited functions as the Secretaries to the Remuneration Committee.

All managerial and secretarial services are provided by Corporate Managers & Secretaries (Private) Limited to whom a fee is paid.

Meeting and Attendance

The Remuneration Committee has met on 01 occasion during the financial year ended 31st March 2026 and the attendance was as follows:

Name	15/05/2025	
Mr. E.D.P. Soosaipillai	1	1/1
Mr. A.I. Piyadigama	1	1/1
Mr.S.D.R. Arudpragasam	1	1/1

Other members of the Board, the Chief Executive Officer and Managers from Corporate Managers & Secretaries (Private) Limited are invited to attend meetings as and when required. The proceedings of the Remuneration Committee are reported to the Board.

The aggregate remuneration of the Executive and Non-Executive Directors for the financial year ended 31st March 2026 is Rs. 16,800,000/-.

E.D.P. Soosaipillai
Chairman

31 July 2026

Nominations & Governance Committee Report

The Nomination & Governance Committee ensures that the governance framework of the Company aligns with the requirements of the Colombo Stock Exchange (CSE), and the Securities and Exchange Commission of Sri Lanka (SEC).

The Committee supports the Board in fulfilling its statutory and fiduciary responsibilities relating to the corporate governance and selection/appointment of new Directors, re-appointment of current Directors, selection and appointment of the CEO and the Executive Directors and senior management to ensure the highest levels of Corporate Governance in the Company and among members of the Board of Directors.

There is a formal and transparent procedure for the appointment of new Directors to the Board, and the re-election and reappointment of current Directors which is in accordance with the recommendations made by the Nominations & Governance Committee, in consultation with the Chairman and in compliance with the provisions of the Articles of Association of the Company, the Policies adopted by the Company and the Rules on Corporate Governance.

The composition and the scope of work of the Committee are in line with the Terms of Reference of the Committee which is periodically reviewed and revised with the concurrence of the Board.

Composition

In compliance with the Corporate Governance Rules of the Colombo Stock Exchange, the Company has constituted its Nominations and Governance Committee comprising the following members.

Mr. E.D.P. Soosaipillai - Chairman
(Independent Non-Executive Director)

Mr. A.I. Piyadigama - Member
(Independent Non-Executive Director)

Mr. S. D. R. Arudpragasam - Member
(Non- Executive Director)

Brief profiles of the Members are given on pages 5 and 6 of the Annual Report.

Meeting Attendance

The Nomination & Governance Committee has met on 02 occasions during the financial year ended 31st March 2026 and the attendance was as follows:

Name	15/05/2025	31/03/2026	
Mr. E.D.P. Soosaipillai	1	0	1/2
Mr. A.I. Piyadigama	1	1	2/2
Mr. S.D.R. Arudpragasam	1	1	2/2

Other members of the Board and Senior Management from Corporate Managers & Secretaries (Private) Limited, Managers & Secretaries, are invited to attend meetings as and when required. The CEO of C M Holdings PLC resigned with effect from 31st October 2025. The Company's Secretaries Corporate Managers & Secretaries (Pvt) Ltd functions as the Secretaries to the Committee. The proceedings of the Nominations and Governance Committee are reported to the Board.

Purpose of the Committee

The Committee oversees the corporate governance structure of the organization, providing an overview of the principles, policies, and practices of the Board of Directors. This framework enables the company to meet its regulatory governance requirements.

Moreover, the Committee is responsible for reviewing and recommending improvements to the Company's governance policies and practices.

The Committee monitors the effectiveness of compliance with the relevant regulatory and legal requirements and makes recommendations to the Board on such matters and any corrective action to be taken, as the Committee may deem appropriate.

Whilst exercising the oversight with respect to the corporate governance by the Board of Directors, the Committee also considers and recommends succession arrangements from time to time for the retiring Directors, the Chief Executive Officer, and senior management taking into account the additional/ new expertise required. The Committee regularly reviewed the structure, size, composition, including gender representation and competencies (including the skills, knowledge and experience) of the Board members and made recommendations to the Board with regard to any changes.

The fitness and propriety of the Directors were considered during the year as and when required to ensure compliance with requirements and Corporate Governance Rules of the CSE.

Performance evaluations of the Board were conducted and discussed.

Recommendations have been made to the Board of Directors by the committee when nominating Directors for re-election/ re-appointment at the forthcoming Annual General Meeting.

An annual update was given to existing Directors on Corporate Governance, Listing Rules, securities market regulation and other applicable laws and regulations. Any major issues relating to the Company are communicated to the Independent Directors and special meetings of the Board are held when the need arises to address such matters.

Reappointments/Re-elections

In terms of the Articles of the Association, any Director appointed by the Board holds office until the next Annual General Meeting at which he seeks re-election by the Shareholders.

The Articles of Association require one third or a number nearest to one third of the Directors in office to retire at each Annual General Meeting. The Director/s to retire in each year is who has been longest in office since his/her last election. The retiring Director is eligible for re-election by the Shareholders.

Accordingly, and in terms of the Articles of Association of the Company, the respective members of the Committee, while abstaining from participating in recommendations concerning their own re-election or re-appointment, recommended to the Board the re-election of Mr. Sanjeev Rajaratnam and Mr. Anushman Rajaratnam who retire by rotation, and the re-appointment of Mr. S.D.R. Arudpragasam as a Director in terms of Section 211 of the Companies Act No. 7 of 2007, at the forthcoming Annual General Meeting to be held on 10 September 2026, based on their performance and contribution towards achieving the objectives of the Board.

In view of the pivotal leadership role played by Mr. S.D.R. Arudpragasam, Chairman, his Management oversight skills, integrity, expertise, extensive experience and business acumen, the Committee has recommended to the shareholders to reappoint Mr. S.D.R. Arudpragasam, who is over seventy years of age and who retires in terms of Section 210 of the Companies Act No. 7 of 2007.

Mr. Soosaipillai and Mr. Piyadigama who are Independent Non-Executive Directors, meet the criteria for independence as set out in Listing Rule 9.8.3 of the Colombo Stock Exchange and were determined to be independent by the Board.

The Directors coming up for re-election or reappointment do not have any close family relationship with the directors, the listed entity nor do they have any relationship with shareholders holding over 10% of shares, other than disclosed hereunder.

Nominations & Governance Committee Report

Information of Directors who are to be re-elected/reappointed at the AGM are as follows:

Board Member	Date first appointed Director	Date last re-appointed/ re-elected as a Director	Board Committees served on	Any relationships including close family relationships between the member and the directors of C M Holdings, the Company or its shareholders holding more than ten per-centum (10%) of the shares of C M Holdings PLC
Mr. S. D. R. Arudpragasam – Chairman (Non-Executive Director)	30/09/1999	30/06/2025	Nominations & Governance Committee and Remuneration Committee	Mr. S. D. R. Arudpragasam is a Director of the Parent Company The Colombo Fort Land & Building PLC which hold 60.99% of equity in CMH as at 31/03/2026
Mr. Sanjeev Rajaratnam	04/07/2007	27/09/2023	Audit Committee and Related Party Transactions Review Committee	Mr. Sanjeev Rajaratnam is a Director of the Parent Company The Colombo Fort Land & Building PLC which hold 60.99% of equity in CMH as at 31/03/2026
Mr. Anushman Rajaratnam	08/10/2013	26/09/2024	None	Mr. Anushman Rajaratnam is a Director of the Parent Company The Colombo Fort Land & Building PLC which hold 60.99% of equity in CMH as at 31/03/2026

The names, qualifications, principal commitments and other Directorships or Chairmanships of the aforesaid Directors coming up for re-election or reappointment and of the rest of the Board members of C M Holdings PLC are given in their profiles on pages 5 and 6 and under the caption "Details of Directors' other Directorships appearing on pages 11 to 14.

The Corporate Governance requirements stipulated under the Listing Rules of the CSE have been met by the Company as per the details given on pages 15 to 27.

E.D.P. Soosaipillai
Chairman

31 July 2026

Annual Report of the Board of Directors

The Board of Directors of C M Holdings PLC present their Report on the affairs of the Company together with the Audited Financial Statements for the year ended 31st March 2026.

The details set out herein provide the pertinent information required by the Companies Act No. 07 of 2007, and the Colombo Stock Exchange Listing Rules and are guided by recommended best practices.

General

The Company was re-registered on 1st July 2008 as required under the Companies Act No. 07 of 2007.

Principal Activities/Business Review

The principal activities of the Company together with those of its subsidiary companies are given in Note 1 to the Financial Statements on page 52 There has been no change in the nature of this activity during the year. A review of the Company's business and its performance during the year with comments on financial results is contained in the Chairman's Review and Management Review & Analysis which together with the financial statements reflect the state of affairs of the Company.

The Directors, to the best of their knowledge and belief, confirm that the Company has not engaged in any activities that contravene laws and regulations and prudential requirements and that there are no material non-compliances.

Financial Statements

The Financial Statements of the Company and the Group are given on pages 47 to 126.

Auditors' Report

The Auditors' Report on the Financial Statements is given on pages 42 to 46.

Accounting Policies

The Accounting Policies adopted in the preparation of the Financial Statements are given on Pages 52 to 74.

Interest Register

Directors' Interest in Transactions

The Directors have made general disclosures as provided for in Section 192(2) of the Companies Act No. 07 of 2007.

Arising from this, details of contracts in which they have an interest are disclosed in Note 32 to the Financial Statements on pages 122 to 125.

The Directors further declare that the Company had not entered into any contracts in which the Directors had a material interest.

Neither the Directors nor their close family members have had any material business relationships with other Directors.

Directors' Interest in Shares

The Directors of the Company who have an interest in the shares of the Company have disclosed their shareholdings and any acquisitions/disposals to the Board in compliance with Section 200 of the Companies Act No. 07 of 2007. The acquisitions/disposals are routinely notified to the Colombo Stock Exchange.

Details pertaining to Directors' direct shareholdings are set out below.

Name of the Director	No. of Shares As at 31.03.2026	No. of Shares As at 31.03.2025
Mr. S. D. R. Arudpragasam	-	-
Mr. S. Rajaratnam	-	-
Mr. Anushman Rajaratnam	-	-
Mr. R. M. M. J. Ratnayake	1850	185
Mr. Amrit Rajaratnam	-	-
Mr. E. D. P. Soosaipillai	-	-
Mr. A. I. Piyadigama	-	-

Directors' Remuneration

Directors' remuneration in respect of the Company and the Group for the financial year is given in Note 24 to the financial statements on page 119.

Directorate

The names of the Directors who held office during the financial year are given below and brief profiles of the Directors appear on Pages 5 and 6.

Mr. S. D. R. Arudpragasam - Chairman
Mr. S. Rajaratnam - Director
Mr. Anushman Rajaratnam - Director
Mr. R. M. M. J. Ratnayake - Director
Mr. E.D.P. Soosaipillai - Director
Mr. A.I. Piyadigama - Director
Mr. Amrit Rajaratnam - Director

In terms of Articles 88 and 89 of the Articles of Association, Mr. Sanjeev Rajaratnam retires by rotation and being eligible offers himself for re-election.

Annual Report of the Board of Directors

In terms of Articles 88 and 89 of the Articles of Association, Mr. Anushman Rajaratnam retires by rotation and being eligible offers himself for re-election.

Mr. S.D.R. Arudpragasam, Director, being over seventy years of age, retires and offers himself for reappointment under and by virtue of the Special Notice received from a shareholder of the Company which is referred to in the Notice of Meeting.

Corporate Donations

No donations to charities were made by the Company for the financial year 2025/2026. (2024/2025- Nil).

Auditors

The Financial Statements of the Company for the year have been audited by Messrs. Deloitte Partners who were reappointed as Auditors at the Annual General Meeting held on 30th June 2025. A resolution to reappoint them and to authorise the Directors to determine their remuneration will be proposed at the Annual General Meeting.

The remuneration payable by the Company and the Group to the Independent Auditors is given in Note 24 to the Consolidated Financial Statements on page 119.

The Directors are satisfied that, based on written representations made by the Independent Auditors to the Board; the Auditors do not have any relationship or any interest with the Company and its subsidiaries that would impair their independence.

Revenue

The Revenue of the Group for the year was Rs. 1.32 Bn (2024/2025– Rs. 352 Mn)

Results

The Group made a profit before tax of Rs. 658 Mn. against a profit of Rs. 613 Mn. in the previous year. The detailed results are given in the Consolidated Income Statement on Page 48.

Dividends

The Directors are pleased to recommend the payment of a First and Final Dividend of Rs. 0.40 per share on the Ordinary Shares of the Company for the year ended 31st March, 2026 for approval by the Shareholders at the Annual General Meeting to be held on 10th September 2026. The Directors have confirmed that the Company satisfies the solvency test requirement under Section 56 of the Companies Act No. 07 of 2007 for the dividend proposed. A solvency certificate has been sought from the Auditors in respect of the aforementioned dividend.

Investments

Investments made by the Company and the Group are given in Notes 10 and 11 on pages 83 to 108.

Property, Plant & Equipment

During 2025/2026 the Group invested Rs. 4.2Mn. in Property, Plant & Equipment (2024/2025– Rs. 3.4 Mn.). Further, your Directors are of the opinion that the net amounts at which Land and other Property, Plant & Equipment appear in the Consolidated Balance Sheet are not greater than their market value as at 31st March 2026.

Stated Capital

The Stated Capital of the Company as at 31st March 2026 was Rs. 288,386,885/- and is represented by 152,000,000 issued and fully paid Ordinary Shares.

Subdivision of Shares

The Company on 8th July 2025 announced a Subdivision of Shares and, consequent to an Ordinary Resolution pertaining to the Subdivision of Shares being passed by the Shareholders at the Extraordinary General Meeting held on 14th October 2025, such subdivision was effected based on the shareholding as at the end of trading on 16th October 2025 (Record Date).

Accordingly, without effecting any increase to the Stated Capital of the Company, the issued Ordinary Shares of the Company were subdivided by splitting every One (1) existing issued and fully paid Ordinary Share into Ten (10) Ordinary Shares, thereby increasing the number of issued Ordinary Shares of the Company from 15,200,000 shares to 152,000,000 shares. The new Ordinary Shares rank pari passu in all respects with the Ordinary Shares that were subdivided.

Reserves

The total reserves and their composition are set out in Note 17 on pages 112 to 113 to the consolidated Financial Statements.

The movements are shown in the Statement of Changes in Equity in the Financial Statements.

Taxation

The Group's liability to taxation has been computed in accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and subsequent amendments thereto.

Income Tax and other taxes paid and liable by the Group are disclosed in Note 27 on page 120.

Related Party Transactions

During the financial year there were no recurrent nor non recurrent related party transactions which exceeded the respective disclosure thresholds mentioned in Section 9.14 of the Colombo Stock Exchange Listing Rules. The Company has complied with the requirements of the Listing Rules on Related Party Transactions.

The Related Party Transactions presented in the Financial Statements are disclosed in Note 32 from pages 122 to 125.

Share Information

Information relating to earnings, dividends, net assets, market value per share and share trading is given on pages 127 to 128.

Events Occurring after the Reporting Date

Events occurring after the reporting date that would require adjustments to, or disclosure are disclosed in Note 33 on page 126.

Contingent Liabilities and Capital Commitment

Contingent liabilities and capital commitments as at the reporting date are disclosed in Notes 34 and 35 on page 126.

Employment Policy

The Company does not employ any staff. All operational services are provided by Corporate Managers & Secretaries (Private) Limited who function as Managers & Secretaries of the Company.

Shareholders

It is the Company's policy to endeavour to ensure equitable treatment to its shareholders.

Statutory Payments

The Directors to the best of their knowledge and belief are satisfied that all statutory payments due to the Government in respect of the Company have been made or where relevant provided.

Internal Control

The Board of Directors takes overall responsibility for the Company's system of internal controls. The Company and management annually review the effectiveness of the Company's internal controls in order to ensure reasonable assurance that assets are safeguarded against unauthorized use or disposal and to ensure all transactions are properly authorized, recorded and maintained. It includes all controls including financial, operational and compliance controls and risk management.

However, any system can ensure only reasonable and not absolute assurance that errors and Irregularities are prevented or detected within a reasonable time frame.

The Board reviews the recommendations of External Auditors and takes appropriate action to maintain an adequate internal control system. However, any system can ensure only reasonable and not absolute assurance that errors and irregularities are prevented or detected within a reasonable timeframe.

The Board of Directors has ensured that the financial reporting system has been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes which have been carried out in accordance with Sri Lanka Accounting Standards and Regulatory requirements.

Going Concern

The Board of Directors, after making necessary inquiries and reviews including reviews of the Company's budget for the subsequent year, capital expenditure requirements future prospects and risks, cash flow and borrowing facilities have a reasonable expectation that the Company has adequate resources to continue its operations in the foreseeable future. Therefore, the Going Concern basis has been adopted in the preparation of the financial statements.

For and on behalf of the Board,

S. D. R. Arudpragasam
Chairman

Sanjeev Rajaratnam
Director

By Order of the Board,

Corporate Managers & Secretaries (Private) Limited
Secretaries

31 July 2026

Financial Reports

Independent Auditor's Report

Deloitte Partners
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Sri Lanka

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To the Shareholders of C M Holdings PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of C M Holdings PLC (the Company) and the consolidated financial statements of the Company and its subsidiaries (the Group), which comprise the statement of financial position as at 31 March 2026, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements of the Company and the consolidated financial statements of the Group give a true and fair view of the financial position of the Company and the Group as at 31 March 2026, and of their financial performance and their cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company and the Group in accordance with the Code of Ethics for Professional Accountants issued by the Institute of Chartered Accountants of Sri Lanka ("CA Sri Lanka Code of Ethics") and we have fulfilled our other ethical responsibilities in accordance with the CA Sri Lanka Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Deloitte.

To the Shareholders of C M Holdings PLC (contd.)

Report on the Audit of the Financial Statements (contd.)

The Company and the Group:

Key audit matter	How our audit addressed the Key audit matter
Fair value of investments in unquoted equity instruments. As at 31 March 2026, the Group's and Company's investments in unquoted equity instruments amounted to LKR 734.57 Mn and LKR 638.38 Mn, respectively, representing 9.21% of the Group's total assets and 21.02% of the Company's total assets. The unquoted investments comprise equity shares of an investment company and a plantation company for which quoted market prices are not available and observable market inputs are limited. Accordingly, management has applied valuation techniques to determine the fair value of these investments. The fair value of the investment company is based on its adjusted net assets, which are significantly dependent on the fair values of its investments in subsidiaries. These subsidiaries hold a property portfolio located island-wide within the leisure sector. The fair value of these properties has been determined using valuation techniques that incorporate significant assumptions, including the prices at which comparable lands are transacted, accessibility, land extent and the physical condition of buildings. The fair value of the investment in the plantation company has been determined using an adjusted net asset value approach. In determining the fair value, management has adjusted the carrying values of the plantation company's investments in listed subsidiaries to their quoted market values and applied a control premium to reflect the additional value attributable to the Group's controlling interest in the investee. The determination of the appropriate control premium involves significant judgement and estimation.	Our procedures to test the valuation of investment in unquoted equity instruments included the following: » Evaluated the competence, independence and objectivity of the valuation experts engaged by management. » Evaluated the appropriateness of the valuation methodologies adopted by management and the external valuers against generally accepted industry valuation practice. » With the assistance of our internal valuation specialists, independently evaluated the reasonableness of significant assumptions used in the valuation of the underlying properties, including market prices of comparable lands, accessibility, land extent, physical condition of buildings and replacement cost estimates » Corroborated key land values and other market-based inputs used by the valuer against publicly available property market information and other relevant market evidence » With the assistance of our internal valuation specialist, evaluated the basis for and reasonableness of the control premium applied by management in determining the fair value of the investment in the plantation company » Obtained the financial statements of the investee entities and assessed the underlying net asset values and significant fair value adjustments used in determining the fair values of the investments.
We considered the valuation of investments in unquoted equity instruments to be a key audit matter due to the significance of these investments to the financial statements and the degree of judgement involved in determining the fair value of the underlying assets and the appropriateness of the control premium applied.	» Evaluated the effectiveness of controls over management's fair value assessment of investment in unquoted equity instruments. » Assessed the adequacy of the related disclosures in the financial statements

Deloitte.

To the Shareholders of C M Holdings PLC (contd.)

Report on the Audit of the Financial Statements (contd.)

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company and the consolidated financial statements of the Group, management is responsible for assessing the Company's/ Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company/ Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and the Group's financial reporting process.

To the Shareholders of C M Holdings PLC (contd.)

Report on the Audit of the Financial Statements (contd.)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company and the consolidated financial statements of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SLAuSs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SLAuSs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

» Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

» Obtain an understanding of internal control relevant to the audit 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 and the Group's internal control.

» Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

» Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements of the Company and the consolidated financial statements of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company/ Group to cease to continue as a going concern.

» Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements of the Company and the consolidated financial statements of the Group represent the underlying transactions and events in a manner that achieves fair presentation.

» Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear

To the Shareholders of C M Holdings PLC (contd.)

Report on the Audit of the Financial Statements (contd.)

on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the Company and the consolidated financial statements of the Group financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by section 163 (2) of the Companies Act, No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 3991.

Deloitte Partners

CHARTERED ACCOUNTANTS

Colombo
31 July 2026

Statement of Financial Position

(all amounts in Sri Lanka Rupees unless otherwise stated)

	Note	Group		Company	
		31 March 2026	31 March 2025	31 March 2026	31 March 2025
ASSETS					
Non-current assets					
Property, plant and equipment	6	458,852,404	426,268,041	1,626,867	2,241,649
Investment property	7	1,033,845,286	1,057,267,405	1,033,845,286	1,057,267,405
Capital work in progress	7.1	175,000	-	175,000	-
Intangible assets	8	4,870,824	4,870,824	-	-
Right of use assets	9	5,252,730	21,010,920	-	-
Investment in subsidiaries	10	-	-	17,200,000	14,000,000
Other Investments		-	-	48,000,000	24,000,000
Financial Assets at FVOCI	11	3,636,711,391	2,827,713,019	1,628,449,525	1,617,445,581
		5,139,707,635	4,337,130,209	2,729,296,678	2,714,954,635
Current assets					
Inventories	13	686,331,257	138,332,158	-	-
Trade and other receivables	14	164,653,352	53,204,943	134,822,853	38,239,307
Financial assets at fair value through profit or loss	11	1,933,224,071	1,643,973,039	152,333,626	127,999,802
Income tax receivables		1,110,941	1,110,941	-	-
Cash and cash equivalents	15	51,315,217	133,373,267	20,829,978	81,870,736
		2,836,634,838	1,969,994,348	307,986,457	248,109,845
Total assets		**7,976,342,473**	**6,307,124,557**	**3,037,283,135**	**2,963,064,480**
EQUITY					
Stated capital	16	288,386,885	288,386,885	288,386,885	288,386,885
Other reserves	17	2,119,376,169	1,809,506,667	597,483,523	619,652,028
Retained earnings	17	3,623,159,857	2,972,603,699	2,063,293,575	1,930,400,092
		6,030,922,911	5,070,497,251	2,949,163,983	2,838,439,005
Non-controlling interest		-	3,330,113	-	-
Total equity		6,030,922,911	5,073,827,364	2,949,163,983	2,838,439,005
LIABILITIES					
Non-current liabilities					
Borrowings	19	678,958,535	21,940,389	-	-
Deferred income tax liabilities	12	12,360,160	83,240,005	435,034	72,629,893
Defined benefit obligations	20	11,554,430	11,099,269	-	-
Lease liabilities	9	-	6,566,153	-	-
Trade and other payables	18	17,045,404	11,590,223	17,045,404	11,590,223
		719,918,529	134,436,039	17,480,438	84,220,116
Current liabilities					
Trade and other payables	18	549,594,150	231,759,062	61,199,500	39,783,578
Current income tax liabilities		9,713,667	621,781	9,439,214	621,781
Lease liabilities	9	56,096,335	53,837,358	-	-
Borrowings	19	610,096,881	812,642,953	-	-
		1,225,501,033	1,098,861,154	70,638,714	40,405,359
Total liabilities		1,945,419,562	1,233,297,193	88,119,152	124,625,475
Total equity and liabilities		**7,976,342,473**	**6,307,124,557**	**3,037,283,135**	**2,963,064,480**
Net asset value per share	31	39.68	33.36	19.40	18.67

I certify that these financial statements have been prepared in compliance with the requirements of the Companies Act, No. 07 of 2007.

M V M Paulraj
Director - Corporate Managers & Secretaries (Private) Limited

The Board of Directors is responsible for the preparation and presentation of these financial statements.

Approved and signed for and on behalf of the Board of Directors:

S D R Arudpragasam
Chairman

Sanjeev Rajaratnam
Director

Date: 31 July 2026

The accounting policies and notes as set out in pages 52 to 126 form an integral part of these financial statements.

Statement of Profit or Loss

(all amounts in Sri Lanka Rupees unless otherwise stated)

	Note	Group		Company	
		Year ended 31 March		Year ended 31 March	
		2026	2025	2026	2025
Revenue	21	1,315,013,770	351,505,848	108,460,171	104,644,517
Cost of sales	24	(979,749,765)	(117,591,806)	-	-
Gross profit		335,264,005	233,914,042	108,460,171	104,644,517
Distribution costs	24	(3,507,108)	(578,538)	-	-
Administrative expenses	24	(248,491,532)	(173,624,646)	(86,053,824)	(46,612,942)
Net impairment losses on financial assets	3.4	-	(2,873,102)	-	-
Other income	22	147,885,465	131,173,787	79,466,998	29,361,057
Other gains	23	526,886,045	514,049,789	42,876,700	38,148,854
Operating profit		758,036,875	702,061,332	144,750,045	125,541,486
Finance income	26	10,742,760	2,267,616	10,976,455	2,870,059
Finance costs	26	(110,954,921)	(91,453,873)	(2,507,166)	-
Finance income / costs - net		(100,212,161)	(89,186,257)	8,469,289	2,870,059
Profit before income tax		657,824,714	612,875,075	153,219,334	128,411,545
Income tax expense	27	(10,410,553)	(7,366,107)	(22,101,961)	(21,319,832)
Profit for the year		**647,414,161**	**605,508,968**	**131,117,373**	**107,091,713**
Attributable to:					
Owners of the parent		647,396,035	605,465,753	131,117,373	107,091,713
Non - controlling interests		18,126	43,215	-	-
		647,414,161	605,508,968	131,117,373	107,091,713
Earnings per share attributable to owners of the parent during the year					
Basic/ Diluted earnings per share	28	4.26	3.98	0.86	0.70

The accounting policies and notes as set out in pages 52 to 126 form an integral part of these financial statements.

Statement of Comprehensive Income

(all amounts in Sri Lanka Rupees unless otherwise stated)

		Group		Company	
		Year ended 31 March		Year ended 31 March	
	Note	2026	2025	2026	2025
Profit for the year		647,414,161	605,508,968	131,117,373	107,091,713
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
Remeasurements of post employment benefit obligations	20	1,714,099	9,012	-	-
Deferred tax on remeasurements of post employment benefit obligations		(514,230)	(2,704)		
Items that may be subsequently reclassified to profit or loss					
Gain on property revaluation		38,323,913	46,503,407		
Deferred tax on gain on property revaluation		(11,497,174)	(13,951,022)		
Change in fair value of financial assets at FVOCI	11(d)	213,529,984	916,058,415	(93,032,203)	502,073,149
Deferred tax on change in fair value of financial assets at FVOCI		69,548,684	(74,017,194)	70,863,698	(63,407,082)
Other comprehensive income for the year		**311,105,276**	**874,599,914**	**(22,168,505)**	**438,666,067**
Total comprehensive income for the year		**958,519,437**	**1,480,108,882**	**108,948,868**	**545,757,780**
Attributable to :					
Owners of the parent		958,465,406	1,479,375,673	108,948,868	545,757,780
Non - controlling interests		54,031	733,209	-	-
Total comprehensive income for the year		**958,519,437**	**1,480,108,882**	**108,948,868**	**545,757,780**

The accounting policies and notes as set out in pages 52 to 126 form an integral part of these financial statements.

Statement of Changes in Equity

(all amounts in Sri Lanka Rupees unless otherwise stated)

(a) Group

	Note	Stated capital (Note 16)	Retained earnings (Note 17 (c))	Other reserves (Note 17 (d))	Total	Non-controlling interest	Total
Balance at 1 April 2024		288,386,885	2,365,783,331	936,867,093	3,591,037,309	2,681,173	3,593,718,482
Profit for the year		-	605,465,753	-	605,465,753	43,215	605,508,968
Other comprehensive income - net of tax		-	6,308	873,903,612	873,909,920	689,994	874,599,914
Total comprehensive income for the year		-	605,472,061	873,903,612	1,479,375,673	733,209	1,480,108,882
Reversal of unclaimed dividends	17		-	-	-	-	-
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	17		1,348,307	(1,264,038)	84,269	(84,269)	-
Dividends	29	-	-	-	-	-	-
Balance at 31 March 2025		**288,386,885**	**2,972,603,699**	**1,809,506,667**	**5,070,497,251**	**3,330,113**	**5,073,827,364**
Balance at 1 April 2025		288,386,885	2,972,603,699	1,809,506,667	5,070,497,251	3,330,113	5,073,827,364
Profit for the year		-	647,396,035	-	647,396,035	18,126	647,414,161
Other comprehensive income - net of tax		-	1,199,869	309,869,502	311,069,371	35,905	311,105,276
Total comprehensive income for the year		-	648,595,904	309,869,502	958,465,406	54,031	958,519,437
Reversal of unclaimed dividends	17	-	1,776,110	-	1,776,110	-	1,776,110
NCI acquisition Equity adjustment			184,144			(3,384,144)	(3,200,000)
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	17	-	-	-	-	-	-
Dividends	29	-	-	-	-	-	-
Balance at 31 March 2026		**288,386,885**	**3,623,159,857**	**2,119,376,169**	**6,030,738,767**	**-**	**6,030,922,911**

(b) Company

	Note	Stated capital (Note 16)	Retained earnings (Note 17 (c))	Other reserves (Note 17 (d))	Total
Balance at 1 April 2024		288,386,885	1,823,308,379	180,985,961	2,292,681,225
Profit for the year		-	107,091,713	-	107,091,713
Other comprehensive income - net of tax		-	-	438,666,067	438,666,067
Total comprehensive income for the year		-	107,091,713	438,666,067	545,757,780
Reversal of unclaimed dividend	17		-		-
Dividends	29	-	-	-	-
Balance at 31 March 2025		**288,386,885**	**1,930,400,092**	**619,652,028**	**2,838,439,005**
Balance at 1 April 2025		288,386,885	1,930,400,092	619,652,028	2,838,439,005
Profit for the year		-	131,117,373	-	131,117,373
Other comprehensive income /(loss) - net of tax		-	-	(22,168,505)	(22,168,505)
Total comprehensive income /(loss) for the year		-	131,117,373	(22,168,505)	108,948,868
Reversal of unclaimed dividend	17		1,776,110	-	1,776,110
Dividends	29	-	-	-	-
Balance at 31 March 2026		**288,386,885**	**2,063,293,575**	**597,483,523**	**2,949.163,983**

The accounting policies and notes as set out in pages 52 to 126 form an integral part of these financial statements.

Statement of Cash Flows

(all amounts in Sri Lanka Rupees unless otherwise stated)

	Note	Group		Company	
		Year ended 31 March		Year ended 31 March	
		2026	2025	2026	2025
Cash flows from operating activities					
Cash generated from / (used in) operating activities	30	(192,913,485)	202,829,343	(26,186,647)	230,295,898
Interest paid		(109,102,097)	(87,738,905)	(2,507,166)	-
Defined benefit obligations paid	20	(492,500)	(694,850)	-	-
Income tax paid		(3,686,040)	(30,422,172)	(3,686,040)	(30,422,171)
Net cash (used in) / generated from operating activities		**(306,194,122)**	**83,973,416**	**(32,379,853)**	**199,873,727**
Cash flows from investing activities					
Purchase of property, plant and equipment	6	(4,221,938)	(3,359,960)	-	(1,273,650)
Payments for investment property	7	(5,095,849)	(345,000)	(5,095,849)	(345,000)
Proceeds from sale of property, plant and equipment		-	14,928,220	-	-
Movement in capital work-in-progress		(175,000)	421,668	(175,000)	421,668
Purchase of investments		(651,199,891)	(162,572,089)	(146,310,325)	(154,172,355)
Disposal of investments		302,336,927	14,045,441	33,450,980	-
Interest received		675,424	1,191,826	10,976,455	1,191,826
Dividends received		133,504,325	112,430,303	78,492,834	28,592,972
Net cash (used in) / generated from investing activities		**(224,176,002)**	**(23,259,591)**	**(28,660,905)**	**(125,584,539)**
Cash flows from financing activities					
Proceeds from borrowings		1,675,355,901	750,098,250	-	-
Repayment of borrowings		(1,208,141,567)	(642,960,106)	-	-
Principal elements of lease payments		(6,160,000)	(6,120,000)	-	-
Dividends paid		-	-	-	-
Net cash generated from financing activities		**461,054,334**	**101,018,144**	**-**	**-**
(Decrease) / Increase in cash and cash equivalents		**(69,315,790)**	**161,731,969**	**(61,040,758)**	**74,289,188**
Movement in cash and cash equivalents					
At 1 April		64,999,562	(96,732,407)	81,870,736	7,581,548
(Decrease) / Increase		(69,315,790)	161,731,969	(61,040,758)	74,289,188
At 31 March	15	**(4,316,228)**	**64,999,562**	**20,829,978**	**81,870,736**

The accounting policies and notes as set out in pages 52 to 126 form an integral part of these financial statements.

Notes to the Consolidated Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

1. General information

C M Holdings PLC is a public limited liability Company domiciled in Sri Lanka and incorporated on 9 July 1909 under the Joint Stock Companies Ordinance of 1861. The Registered office of the Company is located at No. 297, Union Place, Colombo 02. The Company was re-registered under the Companies Act, No. 07 of 2007 on 1 July 2008. The principal activities of the Company is carrying on the businesses of holding investments and property development.

Union Investments (Private) Limited, a wholly owned subsidiary of C M Holdings PLC, is a limited liability Company incorporated on 16 February 1978 under the Companies Ordinance, (Cap,145) and domiciled in Sri Lanka. The registered office of the Company and the principal place of the business is located at No. 8-5/2, Leyden Bastian Road, York Arcade building, Colombo 1. The Company was incorporated on 16 February 1978 and re-registered under the Companies Act, No. 07 of 2007 on 29 July 2008. The principal activity of the Company is carrying on the business of an investment Company.

Guardian Asset Management Limited, a wholly - owned subsidiary of C M Holdings PLC is a limited liability Company domiciled in Sri Lanka and incorporated on 8 March 1995 under the Companies Act, No. 17 of 1982 and re-registered under the Companies Act, No. 07 of 2007 on 1 August 2008. The registered office of the Company is located at No. 8-5/2, Leyden Bastian Road, York Arcade building, Colombo 01. The principal activities of the Company are asset management, funds and portfolio management and the management of trusts.

Guardian Trustees Limited is a wholly owned subsidiary of Guardian Asset Management Limited. It is a limited liability Company domiciled in Sri Lanka and incorporated on 26 May 1995 under Companies Act, No. 17 of 1982 and re-registered under the Companies Act, No. 07 of 2007 on 1 August 2008. It is an indirect subsidiary of C M Holdings PLC. The registered office of the Company is located at No. 8-5/2, Leyden Bastian Road, York Arcade building, Colombo 01. The principal activities of the Company are asset management funds, portfolio management and the management of trusts. The Company having ceased all operations in 2015, The Board of Directors resolved to strike off the entity from the Company register as of August 2015 and the said strike off process is in progress as at the statement of financial position date.

Colonial Motors (Ceylon) Limited, a wholly owned subsidiary of C M Holdings PLC is a limited liability Company domiciled in Sri Lanka and incorporated on 18 November 1996 under the Companies Act, No. 17 of 1982 and re-registered under the Companies Act, No. 7 of 2007 on 3 August 2009, and commenced its operations on 23 October 2012. The registered office of the Company is located at No. 449, Negombo Road, Peliyagoda.The principal activity of the Company is import and sale of motor vehicles, and spare parts and providing vehicle maintenance services.

Motor Mart Ceylon (Private) Limited is a wholly owned subsidiary of Colonial Motors (Ceylon) Limited. It is a limited liability Company domiciled in Sri Lanka and incorporated on 4 November 2016 under the Companies Act, No.07 of 2007. It is an indirect subsidiary of C M Holdings PLC. The registered office of the Company is located at No.449, Negombo Road, Peliyagoda. The principal activity of the Company is to secure agencies for commercial vehicles.

The parent of the Group is The Colombo Fort Land & Building PLC and the Group structure as at 31 March 2026 is as follows:

Name of the Company	Relationship	Holding	Proportion of voting power interest	
			2026	2025
Union Investments (Private) Limited	Subsidiary	Direct	99.99%	99.99%
Guardian Assets Management Limited	Subsidiary	Direct / Indirect	99.99%	93.75%
Colonial Motors (Ceylon) Limited	Subsidiary	Direct	99.99%	99.99%
Motor Mart Ceylon (Private) Limited	Subsidiary	Indirect	99.99%	99.99%

2. Summary of material accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below: These policies have been consistently applied to all years presented, unless otherwise stated.

2.1 Basis of preparation

(a) Statement of Compliance

The financial statements of the Company and the Group have been prepared in accordance with Sri Lanka Accounting Standards, which comprise Sri Lanka Financial Reporting Standards ("SLFRS"s), Sri Lanka Accounting Standards ("LKAS"s), relevant interpretations of the Standing Interpretations Committee ("SIC") and International Financial Reporting Interpretations Committee ("IFRIC"). Sri Lanka Accounting Standards further comprises of Statements of Recommended Practices (SoRPs), Statements of Alternate Treatments (SoATs) and Financial Reporting Guidelines issued by the Institute of Chartered Accountants of Sri Lanka. The preparation of financial statements in conformity with Sri Lanka Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's and the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Company's and the Group's financial statements are disclosed in note 4 - critical accounting estimates to the financial statements.

The financial statements also comply with the requirements of the Companies Act No. 07 of 2007 and include appropriate disclosures as required by the Listing Rules of the Colombo Stock Exchange ("CSE").

(b) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities, and certain classes of property, plant and equipment – measured at fair value or revalued amount

2.2 Changes in accounting policies and disclosures

(c) New and amended standards adopted by the Company and Group

The Company and Group have applied the following standards and amendments for the first time for their annual reporting period commencing 1 April 2026:

(a) New and amended Accounting Standards that are effective for the current year

In the current year, the group/company has applied the below amendment to Sri Lanka Accounting Standards issued by the CA Sri Lanka that are mandatorily effective for an accounting period that begins on or after 1 January 2025. Its adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to LKAS 21 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not.

The amendments state that a currency is exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

An entity assesses whether a currency is exchangeable into another currency at a measurement date and for a specified purpose. If an entity is able to obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose, the currency is not exchangeable into the other currency.

The assessment of whether a currency is exchangeable into another currency depends on an entity's ability to obtain the other currency and not on its intention or decision to do so.

When a currency is not exchangeable into another currency at a measurement date, an entity is required to estimate the spot exchange rate at that date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions.

The amendments do not specify how an entity estimates the spot exchange rate to meet that objective. An entity can use an observable exchange rate without adjustment or another estimation technique.

(b) New and revised SLFRS Accounting Standards in issue but not yet effective

The following new accounting standards and interpretations are issued by IASB but not yet adopted by CA Sri Lanka except for SLFRS 18 and SLFRS 19.

Amendments to SLFRS 9 and SLFRS 7 - Classification and Measurement of Financial Instruments

These amendments clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system. These amendments further clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion.

These amendments add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.

The impact of these amendments is not reasonably estimable.

SLFRS 18 Presentation and Disclosures in Financial Statements

SLFRS 18 replaces LKAS 1, carrying forward many of the requirements in LKAS 1 unchanged and complementing them with new requirements. In addition, some LKAS 1 paragraphs have been moved to LKAS 8 and SLFRS 7.

SLFRS 18 introduces new requirements to:

- Present specified categories and defined subtotals in the statement of profit or loss
- Provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- Improve aggregation and disaggregation.

An entity is required to apply SLFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. SLFRS 18 requires retrospective application with specific transition provisions.

The impact of these amendments is not reasonably estimable.

SLFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying SLFRS Accounting Standards in its financial statements.

A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with SLFRS Accounting Standards.

SLFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

An entity is only permitted to apply SLFRS 19 if, at the end of the reporting period:

- It is a subsidiary (this includes an intermediate parent)
- It does not have public accountability, and
- Its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with SLFRS Accounting Standards.

Eligible entities can apply SLFRS 19 in their consolidated, separate or individual financial statements. An eligible intermediate parent that does not apply SLFRS 19 in its consolidated financial statement may do so in its separate financial statements.

The new standard is effective for reporting periods beginning on or after 1 January 2027 with earlier application permitted.

The impact of these amendments is not reasonably estimable.

Annual improvements to IFRS – Volume 11

Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

IFRS 1 First-time Adoption of International Financial Reporting Standards;
IFRS 7 Financial Instruments: Disclosures
IFRS 9 Financial Instruments;
IFRS 10 Consolidated Financial Statements; and
IAS 7 Statement of Cash Flows.

These annual improvements are effective for annual periods beginning on or after 1 January 2026 with earlier application permitted.

The impact of these amendments is not reasonably estimable.

Amendment to IAS 21 - Translation to a Hyperinflationary Presentation Currency

These narrow-scope amendments specify the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. The entity applies the amendments if:

- Its functional currency is that of a non-hyperinflationary economy and it is translating its results and financial position into the currency of a hyperinflationary economy; or
- It is translating into the currency of a hyperinflationary economy the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy.

The amendments aim to improve the usefulness of the resulting information in a cost-effective manner. Developed in response to stakeholder feedback, these amendments are expected to reduce diversity in practice and provide a clearer basis for reporting in a hyperinflationary currency.

The amendments are effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

The impact of these amendments is not reasonably estimable.

Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37- Disclosures about Uncertainties in the Financial Statements

The IASB has published the final version of a set of examples that illustrate the reporting of the effects of uncertainties in financial statements through climate-related fact patterns. The Examples demonstrate how to disclose the impacts of uncertainties within climate-related scenarios, but the principles and requirements are also applicable to disclosure of other uncertainties. The Examples do not add to or change requirements in IFRS Accounting Standards and therefore there are no transition requirements and effective date. Instead, these Examples will accompany the respective IFRS Accounting Standards to which they relate.

The impact of these amendments is not reasonably estimable.

Amendments to IFRS S1 'Sustainability-related Financial Information'

The amendment requires companies to disclose sustainability-related risks and opportunities, focusing on governance, strategy, and performance. It aims for consistency and comparability, supporting informed investment decisions.

Amendments to IFRS S2 Climate-related Disclosures

The amendment sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity.

2.3 Comparative information

Previous period figures and notes have been changed and reclassified wherever necessary to conform to the current year's presentation.

2.4 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred to the former owners of the acquired business, and the equity interests issued by the Group, fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any Non-Controlling Interest ('NCI') in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the NCI's proportionate share of the recognised amounts of acquiree's identifiable net assets . Inter Company transactions, balances and unrealised gains on transactions between Group Companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

(b) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss. If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.5 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in 'Sri Lanka Rupees' (LKR), which is the Company's and the Group's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the profit or loss. Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss on a net basis within 'Finance income or cost.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified at Fair Value through Other Comprehensive income are recognised in other comprehensive income.

2.6 Current and deferred income tax

The tax expense for the period comprises current and deferred income tax. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. Management establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.7 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

2.8 Inventories

Inventories are valued at the lower of cost and net realizable value, after making due allowances for obsolete and slow moving items. Net realisable value is the price at which inventories can be sold in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale. Cost of inventory is determined on a weighted average basis and actual basis.

The cost of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Goods in transit as inventory is recognized when the risks and rewards of ownership, or control over the goods, have substantially transferred to the Company in accordance with the agreed contractual shipment terms.

2.9 Financial assets

2.9.1 Classification

The Company and the Group classify its financial assets in the following measurement categories.

» those to be measured subsequently at fair value (either through OCI or through profit or loss), and
» those to be measured at amortised cost

The classification depends on the Company's and the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company and the Group have made an irrevocable election at the time of initial recognition to account for the equity investment at Fair Value through Other Comprehensive Income (FVOCI). The Company and the Group reclassify debt investments when and only when its business model for managing those assets changes.

2.9.2 Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade-date, the date on which the Company and the Group commit to purchase or sell the asset.

At initial recognition, the Company and the Group measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in statement of profit or loss.

2.9.3 Subsequent measurement

(i) Debt instruments

Subsequent measurement of debt instruments depends on the Company's and the Group's business models for managing the asset and the cash flow characteristics of the asset.

There are three measurement categories into which debt instruments are classified:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in comprehensive income and presented in other income/gains (losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in statement of profit or loss.

When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit or loss and recognised in other income/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in statement of profit or loss.

FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

(ii) Equity instruments

The Company and the Group subsequently measure all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to statement of profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in statement of profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

2.9.4 Impairment

The Company and Group assesses on a forward looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company and the Group apply the simplified approach permitted by SLFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been Grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of customers and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

2.9.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company and the Group have transferred substantially all risks and rewards of ownership.

2.9.6 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the Counterparty.

2.9.7 Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period.

The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Company and the Group designate certain derivatives as either:

(i) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges),

(ii) hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges), or

(iii) hedges of a net investment in a foreign operation (net investment hedges).

At inception of the hedge relationship, the Company and the Group document the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Company and the Group document its risk management objective and strategy for undertaking its hedge transactions.

2.10 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with financial institutions, other short- term highly liquid investments with original maturities of three (3) months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

In the Statement of Financial Position, bank overdrafts are shown within borrowings in current liabilities.

2.11 Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

2.12 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.13 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. Borrowings are classified as current liabilities unless the Company and the Group have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

2.14 Property, plant & equipment

The Company's property, plant and equipment, other than land, are stated at historical cost less accumulated depreciation. The Group's property, plant and equipment, other than land and freehold buildings, are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items and also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Land and freehold buildings are shown at fair value based on a valuation performed by an external independent professional valuer. Where an item of property, plant and equipment is revalued, the entire class of such asset is revalued. Revaluations are made with sufficient regularity (every three or five years) to ensure that their carrying value do not differ materially from their fair value at the reporting date.

Increases in the carrying amount arising on revaluation of land and freehold buildings are credited to other comprehensive income and shown as revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against revaluation reserve directly in equity; all other decreases are charged to the statement of profit or loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

Depreciation is calculated using the straight - line method to allocate the cost or revalued amounts of the assets , net of their residual values, over their estimated useful lives as follows:

	%
Building	5
Plant, machineries	10-25
Motor vehicles	25
Leasehold Improvements	5

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within Other income - net in the statement of profit or loss.

Any balance remaining in the revaluation reserve in respect of an asset is transferred directly to retained earnings on disposal of an asset that was revalued.

2.15 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property. Land held under operating leases is classified and accounted for by the Group and Company as investment property when the definition of investment property would otherwise be met.

Investment property is depreciated using a straight line method over its estimated useful life of 20 years.

Investment property is measured initially at its cost, including related transaction costs and (where applicable) borrowing costs.

After initial recognition, investment property is accounted for under the cost model. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment.

2.16 Impairment of non financial assets (Excluding Goodwill)

Non financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are Grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non- financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.17 Provisions

Provisions are recognised when the Company and the Group have a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate of the amount can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions for asset retirement obligations are measured at the present value of management's best estimate of the expenditures required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as finance cost.

2.18 Employee benefits

(a) Defined benefit plans - gratuity

Defined benefit plan defines an amount of benefit that an employee will receive on retirement, usually dependent on one or more factors such as years of service and compensation. The defined benefit plan comprises the gratuity provided under the Act No. 12 of 1983.

The liability recognised in the statement of financial position in respect of defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the yield rate of the long term government bonds that have terms to maturity approximating to the terms of the related defined benefit obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and included in employee benefit expense in the comprehensive income.

The current service cost of the defined benefit plan reflects the increase in the defined benefit obligations resulting from employee service in the current year. It is recognised in the comprehensive income in employee benefit expense, except where included in the cost of an asset. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in comprehensive income as past service costs.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the statement of financial position.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

The assumptions based on which the results of the actuarial valuation was determined, are included in note 20 to the financial statements.

(b) Defined contribution plans

For defined contribution plans, such as the Employees' Provident Fund and Employees' Trust Fund, the Group contributes 12% and 3% respectively, of the employees' basic or consolidated wage or salary. The Company and the Group have no further payment obligations once the contributions have been paid. The Group and the employees are members of these defined contribution plans.

(c) Short term employee benefits

Wages, salaries, including non-monetary benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

2.19 Stated capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group Company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

2.20 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

2.21 Revenue recognition

Revenue from Goods and services deliverable under contracts with customers are identified as separate performance obligations ('obligations') to the extent that the customer can benefit from the goods or services on their own or together with other resources that are readily available to the customer and that the separate goods and services are considered distinct from other goods and services in the agreement. Where individual goods and services do not meet the criteria to be identified as separate performance obligations. They are aggregated with other goods and/or services in the agreement until a separate performance obligation is identified. The Group generates revenue from import and sale of motor vehicles, spare parts, providing vehicle maintenance services and rental income from its investment properties.

The Company and the Group determines the transaction price to which it expects to be entitled to in return for providing the promised obligations to the customer based on the committed contractual amounts, net of sales taxes and discounts. The transaction price is allocated between the identified obligations according to the relative standalone selling prices of the obligations. The standalone selling price of each obligation deliverable in the contract is determined according to the prices that the Company and the Group would achieve by selling the same goods and/or services included in the obligation to a similar customer on a standalone basis. Where the Group does not sell equivalent goods or services in similar circumstances on a standalone basis it is necessary to estimate the standalone price. When estimating the standalone price, the Group maximises the use of external input observing the standalone prices for similar goods and services when sold by third parties or using a cost-plus reasonable margin approach. Revenue is recognised when the respective obligations in the contract are delivered to the customer and payment remains probable. The revenue is recognised as follows;

(a) Sale of motor vehicles, spare parts and repair & maintenance

Revenue from the sale of motor vehicles and motor vehicle spare parts, are recognized in the statement of profit or loss when the control of goods have been transferred to the buyers, usually on delivery of the goods.

Revenue from motor vehicle repair and maintenance service contracts is recognized in the statement of profit or loss by reference to the stage of completion of the transaction at the end of the reporting period. Recognition of revenue is based on the percentage of completion of the contract, and is determined by the proportion costs incurred to date bear to estimated total cost of the transaction.

Motor vehicles are registered once full payment is received from the customers. Vehicle repair and maintenance services and sale of spare parts are paid for on cash basis and on 2 month credit period for selected customers and services.

(b) Rental income

Rental income is recognised on an accrual basis in the ordinary course of business as per applicable terms and conditions set in the registered lease agreements with the respective tenants. Rental payments are to be paid by the 10th of each month in which the rental falls due subject to relative clauses of the lease agreement for each respective tenant.

2.22 Interest income

Interest income is recognised using the effective interest method. When a loan granted or a receivable is impaired, the Company and the Group reduce the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continue unwinding the discount as interest income. Interest income on impaired loan and receivables are recognised using the original effective interest rate. Interest income on bank balances and bank deposits are recognised on accrual basis

2.23 Dividend income

Dividend income is recognised when the right to receive payment is established.

2.24 Leases

Leases are recognised as right-of-use ('ROU') assets and a corresponding liability at the date on which the which a lessor makes an underlying asset available for use by a lessee (i.e. the commencement date). Contracts may contain both lease and non-lease components. The Company and the Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

(a) Right of use assets

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability (present value of future lease payments discounted using the Company's incremental borrowing rate) adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right of-use asset is depreciated over the underlying asset's useful life. While the group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the Company and the Group.

(b) Lease liabilities

Liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

» fixed payments (including in-substance fixed payments), less any lease incentives receivable
» variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date

» amounts expected to be payable by the group under residual value guarantees
» the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
» payments of penalties for terminating the lease, if the lease term reflects the group exercising that option

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs. The Company and the Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

(c) Short term leases and leases of low value assets

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets comprise IT equipment and small items of office furniture.

2.25 Intangible assets

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of aggregate of fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired. If the fair value of consideration transferred, non controlling interest recognized and previously held interest measured at fair value is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the statement of profit or loss as a bargain purchase.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognized immediately as an expense and is not subsequently reversed.

3. Financial risk management

The principal financial instruments of the Group and Company comprise of bank loans, finance leases, short term deposits, investment in equity securities, unit trust and cash. The main purpose of these financial instruments is to raise and maintain liquidity for the Group's and Company's operations, and maximize returns on the Group's and Company's financial reserves. The Group and Company has various other financial instruments such as receivables and payables which arise directly from its business activities.

Financial risk factors

The Group's and the Company's activities are exposed to a variety of financial risks: market risk (including currency risk, cash flow interest rate risk, and price risk), credit risk and liquidity risk.

The Group's and Company's overall financial risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and the Company. Financial risk management is carried out through risk reviews, and adherence to the Group's and the Company's financial risk management policies. The Board of Directors regularly reviews these risks and approves the risk management policies, which covers the management of these risks.

Market risk consists of:

Foreign exchange risk - risk that the value of recognized assets and liabilities, future commercial transactions will fluctuate due to changes in foreign exchange rates.

Fair value interest rate risk - risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Cash flow interest rate risk - risk that future cash flows associated with a financial instrument will fluctuate due to changes in market interest rates.

Price risk - risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instrument traded in the market.

Credit risk - risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Liquidity risk (funding risk) - risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments.

3.1 Foreign Currency Exchange Risk

The Company and the Group had no exposure to foreign currency risk as at the end of the reporting period.

3.2 Cash flow and fair value interest rate risk

The borrowings are periodically contractually repriced (see below) and to that extent are also exposed to the risk of future changes in market interest rates.

The Group's borrowings are in terms of LKR, and the Groups' interest rate risk arises from fluctuations in AWPLR. Based on the outlook on AWPLR, the Group takes necessary decisions on restructuring the loans at the relevant time period.

The exposure of the Group's and the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

As at the end of the reporting period, the Group had the following variable rate borrowings outstanding:

	31 March 2026		31 March 2025	
	Weighted average interest rate %	Balance	Weighted average interest rate %	Balance
Bank Loans	9.39	680,099,500	9.32	496,528,781
Net exposure to cash flow interest rate risk		680,099,500		496,528,781

Sensitivity

Profit or loss is sensitive to higher/lower interest as a result of changes in interest rates in variable rate bank borrowings above;

	Group	
	2026	2025
Interest rates - increase by 10%	(70,247,477)	(49,652,878)
Interest rates - decrease by 10%	70,247,477	49,652,878

There were no loans in the Company as at the reporting year end.

3.3 Price risk

The Group's exposure to equity securities and price risk arises from investments held by the Company and the Group classified in the statement of financial position either as at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI).

To manage its price risk arising from investments in equity securities, the Company and the Group diversify its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company and the Group.

Sensitivity

The following table presents the changes of fair values as a result of changes in fair value of instruments for the periods ended 31 March 2026 and 31 March 2025:

	Impact on post-tax profit		Impact on other components of equity	
	2026	2025	2026	2025
Group				
Financial assets at fair value through profit or Loss (FVPL) - increase by 32% (2025 increased by 46%) (note 11(c))	526,886,045	514,049,789	-	-
Financial assets at fair value through other comprehensive income (FVOCI) - increase by 8% (2025 increased by 51%) (note 11(d))	-	-	213,529,984	916,058,415
Company				
Financial assets at fair value through profit or Loss (FVPL) - increase by 33% (2025 increased by 43%) (note 11(c))	42,876,700	38,148,854	-	-
Financial assets at fair value through other comprehensive income (FVOCI) - decrease by 6% (2025 increased by 51%) (note 11(d))	-	-	(93,032,204)	502,073,149

Amounts recognised in profit or loss and other comprehensive income

The amounts recognised in profit or loss and other comprehensive income in relation to the various investments held by the Group and Company are disclosed in note 11 - financial instruments.

3.4 Credit risk

Credit risk arises from cash and cash equivalents, derivative financial instruments, and deposits with banks, as well as credit exposures to customers, including outstanding receivables (net of deposits held). The utilization of credit limits is regularly monitored.

Credit risk is managed on Group and Company basis. For bank and financial institutions, only independently rated parties with sound financial background are accepted.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the management. The compliance with credit limits by customers is regularly monitored by line management.

For some trade receivables the Group and the Company may obtain security in the form of guarantees or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

Credit quality of cash and short term deposits is shown under note 11 (b) to the financial statements.

The Group and the Company has the below financial assets that are subject to the expected credit loss model:
The Group has the following types of financial assets that are subject to the expected credit loss model:

- Trade and other receivables

While cash and cash equivalents are also subject to the impairment requirements of SLFRS 9, the identified impairment loss was immaterial.

Trade and other receivables

The Group applies the SLFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a period of 36 month before 31 March 2026 or 01 April 2025 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

On that basis, the loss allowance as at 31 March 2026 and 31 March 2025 was determined as follows for trade receivables:

Group	0 day to 30 days	31 days to 90 days	91 days above	Total
31 March 2026				
Expected loss rate	-	-		51%
Gross carrying amount - trade receivables	4,109,665	3,760,577	23,927,859	31,798,101
Loss allowance			16,131,755	16,131,755
31 March 2025				
Expected loss rate	-	-		49%
Gross carrying amount - trade receivables	9,574,794	9,141,247	14,350,821	33,066,862
Loss allowance			16,131,755	16,131,755

The closing loss allowances for trade receivables as at 31 March 2026 and 31 March 2025 reconcile to the opening loss allowances as follows:

	Group		Company	
	2026	2025	2026	2025
Opening loss allowance at 1 April	16,131,755	13,258,653	-	-
Increase in loss allowance recognised in profit or loss	-	2,873,102	-	-
Unused amount reversed	-	-	-	-
Closing loss allowance at 31 March	16,131,755	16,131,755	-	-

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments for a period of greater than 120 days past due.

3.5 Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient liquid funds to meet its financial obligations.

In the management of liquidity risk, the Group and Company monitor and maintain a level of cash and cash equivalents deemed adequate by the management to finance the Company's and the Group's operations and to mitigate the effects of fluctuations in cash flows. Due to the nature of the underlying business, the Group and Company aim at maintaining flexibility in funding by keeping credit lines available.

The table below analyses the Group's and the Company's non- derivative financial liabilities into relevant maturity Groupings based on the remaining period at the statement of financial position date to the contractual maturity date, based on contractual undiscounted payments

Group	Less than 3 months	Between 3 months and 1 year	Between year 1 and year 2	Between year 2 and year 5	Over 5 years	Total
As at 31 March 2026						
Borrowings	356,839,337	253,257,544	59,859,788	419,032,429	200,066,318	1,289,055,416
Trade and other payables	532,345,793	17,248,356	5,959,325	11,086,079	-	566,639,554
Lease liabilities	-	56,096,335	-	-	-	56,096.335
As at 31 March 2025						
Borrowings	68,373,705	744,269,248	21,940,389	-	-	834,583,342
Trade and other payables	227,457,555	4,301,507	3,758,508	7,831,715	-	243,349,285
Lease liabilities	30,000,000	60,382,471	-	-	-	90,382,471

Company	Less than 3 months	Between 3 months and 1 year	Between year 1 and year 2	Between year 2 and year 5	Over 5 years	Total
As at 31 March 2026						
Borrowings	-	-	-	-	-	-
Trade and other payables	56,730,006	4,469,494	5,959,325	11,086,079	-	78,244,904
As at 31 March 2025						
Borrowings	-	-	-	-	-	
Trade and other payables	35,482,071	4,301,507	3,758,508	7,831,715	-	51,373,801

3.6 Capital risk management

The primary objective of the Group's and the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Group and Company manage its capital structure and make adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and Company may or may not make dividend payments to shareholders, return capital to shareholders or issue new shares or other instruments.

Consistent with others in the industry, the Group and Company monitor capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings and leases (including 'current and non-current borrowings and leases as shown in the balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt. Total equity is calculated as 'Total equity' in the statement of financial position

The gearing ratio as at 31 March were as follows:

	2026	2025
Group		
Total borrowings and leases	1,345,151,751	894,986,853
Less: Cash and cash equivalents	(51,315,217)	(133,373,267)
Net debt	1,293,836,534	761,613,586
Total equity	6,030,922,911	5,073,827,364
Total capital	7,324,759,445	5,835,440,950
Gearing ratio	17.66%	13.05%
Company		
Total borrowings and leases	-	-
Less: Cash and cash equivalents	(20,829,978)	(81,870,736)
Net debt	-	-
Total equity	2,949,163,983	2,838,439,005
Total capital	2,949,163,983	2,838,439,005
Gearing ratio	-	-

3.7 Fair value estimation

The table below analyses financial instruments carried at fair value by valuation methods. The different levels have been defined as follows;

» Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

» Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

» Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3)

Group	Level 1	Level 2	Level 3	Total
31 March 2026				
Assets				
Financial assets at fair value through profit or loss				
Investment in unit trusts	17,814,493	-	-	17,814,493
Investment in equity shares	1,915,409,578	-	-	1,915,409,578
Financial Assets at FVOCI				
Investment in equity shares	2,902,143,774	-	734,567,617	3,636,711,391
	4,835,367,845	-	734,567,617	5,569,935,462
31 March 2025				
Assets				
Financial assets at fair value through profit or loss				
Investment in unit trusts	13,379,802	-	-	13,379,802
Investment in equity shares	1,630,593,237	-	-	1,630,593,237
Financial Assets at FVOCI				
Investment in equity shares	1,861,316,449	-	966,396,570	2,827,713,019
	3,505,289,488	-	966,396,570	4,471,686,058

Company	Level 1	Level 2	Level 3	Total
31 March 2026				
Assets				
Financial assets at fair value through profit or loss				
Investment in unit trusts	15,136,113	-	-	15,136,113
Investment in equity shares	137,197,513	-	-	137,197,513
Financial Assets at FVOCI				
Investment in equity shares	990,076,095	-	638,373,430	1,628,449,525
	1,142,409,721	-	638,373,430	1,780,783,151
31 March 2025				
Assets				
Financial assets at fair value through profit or loss				
Investment in unit trusts	11,509,241	-	-	11,509,241
Investment in equity shares	116,490,561	-	-	116,490,561
Financial Assets at FVOCI				
Investment in equity shares	742,859,825	-	874,585,756	1,617,445,581
	870,859,627	-	874,585,756	1,745,445,383

(i) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

» the use of quoted market prices
» for other financial instruments - adjusted net assets value

(ii) Fair value measurements using significant unobservable inputs (level 3).

The following table presents the changes in level 3 items for the periods ended 31 March 2026 and 31 March 2025:

Subsequent measurement for the level 3 items performed based on "Adjusted Net Asset Value Approach"

	Unlisted equity securities FVOCI	
	Group	Company
Opening balance 1 April 2024	543,410,626	477,474,421
Additions	128,861,551	128,861,551
Reclassified	-	-
Gain recognised in other comprehensive income	294,124,393	268,249,784
Closing balance 31 March 2025	966,396,570	874,585,756
Opening balance 1 April 2025	966,396,570	874,585,756
Additions	-	-
Reclassified	-	-
Loss recognised in other comprehensive income	(231,828,953)	(236,212,326)
Closing balance 31 March 2026	734,567,617	638,373,430

(iii) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements (see (i) above for the valuation techniques adopted):

Description	Fair value at 31 March 2026	Fair value at 31 March 2025	Un-observable inputs	Range of inputs 2026	Range of inputs 2025	Relationship of unobservable inputs to fair value
Unlisted equity shares						
- Group	734,567,617	966,396,570	Adjusted net assets value of shares held by the company			The higher the adjusted net assets value, the higher the fair value
- Company	638,373,430	874,585,756	- Colombo Fort Hotels Limited	16.02 per share	15.29 per share	
			- Consolidated Tea Plantation Limited	52.02 per share	91 per share	

4. Critical accounting estimates and judgements

4.1 Critical accounting estimates and assumptions

The Group and Company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Impairment assessment of goodwill

The Group tests goodwill for impairment annually in accordance with its accounting policy stated in note 2.25 (a) and whenever events or change in circumstances indicate that this is necessary within the financial year. The cash generating unit, being the lowest level of assets for which there are separately identifiable cash flows, was assessed as the subsidiary for the purpose of such testing of impairment of goodwill.

The recoverable amount of the CGU is determined based on Value - In - Use (VIU) calculations.

The VIU calculations apply Discounted Cash Flow Model using cash flow projections based on the forecasts and projections approved by the management covering a five year period.

Cash flows beyond the five year period are extrapolated using the estimated growth rate as stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

In the Discounted Cash Flow (DCF) model, the free cash flows have been discounted by the pre-tax discount rate.

The subsidiary is engaged in the business of asset management, fund and portfolio management, and management of Trusts including unit trusts and investment trusts and to act as trustees thereof.

These forecasts and projections reflect management expectations of revenue growth, operating costs and margins for the CGU based on past experience and future plans and strategies.

1. EBIDTA margin

Projected EBIDTA margin is determined based on expected growth potential of the business.

2. Free cash flow (FCF) growth rate

FCF growth projections are based on expected growth in operational cashflows.

3. Pre-tax discount rate

Pre-tax discount rate of the Group is used as the discount rate for cash flow projections.

4. Terminal growth rate

Terminal growth reflects the management expectations on the growth potential of the business in Sri Lanka for the foreseeable future

Given below are the projected variables used for the impairment test for 2026 and 2025::

	2026	2025
EBITDA margin (1)	73%	78%
Free cash flow growth rate (2)	5%	9%
Pre-tax discount rate (3)	8%	8%
Terminal growth rate (4)	7%	7%

Based on the impairment test performed, the recoverable amounts exceed the carrying value, hence no provision for impairment of goodwill was recognised as of 31 March 2026.

Impact of possible changes in key assumptions
The Group's review includes an impact assessment of change in key assumptions. Sensitivity analysis shows that no impairment loss is required for the carrying value of the goodwill, including where realistic variances are applied to key assumptions.

Defined benefit plan - gratuity
The present value of the defined benefit plan depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for defined benefit plan include the discount rate, future salary increase rate, mortality rate, withdrawal and disability rates and retirement age. Any changes in these assumptions will impact the carrying amount of defined benefit plan. The Group and Company determine the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows, expected to be required to settle the defined benefit plan. In determining the appropriate discount rate, the Group and Company consider the interest yield of long term government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related defined benefit plan. Other key assumptions for defined benefit plan are based in part on current market conditions.

Impairment of receivables
The Company and the Group review all receivables at the date of statement of financial position to assess whether an allowance should be recorded in the statement of profit or loss. Management uses judgment in estimating such amounts in the light of the duration of outstanding and any other factors management are aware of that indicates uncertainty in recovery.

Contingent liabilities
Determination of the treatment of contingent liabilities in the financial statements is based on the management's view of the expected outcome of the applicable contingency. The Group consults with legal counsel on matters related to litigation and other experts both within and outside the Group and Company with respect to matters in the ordinary course of business.

4.2 Critical judgements in applying the entity's accounting policies

(a) Critical judgements in determining the lease term - SLFRS 16

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of buildings and motor vehicles, the following factors are normally the most relevant:

» If there are significant penalties to terminate (or not extend), the Group and Company is typically reasonably certain to extend (or not terminate);
» If any leasehold improvements are expected to have a significant remaining value, the Group and Company is typically reasonably certain to extend (or not terminate), and
» Otherwise, the Group and Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset;

Most extension options in buildings and motor vehicles leases have not been included in the lease liability, because the Group and Company could replace the assets without significant cost or business disruption.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group and Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

(b) Critical judgements in determining the deferred tax assets

» Availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5. Segment information

Operating segments are reported being consistent with the internal management reporting practices towards the Board of Directors who is the chief operating decision maker (CODM) of the Group. Based on the above internal process revenue, cost, depreciation, amortization, assets and liabilities are allocated under the below segments.

(a) Primary reporting format - business segments

The Group is organised into three main business segments:

» Sale of motor vehicles which includes import and sale of motor vehicles along with the provision of value added services to the customer.

» Providing motor vehicle repair and maintenance services including sale of spare parts and workshop related activities for value addition.

» Investment and property holding where the entity engages in leasing out its investment properties and earning a rental income amongst other investment activities.

The segment results for the year ended 31 March 2026 are as follows:

	Motor vehicle sales	Repair & maintenance services	Investment & property holding	Group
Total segmental revenue	980,116,949	226,436,650	108,460,171	1,315,013,770
	980,116,949	226,436,650	108,460,171	1,315,013,770
Operating profit	52,260,834	12,073,833	693,702,208	758,036,875
Finance income	-	-	10,742,760	10,742,760
Finance costs	(80,017,377)	(18,486,433)	(12,451,111)	(110,954,921)
Finance (costs) / income - net	(80,017,377)	(18,486,433)	(1,708,351)	(100,212,161)
Profit before income tax	(27,756,543)	(6,412,600)	691,993,857	657,824,714
Income tax expense	9,757,197	2,254,207	(22,421,957)	(10,410,553)
Net profit	(17,999,346)	(4,158,393)	669,571,900	647,414,161

The segment results for the year ended 31 March 2025 are as follows:

	Motor vehicle sales	Repair & maintenance services	Investment & property holding	Group
Total segmental revenue	7,381,261	239,480,070	104,644,517	351,505,848
	7,381,261	239,480,070	104,644,517	351,505,848
Operating profit	490,444	15,912,137	685,658,751	702,061,332
Finance income	-	-	2,267,616	2,267,616
Finance costs	(2,734,511)	(88,719,362)	-	(91,453,873)
Finance (costs) /income - net	(2,734,511)	(88,719,362)	2,267,616	(89,186,257)
Profit before income tax	(2,244,067)	(72,807,225)	687,926,367	612,875,075
Income tax expense	417,222	13,536,504	(21,319,833)	(7,366,107)
Net profit	**(1,826,845)**	**(59,270,721)**	**666,606,534**	**605,508,968**

5. Segment information contd.

Other segment items included in the income statement are as follows -

Year ended 31 March 2026 are as follows:	Motor vehicle sales	Repair & maintenance services	Investment & property holding	Group
Depreciation of property, plant & equipment, investment property and right of use assets	-	25,104,896	8,022,501	33,127,397

Year ended 31 March 2025 are as follows:	Motor vehicle sales	Repair & maintenance services	Investment & property holding	Group
Depreciation of property, plant & equipment, investment property and right of use assets	-	25,425,793	7,481,656	32,907,449

The segment assets and liabilities at 31 March 2026 and capital expenditure for the year then ended are as follows:

Year ended 31 March 2026 are as follows:	Motor vehicle sales	Repair & maintenance services	Investment & property holding	Group
Assets	974,821,314	225,213,198	6,776,307,961	7,976,342,473
Liabilities	1,332,996,032	307,962,388	304,461,142	1,945,419,562
Capital expenditure		4,221,938	5,270,849	9,492,787

The segment assets and liabilities at 31 March 2025 and capital expenditure for the year then ended are as follows:

Year ended 31 March 2025 are as follows:	Motor vehicle sales	Repair & maintenance services	Investment & property holding	Group
Assets	18,851,110	607,912,764	5,680,360,683	6,307,124,557
Liabilities	31,193,361	1,064,628,670	137,475,162	1,233,297,193
Capital expenditure	-	2,086,310	1,618,650	3,704,960

Inter segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties.

Segment assets consist primarily of property, plant and equipment, investment property, intangible assets, inventories, trade and other receivables cash and cash equivalents and other assets.

Segment liabilities comprise operating and other liabilities.

Capital expenditure comprises additions to property, plant and equipment, investment property and intangible assets.

(b) Secondary reporting format - geographical segments

The Group’s business segments operate in one main geographical area, hence they do not qualify for secondary reporting.

6. Property, plant and equipment

Group	Freehold land	Buildings	Plant, machinery & other equipment	Motor vehicles	Total
Year ended 31 March 2025	**293,000,000**	**76,934,291**	**15,962,621**	**793,372**	**386,690,284**
Opening net book amount	-	-	3,359,960	-	3,359,960
Additions	-	-	-	(8,774,627)	(8,774,627)
Disposals	39,500,000	7,003,407	-	-	46,503,407
Depreciation charge (note 24)	-	(7,097,274)	(2,394,964)	(638,192)	(10,130,430)
Depreciation on disposal	-	-	-	8,619,447	8,619,447
Closing net book amount	**332,500,000**	**76,840,424**	**16,927,617**	**-**	**426,268,041**
At 31 March 2025					
Cost or fair value	332,500,000	145,231,707	84,300,061	26,604,920	588,636,688
Accumulated depreciation	-	(68,391,283)	(67,372,444)	(26,604,920)	(162,368,647)
Net book amount	**332,500,000**	**76,840,424**	**16,927,617**	**-**	**426,268,041**
Year ended 31 March 2026					
Opening net book amount	332,500,000	76,840,424	16,927,617	-	426,268,041
Additions	-	765,000	3,456,938	-	4,221,938
Disposals	-	-	-	-	-
Revaluation surplus	-	38,323,913	-	-	38,323,913
Depreciation charge (note 24)	-	(6,967,857)	(2,993,631)	-	(9,961,488)
Depreciation on disposal	-	-	-	-	-
Closing net book amount	**332,500,000**	**108,961,480**	**17,390,924**	**-**	**458,852,404**
At 31 March 2026					
Cost or fair value	332,500,000	184,320,620	87,756,999	26,604,920	631,182,539
Accumulated depreciation	-	(75,359,140)	(70,366,075)	(26,604,920)	(172,330,135)
Net book amount	**332,500,000**	**108,961,480**	**17,390,924**	**-**	**458,852,404**

Property, plant and equipment in use of the Group include fully depreciated assets, which amounted to LKR 112,493,894 (2025 - LKR 112,164,394) as of reporting period end.

6. Property, plant and equipment contd.

Details of the valuation of freehold land are given below:

Company	Description of Property	Fair Value of Land	No of Buildings	Valuation Technique	Significant Unobservable Inputs	Estimates for Unobservable Inputs	Level of Fair Value Hierarchy	Sensitivity of Fair Value to Unobservable Inputs	Valuation date	Valuer
Colonial Motors (Ceylon) Limited	41/35, Nagahamulla Road, Thalangama South	332,500,000	9	Direct comparison method of valuation	Price per Perch	133 Perches of Land @ LKR 2,500,000/- per perch.	Level - 03	Positivity Correlated Sensitivity	31.03.2025	WikiFrank Chartered Valuers (Pvt) Ltd

If freehold land was stated on a historical cost basis, the amounts would be as follows:

	2026	2025
Freehold land		
Cost	67,245,720	67,245,720
Accumulated depreciation	-	-
Net book amount	67,245,720	67,245,720

Details of the valuation of freehold building are given below:

Company	Description of Property	Fair Value of Land	No of Buildings	Valuation Technique	Significant Unobservable Inputs	Estimates for Unobservable Inputs	Level of Fair Value Hierarchy	Sensitivity of Fair Value to Unobservable Inputs	Valuation date	Valuer
Colonial Motors (Ceylon) Limited	41/35, Nagahamulla Road, Thalangama South	75,935,000	9	Direct Replacement Cost	Rate per SqFt	9,530sq.ft @ LKR 3,000/-, 6,228 sq.ft @ LKR 3,500/-, 1,572 sq. ft @ LKR 2,500/-, 5123 sq.ft @ LKR 4,000 and 750 sq. ft @ LKR 1,500/-	Level - 03	Positivity Correlated Sensitivity	31.03.2025	WikiFrank Chartered Valuers (Pvt) Ltd

The fair value of land was determined by means of a revaluation during the financial year ended 31 March 2025. The valuation was performed by WikiFrank Chartered Valuers (Pvt) Ltd a Chartered Valuation Surveyor who is an accredited independent valuer who has valuation experience for similar Land in Sri Lanka. Fair value of the Land was determined using the direct comparison method and the Freehold Building was determined using the depreciated replacement cost method.

6. Property, plant and equipment contd.

Company	Buildings	Plant, machinery & other equipment	Total
Year ended 31 March 2025			
Opening net book amount	770,661	660,168	1,430,829
Additions	-	1,273,650	1,273,650
Depreciation charge (note - 24)	(56,048)	(406,782)	(462,830)
Closing net book amount	**714,613**	**1,527,036**	**2,241,649**
At 31 March 2025			
Cost or fair value	1,120,959	11,234,441	12,355,400
Accumulated depreciation	(406,346)	(9,707,405)	(10,113,751)
Net book amount	**714,613**	**1,527,036**	**2,241,649**
Year ended 31 March 2026			
Opening net book amount	714,613	1,527,036	2,241,649
Additions	-	-	-
Depreciation charge (note 24)	(56,048)	(558,734)	(614,782)
Closing net book amount	**658,565**	**968,302**	**1,626,867**
At 31 March 2026			
Cost or fair value	1,120,959	11,234,441	12,355,400
Accumulated depreciation	(462,394)	(10,266,139)	(10,728,533)
Net book amount	**658,565**	**968,302**	**1,626,867**

Property, plant and equipment in use of the Company include fully depreciated assets, which amounted to LKR. 9,178,090 (2025 - LKR 8,848,590) as of reporting period end.

7. Investment property

	Group		Company	
	2026	2025	2026	2025
At 1 April - Opening balance	1,057,267,405	1,051,275,711	1,057,267,405	1,051,275,711
Additions	5,095,849	345,000	5,095,849	345,000
Impairment of Investment Property	(21,110,249)	-	(21,110,249)	-
Transferred from capital work-in-progress (note 7)	-	12,665,519	-	12,665,519
Depreciation charge (note 24)	(7,407,719)	(7,018,825)	(7,407,719)	(7,018,825)
At 31 March	**1,033,845,286**	**1,057,267,405**	**1,033,845,286**	**1,057,267,405**
At 31 March				
Cost				
- Land	997,610,249	997,610,249	997,610,249	997,610,249
- Building	130,199,452	146,213,852	130,199,452	146,213,852
	1,127,809,701	1,143,824,101	1,127,809,701	1,143,824,101
Accumulated depreciation	(93,964,415)	(86,556,696)	(93,964,415)	(86,556,696)
At 31 March	**1,033,845,286**	**1,057,267,405**	**1,033,845,286**	**1,057,267,405**

The Group has initially accounted for the investment property at cost, and subsequently accounted for it under the cost model in accordance with the policy adopted by its ultimate parent. The investment property is depreciated using a straight line method over its estimated useful life of 20 years.

Rental income as disclosed in note 21 - revenue, is generated by the Investment property at 297, Union Place, Colombo 02. Material direct expenses attributable to the above property are Repairs and maintenance expenditures, utilities, business running expenses and non - refundable government taxes as disclosed in note 24 - Expenses by nature.

Subsequent to the reporting date, the company disposed of a land classified under investment property. As the disposal provided evidence of the recoverable amount of the asset at the reporting date, an impairment loss was recognized in the financial statements for the year ended 31 March 2026 to reduce the carrying amount of the asset to its recoverable amount.

Details of the valuation of the land and buildings under Investment Property of the Company carried out by WikiFrank Chartered Valuers (Pvt) Ltd is as follows:

a. Property at Union Place

Total extent of land	206 perches
Total valuation for land and building	3,807,591,000
Number of Buildings	2
Location	No. 297, Dr. Colvin R. De Silva Mawatha, Colombo 02
Date of valuation	31 March 2025
Valuation Technique	Depreciated Replacement Cost and Comparative method
Estimates for observable Inputs	203.46 Perches @ LKR18,000,000/- per perch for land, 18,600 sq.ft @LKR.5,000/- per sq.ft, 6,684 sq.ft @Rs.4,000/- and 8,525 sq.ft @Rs.3,000/- for buildings
Level of Fair Value Hierarchy	Level 2

b. Property at Pelawatta

Total extent of land	109.2 perches
Total valuation for land and building	382,200,000
Number of Buildings	-
Location	479/G Pannipitiya Road, Thalangama South, Battaramulla
Date of valuation	31 March 2025
Valuation Technique	Comparative method
Estimates for observable Inputs	109.2 Perches @ LKR 3,500,000/- per perch
Level of Fair Value Hierarchy	Level 2

7. Investment property contd.

The market comparable method involves comparing the prices of comparable properties located in the same area.
The valuation was performed by WikiFrank Chartered Valuers (Pvt) Ltd who is an external independent property valuer, having appropriate recognised professional qualifications and recent experience in the location and the category of the property being valued.

(i) Leasing arrangements

The investment properties are leased to tenants under operating leases, with rentals payable monthly. Lease income from operating leases where the Group/Company is a lessor is recognised in income on a straight-line basis over the lease term.

There are no variable lease payments that depend on an index or rate. Where considered necessary to reduce credit risk, the Group and the Company may obtain bank guarantees for the term of the lease. Although the Group and the Company are exposed to changes in the residual value at the end of the current leases, the Group and the Company typically enter into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about future residual values are reflected in the fair value of the properties.

Minimum lease payments receivable on leases of investment properties are as follows:

	Group		Company	
	2026	2025	2026	2025
Within 1 year	117,641,091	99,430,176	117,641,091	99,430,176
Between 1 and 2 years	120,841,163	72,538,939	120,841,163	72,538,939
Between 2 and 3 years	121,102,586	75,888,342	121,102,586	75,888,342
Between 3 and 4 years	106,251,557	72,864,402	106,251,557	72,864,402
Between 4 and 5 years	98,430,255	54,472,743	98,430,255	54,472,743
Later than 5 years	226,395,202	290,276,636	226,395,202	290,276,636
	790,661,854	**665,471,238**	**790,661,854**	**665,471,238**

7.1 Capital work - in - progress

	Group		Company	
	2026	2025	2026	2025
At 1 April	-	13,087,187	-	13,087,187
Additions	175,000	903,400	175,000	903,400
Transferred to investment property (note 7)	-	(12,665,519)		(12,665,519)
Reversals	-	(1,325,068)		(1,325,068)
At 31 March	175,000	-	175,000	-

8. Intangible assets

Group	Goodwill
Year ended 31 March 2025	
Opening net book amount	4,870,824
Amortisation charge	-
Closing net book amount	**4,870,824**
At 31 March 2025	
Cost	4,870,824
Accumulated amortisation	-
Net book amount	**4,870,824**
Year ended 31 March 2026	
Opening net book amount	4,870,824
Amortisation charge	-
Closing net book amount	**4,870,824**
At 31 March 2026	
Cost	4,870,824
Accumulated amortisation	-
Net book amount	**4,870,824**

Goodwill represents the excess of the cost of acquisition of the net assets of Guardian Asset Management Limited.

9. Right of use assets and Leases

Right of Use Asset

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability (present value of future lease payments discounted using the Group's incremental borrowing rate) adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the early of the end of the useful life of the right-of-use asset or the end of the lease term. The movement of Right of Use lease asset of the Group is as follows,

Year ended 31 March 2025

	Balance as at 1 April 2024	Additions	Adjustment on termination	Balance as at 31 March 2025
At Gross Value				
Property at Peliyagoda (Plan no: 2921)	34,024,141	-		34,024,141
Property at Peliyagoda (Plan no: 3179)	18,205,006	-		18,205,006
Property at Peliyagoda (Plan no: 2006/299)	63,330,927	-		63,330,927
	115,560,074	**-**	**-**	**115,560,074**
Accumulation Depreciation				
Property at Peliyagoda (Plan no: 2921)	23,198,278	4,639,656	-	27,837,934
Property at Peliyagoda (Plan no: 3179)	12,412,506	2,482,502	-	14,895,008
Property at Peliyagoda (Plan no: 2006/299)	43,180,176	8,636,036	-	51,816,212
	78,790,960	**15,758,194**	**-**	**94,549,154**

9. Right of use assets and Leases contd.

Year ended 31 March 2026

	Balance as at 1 April 2025	Additions	Adjustment on termination	Balance as at 31 March 2026
At Gross Value				
Property at Peliyagoda (Plan no: 2921)	34,024,141	-	-	34,024,141
Property at Peliyagoda (Plan no: 3179)	18,205,006	-	-	18,205,006
Property at Peliyagoda (Plan no: 2006/299)	63,330,927	-	-	63,330,927
	115,560,074	-	-	**115,560,074**
Accumulation Depreciation				
Property at Peliyagoda (Plan no: 2921)	27,837,934	4,639,653	-	32,477,587
Property at Peliyagoda (Plan no: 3179)	14,895,008	2,482,501	-	17,377,509
Property at Peliyagoda (Plan no: 2006/299)	51,816,212	8,636,036	-	60,452,248
	94,549,154	**15,758,190**	-	**110,307,344**

	Balance as at	
Net Book Values	31 March 2026	31 March 2025
Property at Peliyagoda (Plan no: 2921)	1,546,554	6,186,207
Property at Peliyagoda (Plan no: 3179)	827,497	3,309,998
Property at Peliyagoda (Plan no: 2006/299)	2,878,679	11,514,715
	5,252,730	**21,010,920**

Lease Liabilities/Lease Creditors

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate can not be readily determined, the Group's incremental borrowing rate. The movement of Lease creditor for the period is as follows,

	Balance as at 1 April 2024	Interest expense recognized in profit or loss	Repayment of liability	Adjustment on termination	Balance as at 31 March 2025
Property at Peliyagoda (Plan no: 2921)	27,605,678	1,533,607	(6,120,000)	-	23,019,285
Property at Peliyagoda (Plan no: 3179)	23,308,756	821,575	-	-	24,130,331
Property at Peliyagoda (Plan no: 2006/299)	11,894,109	1,359,786	-	-	13,253,895
	62,808,543	**3,714,968**	**(6,120,000)**	-	**60,403,511**

	Amount repayable within 1 year	Amount repayable after 1 year	Total
Property at Peliyagoda (Plan no: 2921)	20,618,139	2,401,146	23,019,285
Property at Peliyagoda (Plan no: 3179)	22,844,003	1,286,328	24,130,331
Property at Peliyagoda (Plan no: 2006/299)	10,375,216	2,878,679	13,253,895
	53,837,358	**6,566,153**	**60,403,511**

9. Right of use assets and Leases contd.

	Balance as at 1 April 2025	Interest expense recognized in profit or loss	Repayment of liability	Adjustment on termination	Balance as at 31 March 2026
Property at Peliyagoda (Plan no: 2921)	23,019,285	757,862	(6,160,000)	-	17,617,147
Property at Peliyagoda (Plan no: 3179)	24,130,331	405,997		-	24,536,328
Property at Peliyagoda (Plan no: 2006/299)	13,253,895	688,965		-	13,942,860
	60,403,511	**1,852,824**	**(6,160,000)**	**-**	**56,096,335**

	Amount repayable within 1 year	Amount repayable after 1 year	Total
Property at Peliyagoda (Plan no: 2921)	17,617,147	-	17,617,147
Property at Peliyagoda (Plan no: 3179)	24,536,328	-	24,536,328
Property at Peliyagoda (Plan no: 2006/299)	13,942,860	-	13,942,860
	56,096,335	**-**	**56,096,335**

Lease Liabilities	As at 31 March 2026	31 March 2025
Less than 3 months	-	30,000,000
Between 3 months and 1 year	56,096,335	23,837,358
Between year 1 and year 2	-	6,566,153
	56,096,335	**60,403,511**

The total cash outflow for leases in 2025/2026 is LKR 6,160,000 (2024/2025- LKR 6,120,000).

10. Investments in subsidiaries

The Group has the following principal subsidiary undertakings as at 31 March 2026

Name	Proportion of ordinary shares directly held by parent	held by group	held by non - controlling interests
Union Investments (Private) Limited	99.99%	99.99%	-
Guardian Asset Management Limited	99.99%	99.99%	-
Colonial Motors (Ceylon) Limited	99.99%	99.99%	-

Investments at cost	31 March 2026	2025
Union Investments (Private) Limited	2,000,000	2,000,000
Guardian Asset Management Limited	15,200,000	12,000,000
Colonial Motors (Ceylon) Limited	216,999,980	216,999,980
	234,199,980	230,999,980
Impairment of investments		
Colonial Motors (Ceylon) Limited	(216,999,980)	(216,999,980)
Net investments	17,200,000	14,000,000

	2026	2025
At the end of the year	17,200,000	14,000,000

The Investment in Colonial Motors (Ceylon) Limited was fully impaired as at 31 March 2020 due to continuous losses made by the entity led by adverse economic conditions in the motor vehicle industry. The investment was impaired based on the negative net asset value position as at 2019/2020 since the industry has seen no improvement and unpredictability of future cashflows under the prevailing economic conditions.

(a) Details of the principal activities of each subsidiaries, are set out below.

Name of the subsidiary	Principal activities
» Union Investments (Private) Limited	» Carrying on the business of an investment company
» Guardian Asset Management Limited	» Asset management funds, portfolio management and the management of all types of trust.
» Colonial Motors (Ceylon) Limited	» Import and sale of motor vehicles, and spare parts and providing vehicle maintenance services.

(b) No provision for impairment of long term investments carried at cost was required, other than the amounts mentioned under note 10 - impairment of investments.

(c) All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of the ordinary shares held.

11. Financial Instruments

(a) Financial instruments by category

Group

31 March 2026

Assets as per statement of financial position	Fair value through profit or loss	Fair value through OCI	Amortized Cost	Total
Investments in unit trust	17,814,493	-	-	17,814,493
Equity investment	1,915,409,578	3,636,711,391	-	5,552,120,969
Trade and other receivables (excluding pre-payments)	-	-	157,675,328	157,675,328
Cash and cash equivalents	-	-	51,315,217	51,315,217
Total	1,933,224,071	3,636,711,391	208,990,545	5,778,926,007

Liabilities as per statement of financial position	Amortized Cost	Total
Borrowings	1,289,055,416	1,289,055,416
Trade and other payables	566,639,554	566,639,554
Lease liabilities	56,096,335	56,096,335
Total	1,911,791,305	1,911,791,305

31 March 2025

Assets as per statement of financial position	Fair value through profit or loss	Fair value through OCI	Amortized Cost	Total
Investments in unit trust	13,379,802	-	-	13,379,802
Equity investment	1,630,593,237	2,827,713,019	-	4,458,306,256
Trade and other receivables(excluding pre-payments)	-	-	49,654,576	49,654,576
Cash and cash equivalents	-	-	133,373,267	133,373,267
Total	1,643,973,039	2,827,713,019	183,027,843	4,654,713,901

Liabilities as per statement of financial position	Amortized Cost	Total
Borrowings	834,583,342	834,583,342
Trade and other payables	243,349,285	243,349,285
Lease liabilities	60,403,511	60,403,511
Total	1,138,336,138	1,138,336,138

Company

31 March 2026

Assets as per statement of financial position	Fair value through profit or loss	Fair value through OCI	Amortized Cost	Total
Investments in unit trust	15,136,113	-	-	15,136,113
Equity investment	137,197,513	1,628,449,525	-	1,765,647,038
Trade and other receivables (excluding pre-payments)	-	-	132,725,854	132,725,854
Cash and cash equivalents	-	-	20,829,978	20,829,978
Total	**152,333,626**	**1,628,449,525**	**153,555,832**	**1,934,338,983**

Liabilities as per statement of financial position	Amortized Cost	Total
Borrowings	-	-
Trade and other payables	78,244,904	78,244,904
Total	**78,244,904**	**78,244,904**

31 March 2025

Assets as per statement of financial position	Fair value through profit or loss	Fair value through OCI	Amortized Cost	Total
Investments in unit trust	11,509,241	-	-	11,509,241
Equity investment	116,490,561	1,617,445,581	-	1,733,936,142
Trade and other receivables (excluding pre-payments)	-	-	36,379,462	36,379,462
Cash and cash equivalents	-	-	81,870,736	81,870,736
Total	**127,999,802**	**1,617,445,581**	**118,250,198**	**1,863,695,581**

Liabilities as per statement of financial position	Amortized Cost	Total
Borrowings	-	-
Trade and other payables	51,373,801	51,373,801
Total	**51,373,801**	**51,373,801**

11. Financial Instruments (contd.)

(b) Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

Group	2026	2025
Trade receivables		
Counterparties without external credit rating		
Group 1	10,186,763	13,701,138
Group 2	5,479,583	3,233,969
Group 3	-	-
Total	**15,666,346**	**16,935,107**
Cash at bank and short-term bank deposits (Fitch ratings)		
A+lka to A-lka	35,246,389	131,139,753
Below A	-	-
Counterparties without external credit rating, and cash in hand	16,068,828	2,233,514
Total	**51,315,217**	**133,373,267**

Company	2026	2025
Trade receivables		
Counterparties without external credit rating		
Group 1	1,858,117	37,081
Group 2	-	-
Group 3	-	-
Total	**1,858,117**	**37,081**
Cash at bank and short-term bank deposits (Fitch ratings)		
A+lka to A-lka	20,829,978	81,870,736
Below A	-	-
Counterparties without external credit rating, and cash in hand	-	-
Total	**20,829,978**	**81,870,736**

Group 1 - new customers and existing customers (less than 6 months).
Group 2 - existing customers (more than 6 months) with no defaults in the past.
Group 3 - existing customers (more than 6 months) with some defaults in the past. All defaults were fully recovered

(c) Financial assets at fair value through profit or loss

(i) Net financial assets at fair value through profit or loss are as follows;

	Group		Company	
	2026	2025	2026	2025
Investment in unit trust	17,814,493	13,379,802	15,136,113	11,509,241
Equity investment	1,915,409,578	1,630,593,237	137,197,513	116,490,561
	1,933,224,071	**1,643,973,039**	**152,333,626**	**127,999,802**

(ii) The movement of the financial assets at fair value through profit or loss is as follows

	Group		Company	
	2026	2025	2026	2025
At the beginning of the year				
Investment in unit trusts	13,379,802	12,521,260	11,509,241	11,044,028
Equity investment	1,630,593,237	1,093,747,151	116,490,561	77,496,116
	1,643,973,039	**1,106,268,411**	**127,999,802**	**88,540,144**
Additions				
Investment in unit trusts	15,000,000	-	15,000,000	-
Equity investment	37,531,503	33,263,978	74,176	1,310,804
	52,531,503	**33,263,978**	**15,074,176**	**1,310,804**
Disposals				
Investment in unit trusts	(15,077,206)	-	(15,077,206)	-
Equity investment	(275,089,309)	(9,609,139)	(18,539,846)	-
Share repurchase	-	-	-	-
	(290,166,515)	**(9,609,139)**	**(33,617,052)**	**-**
Market fair value changes				
- to statement of profit or loss				
Investment in unit trusts (Note 23)	4,511,897	858,542	3,704,078	465,213
Equity investment (Note 23)	522,374,148	513,191,247	39,172,622	37,683,641
	526,886,045	**514,049,789**	**42,876,700**	**38,148,854**
At the end of the year				
Investment in unit trusts	17,814,493	13,379,802	15,136,113	11,509,241
Equity investment	1,915,409,578	1,630,593,237	137,197,513	116,490,561
	1,933,224,071	**1,643,973,039**	**152,333,626**	**127,999,802**

11. Financial Instruments (contd.)

(d) Financial assets at Fair value through other comprehensive income

	Group		Company	
	2026	2025	2026	2025
Opening balance	2,827,713,019	1,783,987,974	1,617,445,581	986,510,881
Investment made during the year	595,468,388	129,308,111	104,036,147	128,861,551
Disposals made during the year	-	(1,641,481)	-	-
Change in fair value	213,529,984	916,058,415	(93,032,203)	502,073,149
As at 31 March	**3,636,711,391**	**2,827,713,019**	**1,628,449,525**	**1,617,445,581**

(e) Financial assets at fair value through profit or loss

Listed shares

	Group					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Automobiles & Components						
Kelani Tyres PLC	160	12,896	934	160	12,944	934
	160	**12,896**	**934**	**160**	**12,944**	**934**
Banks						
Commercial Bank of Ceylon PLC	1,562,673	319,175,960	76,682,311	1,544,688	227,841,480	74,056,341
Commercial Bank of Ceylon PLC (Non Voting)	179,583	35,377,851	8,573,586	177,243	22,243,997	8,272,273
Development Finance Corporation of Ceylon PLC	131,626	18,131,482	8,869,475	128,032	13,571,392	8,302,320
Hatton National Bank PLC	393,410	161,593,158	31,374,169	371,633	113,348,065	21,833,613
Hatton National Bank PLC (Non-voting)	76,781	27,199,669	6,985,000	66,781	17,045,850	3,137,384
National Development Bank PLC	40,123	5,215,990	2,236,673	40,123	4,293,161	2,236,673
Nations Trust Bank PLC	135,721	39,257,299	3,742,187	134,556	25,565,640	3,742,187
Pan Asia Bank PLC	109,000	5,504,500	1,101,176	109,000	3,869,500	1,101,176
Sampath Bank PLC	419,389	60,916,252	14,496,768	419,389	51,375,153	14,496,768
Seylan Bank PLC (Non Voting)	490,792	34,649,915	10,372,702	490,792	26,061,055	10,372,703
Union Bank of Colombo PLC	55,000	709,500	2,500	55,000	566,500	2,500
	3,594,098	**707,731,576**	**164,436,547**	**3,537,237**	**505,781,792**	**147,553,939**
Capital Goods						
ACL Cables PLC	432,000	36,720,000	1,485,020	144,000	17,568,000	1,485,020
Colombo Dockyard PLC	81,840	10,004,940	3,520,362	14,880	1,178,496	841,962
Hayleys PLC	1,000,160	215,034,400	2,372,698	1,000,160	137,021,920	2,372,698
Hemas Holdings PLC	108,265	3,204,644	431,821	21,653	2,598,360	431,821
	1,622,265	**264,963,984**	**7,809,901**	**1,180,693**	**158,366,776**	**5,131,501**
Balance carried forward	**5,216,523**	**972,708,456**	**172,247,382**	**4,718,090**	**664,161,512**	**152,686,373**

	Group					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	**5,216,523**	**972,708,456**	**172,247,382**	**4,718,090**	**664,161,512**	**152,686,373**
Capital Goods						
John Keells Holdings PLC	760,500	13,993,200	6,791,766	760,500	15,362,100	6,791,766
Kelani Cables PLC	4,000	410,000	6,557	400	207,800	6,557
Lanka Tiles PLC	125,000	5,712,500	629,625	125,000	6,337,500	629,625
Lanka Walltiles PLC	500,000	23,000,000	3,946,907	500,000	25,250,000	3,946,907
Richard Peiris & Company PLC	4,740	145,992	11,121	4,740	119,922	11,121
Sierra Cables PLC	824,000	23,319,200	1,515,337	824,000	12,936,800	1,515,337
Brown & Company PLC	28,900	4,342,225	2,744,783	28,900	4,573,425	2,744,783
Lankem Ceylon PLC	594,132	24,359,412	12,704,680	222,800	19,361,320	7,506,060
Vallibel One PLC	109,012	10,018,203	2,600,000	109,012	6,420,807	2,600,000
	2,950,284	**105,300,732**	**30,950,776**	**2,575,352**	**90,569,674**	**25,752,156**
Consumer Durables & Apparel						
Dankotuwa Porcelain PLC	42,500	646,000	348,589	42,500	981,750	348,589
Hayleys Fabric PLC	17,180	523,990	194,121	17,180	773,100	194,121
Hayleys Fibre PLC	1,467	162,837	21,022	1,467	67,629	21,022
Teejay Lanka PLC	10,000	280,000	150,000	10,000	510,000	150,000
Hela Apperal PLC	6,000	16,800	90,000	6,000	22,200	90,000
	77,147	**1,629,627**	**803,732**	**77,147**	**2,354,679**	**803,732**
Balance carried forward	**8,243,954**	**1,079,638,815**	**204,001,890**	**7,370,589**	**757,085,865**	**179,242,261**

11. Financial Instruments (contd.)

(e) Financial assets at fair value through profit or loss (Contd)

Listed shares (Contd)

	Group					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	8,243,954	1,079,638,815	204,001,890	7,370,589	757,085,865	179,242,261
Consumer Services						
Aitken Spence Hotel Holdings PLC	100,625	9,217,250	1,855,824	100,625	8,060,063	1,855,824
Amaya Leisure PLC	134,886	3,830,762	2,335,378	134,886	3,803,785	2,335,378
Asian Hotels Properties PLC	72,000	3,873,600	988,895	72,000	3,816,000	988,895
Dolphin Hotels PLC	20,000	798,000	275,131	20,000	914,000	275,131
Renuka City Hotels PLC	12,740	10,341,695	896,879	12,740	6,057,870	896,879
Tangerine Beach Hotels PLC	11,400	1,154,250	348,343	11,400	798,000	348,343
Ceylon Hotel Corporation PLC	10,478	375,112	253,714	10,478	235,755	253,714
Eden Hotel PLC	250,000	2,825,000	5,045,594	350,000	4,725,000	7,005,939
Galadari Hotels PLC	7,000	112,700	60,075	7,000	118,300	60,075
Citrus Hikkaduwa PLC	64,270	237,799	781,688	64,270	212,091	781,688
John Keells Hotels PLC	530,416	8,592,739	8,907,235	530,416	10,714,403	8,907,235
Marawila Resorts PLC	10,000,000	57,000,000	17,994,264	10,000,000	68,000,000	17,994,264
Pegasus Hotels of Ceylon PLC	22,666	881,707	499,202	22,666	781,977	499,202
Royal Palms Beach PLC	15,700	794,420	628,738	15,700	518,100	628,738
Serendib Hotels PLC (Non - voting)	125,000	1,587,500	671,268	125,000	1,462,500	671,268
Taj Lanka Hotels PLC	19,500	668,850	182,097	19,500	407,550	182,097
The Light House Hotel PLC	114,800	7,484,960	1,947,676	114,800	6,669,880	1,947,676
The Fortress Resorts PLC	50	1,080	866	50	1,225	866
Palm Garden Hotels PLC	12,215	718,242	572,365	15,164	962,914	710,548
	11,523,746	110,495,666	44,245,232	11,626,695	118,259,413	46,343,760
Balance carried forward	19,767,700	1,190,134,481	248,247,122	18,997,284	875,345,278	225,586,021

	Group					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	**19,767,700**	**1,190,134,481**	**248,247,122**	**18,997,284**	**875,345,278**	**225,586,021**
Diversified Financials						
Alliance Finance Company PLC	80,000	25,200,000	352,690	80,000	14,440,000	352,690
Central Finance PLC	40,318	9,192,504	821,367	40,318	7,831,772	821,367
Ceylon Guardian Investments Trust PLC	51,416	11,889,950	702,058	151,416	23,204,502	1,567,074
Ceylon Investments PLC	26,000	2,619,500	185,534	595,725	42,653,910	2,798,977
Lanka Orix Leasing Company Holdings PLC	-	-	-	355,734	211,572,797	2,917,235
Lanka Ventures PLC	396,316	23,778,960	12,893,584	396,316	15,495,955	12,893,584
Lanka Orix Finance PLC	99,250	526,025	619,623	99,250	585,575	619,623
Capital Alliance Holdings PLC	10,700	160,500	107,000			
People's Merchant Bank PLC	1,500	16,950	27,005	1,500	10,800	27,005
Merchant Bank of Sri Lanka PLC	119,879	1,294,693	7,843,103	124,879	724,298	8,170,229
LOLC General Insurance PLC	2,300	17,020	18,170	2,300	17,480	18,170
Guardian Capital Partners PLC	9,156	224,322	456,286	126,387	5,826,441	8,600,766
	836,835	**74,920,424**	**24,026,420**	**1,973,825**	**322,363,530**	**38,786,720**
Energy						
Lanka IOC PLC PLC	174,600	24,444,000	5,417,806	174,600	22,174,200	5,417,806
	174,600	**24,444,000**	**5,417,806**	**174,600**	**22,174,200**	**5,417,806**
Food & Staples Retailing						
Cargills (Ceylon) PLC	146,057	100,596,759	4,386,183	146,057	63,680,852	4,386,183
	146,057	**100,596,759**	**4,386,183**	**146,057**	**63,680,852**	**4,386,183**
Balance carried forward	**20,925,192**	**1,390,095,664**	**282,077,531**	**21,291,766**	**1,283,563,860**	**274,176,730**

11. Financial Instruments (contd.)

(e) Financial assets at fair value through profit or loss (Contd)

Listed shares (Contd)

	Group					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	20,925,192	1,390,095,664	282,077,531	21,291,766	1,283,563,860	274,176,730
Food Beverage & Tobacco						
Bukit Darah PLC	896	774,144	250,317	896	614,880	250,317
Carson Cumberbatch PLC	664	438,738	80,980	664	302,120	80,980
Ceylon Cold Stores PLC	93,200	9,599,600	177,516	93,200	7,642,400	177,516
Ceylon Grain Elevators PLC	30,000	11,437,500	301,978	30,000	5,640,000	301,978
Ceylon Tobacco Company PLC	3,500	5,985,000	140,004	3,500	4,725,875	140,004
Lanka Milk Foods PLC	1,330	106,533	3,830	1,330	57,721	3,830
Melstacorp PLC	10,000	1,680,000	652,469	10,000	1,270,000	652,469
Renuka Agrifoods PLC	44,878	560,975	140,379	44,878	152,585	140,379
Renuka Foods PLC (voting)	50,866	1,470,027	326,264	25,433	279,763	326,264
Sunshine Holdings PLC	8,544	251,194	23,736	8,544	183,696	23,736
Three Acre Farms PLC	25,000	14,400,000	215,528	25,000	7,493,750	215,528
Watawala Plantations PLC	1,821,005	75,207,507	494,532	1,821,005	50,988,140	494,532
Hatton Plantations PLC	432,000	9,979,200	-	432,000	11,966,400	-
Keells Food Products PLC	3,570	572,093	174,451	3,570	603,330	174,451
Ceylon Tea Services PLC	1,428	2,100,588	86,333	1,428	1,556,520	86,333
Lankem Development PLC	3,200,000	56,960,000	6,137,104	2,400,000	42,480,000	6,137,104
	5,726,881	**191,523,099**	**9,205,421**	**4,901,448**	**135,957,180**	**9,205,421**
Balance carried forward	26,652,073	1,581,618,763	291,282,952	26,193,214	1,419,521,040	283,382,151

	Group					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	**26,652,073**	**1,581,618,763**	**291,282,952**	**26,193,214**	**1,419,521,040**	**283,382,151**
Health Care Equipment & Services						
Asiri Hospitals PLC	353,000	10,837,100	894,671	353,000	9,107,400	894,671
Asiri Surgical PLC	112,500	1,732,500	277,419	112,500	1,293,750	277,419
Ceylon Hospitals PLC	60,936	3,313,310	495,061	15,234	1,614,804	495,062
The Lanka Hospital Corporation PLC	33,000	3,300,000	488,930	33,000	2,478,300	488,930
	559,436	**19,182,910**	**2,156,081**	**513,734**	**14,494,254**	**2,156,082**
Insurance						
HNB Assurance PLC	300,000	36,075,000	1,307,990	300,000	23,310,000	1,307,990
Softlogic Life Insurance PLC	84,375	6,868,125	240,001	84,375	6,108,750	240,001
	384,375	**42,943,125**	**1,547,991**	**384,375**	**29,418,750**	**1,547,991**
Real Estate						
Colombo Land & Development PLC	522,460	26,697,706	4,782,685	522,460	11,703,104	4,782,685
East West Properties PLC	48,000	2,880,000	338,143	48,000	628,800	338,143
York Arcade Holdings PLC	7,000	98,700	38	35	5,889	38
Equity Two PLC	25,200	1,638,000	217,016	25,200	1,005,480	217,016
C T Land Development PLC	3,333	116,988	13,740	3,333	84,325	13,740
Touchwood Investments PLC	600,000	-	10,602,116	600,000	-	10,602,116
	1,205,993	**31,431,394**	**15,953,738**	**1,199,028**	**13,427,598**	**15,953,738**
Balance carried forward	**28,801,877**	**1,675,176,192**	**310,940,762**	**28,290,351**	**1,476,861,642**	**303,039,962**

11. Financial Instruments (contd.)

(e) Financial assets at fair value through profit or loss (Contd)

Listed shares (Contd)

	Group					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	**28,801,877**	**1,675,176,192**	**310,940,762**	**28,290,351**	**1,476,861,642**	**303,039,962**
Materials						
Chemanex PLC	18,201	2,884,859	1,633,038	17,700	2,725,800	1,557,813
Chevron Lubricants PLC	47,460	8,483,475	3,481,563	47,460	6,525,750	3,481,563
Dipped Products PLC	350,240	17,301,856	1,561,838	350,240	19,263,200	1,561,838
Tokyo Cement Company (Lanka) PLC	119,150	10,592,435	545,391	119,150	9,412,850	545,391
Tokyo Cement Company (Lanka) PLC (Non Voting)	501,050	36,526,545	3,379,162	501,050	32,417,935	3,379,162
Union Chemicals Lanka PLC	100	160,975	1,000	100	77,625	1,000
Haycarb PLC	3,450	377,775	10,090	3,450	283,245	10,090
Bogala Graphite Lanka PLC	11,200	1,405,600	37,270	11,200	609,280	37,270
Rich Pieris Exports PLC	39,600	14,275,800	692,400	39,600	14,850,000	692,400
Lanka Cement PLC	5,000	-	39,153	5,000	-	39,153
Pelwatte Sugar Industries PLC	5,000	-	95,792	5,000	-	95,792
	1,100,451	**92,009,320**	**11,476,697**	**1,099,950**	**86,165,685**	**11,401,472**
Retailing						
United Motors Lanka PLC	348,810	10,464,300	334,361	34,881	2,971,861	334,361
ODEL PLC	1,500	18,150	22,500	1,500	16,050	22,500
Singer Sri Lanka PLC	1,455,664	112,086,128	3,311,744	1,455,664	48,328,045	3,311,744
John Keells PLC	20,000	1,624,000	382,531	20,000	1,480,000	382,531
	1,825,974	**124,192,578**	**4,051,136**	**1,512,045**	**52,795,956**	**4,051,136**
Balance carried forward	**31,728,302**	**1,891,378,090**	**326,468,595**	**30,902,346**	**1,615,823,283**	**318,492,570**

	Group					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	31,728,302	1,891,378,090	326,468,595	30,902,346	1,615,823,283	318,492,570
Telecommunication Services						
Dialog Axiata PLC	15,000	454,500	224,453	15,000	214,500	224,453
	15,000	**454,500**	**224,453**	**15,000**	**214,500**	**224,453**
Utilities						
Panasian Power PLC	29,200	572,320	87,600	29,200	201,480	87,600
Resus Energy PLC	811,835	7,712,433	3,177,976	162,367	4,302,726	3,177,976
Vallibel Power Erathna PLC	39,017	581,353	85,634	39,017	503,319	85,634
Vidullanka PLC	707,254	14,710,883	1,799,338	707,254	9,547,929	1,799,338
	1,587,306	**23,576,989**	**5,150,548**	**937,838**	**14,555,454**	**5,150,548**
Total listed shares	33,330,608	1,915,409,579	331,843,596	31,855,184	1,630,593,237	323,867,571
Unlisted shares						
Bartleet Transcapital (Privte) Limited	-	-	-	10,000	-	200,000
Total Unlisted Shares	-	-	-	**10,000**	-	**200,000**
Unit trust						
NDB Wealth Growth & Income Fund	15,826	1,836,923	290,768	15,826	1,240,921	290,768
National Equity Fund	12,000	841,456	120,000	12,000	629,640	120,000
CAL Unit Trust	94	3,947	3,796	-	-	-
Ceybank Unit Trust	318,639	15,132,166	5,037,138	318,639	11,509,241	5,037,138
	346,559	**17,814,492**	**5,451,702**	**346,465**	**13,379,802**	**5,447,906**
Financial assets at fair value through profit or loss	33,687,167	1,933,224,071	337,495,298	32,211,649	1,643,973,039	329,515,477

11. Financial Instruments (contd.)

(e) Financial assets at fair value through profit or loss (Contd)

Listed shares

	Company					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Automobiles & Components						
Kelani Tyres PLC	160	12,896	934	160	12,944	934
	160	**12,896**	**934**	**160**	**12,944**	**934**
Banks						
Commercial Bank of Ceylon PLC	23,247	4,748,200	1,277,755	22,980	3,389,550	1,238,689
Development Finance Corporation of Ceylon PLC	7,188	990,147	389,905	6,992	741,152	358,932
Hatton National Bank PLC	63,618	26,131,094	3,731,028	63,618	19,403,490	3,731,028
Hatton National Bank PLC (Non-voting)	28,418	10,067,077	1,510,628	28,418	7,253,695	1,510,628
National Development Bank PLC	8,349	1,085,370	452,046	8,349	893,343	452,046
Pan Asia Bank PLC	9,000	454,500	95,298	9,000	319,500	95,298
Sampath Bank PLC	20,176	2,930,564	398,810	20,176	2,471,560	398,810
Seylan Bank PLC (Non Voting)	50,133	3,539,390	804,632	50,133	2,662,062	804,632
	210,129	**49,946,342**	**8,660,102**	**209,666**	**37,134,352**	**8,590,063**
Capital Goods						
ACL Cables PLC	120,000	10,200,000	419,041	40,000	4,880,000	419,041
Hayleys PLC	160	34,400	1,446	160	21,920	1,446
Hemas Holding PLC	3,885	114,996	16,311	777	93,240	16,311
Richard Peiris & Company PLC	195	6,006	486	195	4,934	486
Sierra Cables PLC	2,500	70,750	6,177	2,500	39,250	6,177
	126,740	**10,426,152**	**443,461**	**43,632**	**5,039,344**	**443,461**
Balance carried forward	**337,029**	**60,385,390**	**9,104,497**	**253,458**	**42,186,640**	**9,034,458**

	Company					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	**337,029**	**60,385,390**	**9,104,497**	**253,458**	**42,186,640**	**9,034,458**
Consumer Durabi & Apperal						
Dankotuwa Porcelain PLC	22,500	342,000	216,647	22,500	519,750	216,647
Hela Apparel PLC	3,000	8,400	45,000	3,000	11,100	45,000
	25,500	**350,400**	**261,647**	**25,500**	**530,850**	**261,647**
Consumer Services						
Asian Hotels Properties PLC	20,000	1,076,000	277,228	20,000	1,060,000	277,228
Ceylon Hotel Corporation PLC	10,478	375,112	253,714	10,478	235,755	253,714
Eden Hotel PLC	-	-	-	100,000	1,350,000	1,960,345
John Keells Hotels PLC	76,030	1,231,686	456,180	76,030	1,535,806	456,180
Palm Garden Hotels PLC	12,215	718,242	572,365	15,164	962,913	710,548
Pegasus Hotels of Ceylon PLC	2,400	93,360	49,144	2,400	82,800	49,144
Light House Hotel PLC	24,800	1,616,960	259,528	24,800	1,440,880	259,528
	145,923	**5,111,360**	**1,868,159**	**248,872**	**6,668,154**	**3,966,687**
Energy						
Lanka IOC PLC	15,800	2,212,000	665,931	15,800	2,006,600	665,931
	15,800	**2,212,000**	**665,931**	**15,800**	**2,006,600**	**665,931**
Balance carried forward	**524,252**	**68,059,150**	**11,900,234**	**543,630**	**51,392,244**	**13,928,723**

11. Financial Instruments (contd.)

(e) Financial assets at fair value through profit or loss (Contd)

Listed shares (Contd)

	Company					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	524,252	68,059,150	11,900,234	543,630	51,392,244	13,928,723
Diversified Financials						
Ceylon Guardian Investments PLC	12,887	2,980,119	368,776	12,887	1,974,933	368,776
Ceylon Investments PLC	26,000	2,619,500	185,534	38,784	2,776,934	276,759
Lanka Orix Leasing Company Holdings PLC	-	-	-	27,000	16,058,250	138,639
Lanka Ventures PLC	70,000	4,200,000	3,040,356	70,000	2,737,000	3,040,356
Merchant Bank of Sri Lanka PLC	119,879	1,294,693	7,843,103	124,879	724,298	8,170,229
Galle Face Capital Partners PLC	9,156	224,322	456,286	2,236	103,080	452,149
	237,922	**11,318,634**	**11,894,055**	**275,786**	**24,374,495**	**12,446,908**
Food Beverage & Tobacco						
Ceylon Cold Stores PLC	36,000	3,708,000	52,293	36,000	2,952,000	52,293
Ceylon Tobacco Company PLC	2,000	3,420,000	80,028	2,000	2,700,500	80,028
Watawala Plantations PLC	716,600	29,595,580	174,201	716,600	20,064,800	174,201
Ceylon Tea Services PLC	1,428	2,100,588	86,333	1,428	1,556,520	86,333
Hatton Plantations PLC	170,000	3,927,000	-	170,000	4,709,000	-
	926,028	**42,751,168**	**392,855**	**926,028**	**31,982,820**	**392,855**
Health Care Equipment & Services						
Ceylon Hospital PLC (Durdans)	27,428	1,302,830	216,639	6,857	726,842	216,640
The Lanka Hospital Corporation PLC	3,000	300,000	46,505	3,000	225,300	46,505
	30,428	**1,602,830**	**263,144**	**9,857**	**952,142**	**263,145**
Balance carried forward	1,718,630	123,731,782	24,450,288	1,755,301	108,701,701	27,031,632

	Company					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	1,718,630	123,731,782	24,450,288	1,755,301	108,701,701	27,031,632
Materials						
Dipped Products PLC	50,000	2,470,000	405,750	50,000	2,750,000	405,750
Haycarb PLC	3,450	377,775	10,090	3,450	283,245	10,090
Tokyo Cement Company (Lanka) PLC	1,730	153,797	4,450	1,730	136,670	4,450
	55,180	**3,001,572**	**420,290**	**55,180**	**3,169,915**	**420,290**
Real Estate						
East West Properties PLC	24,000	1,440,000	117,778	24,000	314,400	117,778
C T Land Development PLC	3,333	116,988	13,740	3,333	84,325	13,740
	27,333	**1,556,988**	**131,518**	**27,333**	**398,725**	**131,518**
Retailing						
Singer Sri Lanka PLC	99,866	7,689,682	223,317	99,866	3,315,551	223,317
John Keells PLC	8,000	649,600	192,783	8,000	592,000	192,783
	107,866	**8,339,282**	**416,100**	**107,866**	**3,907,551**	**416,100**
Telecommunication Services						
Dialog Axiata PLC	15,000	454,500	224,453	15,000	214,500	224,453
	15,000	**454,500**	**224,453**	**15,000**	**214,500**	**224,453**
Utilities						
Vallibel Power Erathna PLC	7,610	113,389	17,150	7,610	98,169	17,150
	7,610	**113,389**	**17,150**	**7,610**	**98,169**	**17,150**
Total Listed Shares	**1,931,619**	**137,197,513**	**25,659,799**	**1,968,290**	**116,490,561**	**28,241,142**
Unit trust						
Ceybank Unit Trust	318,639	15,132,166	5,037,138	318,639	11,509,241	5,037,138
CAL Unit Trust	94	3,947	3,796			
	318,733	**15,136,113**	**5,040,934**	**318,639**	**11,509,241**	**5,037,138**
Financial assets at fair value through profit or loss	**2,250,352**	**152,333,626**	**30,700,733**	**2,286,929**	**127,999,802**	**33,278,280**

11. Financial Instruments (contd.)

(f) Financial asset at fair Value through Other Comprehensive Income

Listed shares

	Group					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Automobiles & Components						
Kelani Tyres PLC	360	29,016	1,594	360	29,124	1,594
	360	**29,016**	**1,594**	**360**	**29,124**	**1,594**
Banks						
Commercial Bank of Ceylon PLC-Voting	28,261	5,772,309	2,403,859	27,936	4,120,560	2,356,368
DFCC Bank PLC	18	2,480	596	18	1,908	596
Hatton National Bank PLC-Voting	10	4,108	225	10	3,050	225
The Housing Development Finance Corporation Bank of Sri Lanka	100	4,720	3,650	100	4,440	3,650
National Development Bank PLC	147	19,110	8,997	147	15,729	8,997
Nation Trust Bank PLC_Voting	3,141	908,534	75,022	3,115	591,850	75,022
Pan Asia Banking Corporation PLC	3,000	151,500	23,638	3,000	106,500	23,638
Sampath Bank PLC	937	136,099	25,648	937	114,783	25,648
Seylan Bank PLC-Non-Voting	259	18,285	6,912	259	13,752	6,912
Seylan Bank PLC-Voting	8	842	361	8	580	361
Union Bank of Colombo PLC	100	1,290	2,500	100	1,030	2,500
	35,981	**7,019,277**	**2,551,408**	**35,630**	**4,974,182**	**2,503,916**
Capital Goods						
ACL Cables PLC	3,456	293,760	1,916	1,152	140,544	1,916
Aitken Spence PLC	555	77,145	9,852	555	70,901	9,852
Colombo Dockyard PLC	82	10,025	3,093	15	1,188	413
E B Creasy & Company PLC	33,854,200	1,641,928,700	474,891,028	26,777,200	886,325,320	20,122,028
Hayleys PLC	8,590	1,846,850	735,263	8,590	1,176,830	735,263
	33,866,883	**1,644,156,480**	**475,641,152**	**26,787,512**	**887,714,783**	**20,869,472**
Balance carried forward	**33,903,224**	**1,651,204,773**	**478,194,154**	**26,823,502**	**892,718,089**	**23,374,982**

	Group					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	33,903,224	1,651,204,773	478,194,154	26,823,502	892,718,089	23,374,982
Capital Goods						
Hemas Holdings PLC	3,595	106,412	9,968	719	86,280	9,968
John Keells Holdings PLC_JKH	1,920	35,328	10,898	1,920	38,784	10,898
Lanka Ashok Leyland PLC	90	239,130	827	90	85,500	827
Lanka Tiles PLC (Prev.Lanka Floortiles PLC)	10,760	491,732	468,444	10,760	545,532	468,444
Lanka Walltiles PLC	10,665	490,590	478,882	10,665	538,583	478,882
Laxapana Battaries	600	22,740	6,742	600	18,240	6,742
Renuka Holdings PLC-Voting	-	-	-	1,252	22,536	18,217
Renuka Holdings PLC- Non Voting	1,252	63,476	18,217	-	-	-
Richard Peiris & Company PLC	3,705	114,114	2,032	3,705	93,737	2,032
Royal Ceramics Lanka PLC	10,560	454,080	302,162	10,560	390,720	302,162
Sierra Cables PLC	1,200	33,960	3,600	1,200	18,840	3,600
The Colombo Fort Land & Building PLC	5,800,333	389,782,378	14,173,660	5,800,333	336,999,347	14,173,660
Unisyst_Alufab PLC	180	-	2,551	180	-	2,551
Lankem Ceylon PLC	6,634,134	271,999,494	243,779,882	3,117,067	270,873,122	229,779,882
	12,478,994	663,833,434	259,257,865	8,959,051	609,711,221	245,257,865
Consumer Durables & Apparel						
Abans Electrical PLC	240	266,460	10,341	240	92,820	10,341
Hayleys Fabric PLC	818	24,949	7,302	818	36,810	7,302
Hayleys Fibre PLC (Prev.Hayleys Exports PLC)	315	34,965	1,830	315	14,522	1,830
	1,373	326,374	19,473	1,373	144,152	19,473
Consumer Durables & Apparel						
Ambeon holdings PLC	1,002	153,056	1,791	1,002	81,863	1,791
Kelsey Developments PLC	337	-	4,156	337	7,246	4,156
	1,339	153,056	5,947	1,339	89,109	5,947
Real Estate						
York Arcade Holdings PLC	5,600	78,960	578	28	4,710	578
	5,600	78,960	578	28	4,710	578
Balance carried forward	46,390,530	2,315,596,597	737,478,017	35,785,293	1,502,667,280	268,658,845

11. Financial Instruments (contd.)

(f) Financial asset at fair Value through Other Comprehensive Income (Contd)

Listed shares (Contd)

	Group					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	46,390,530	2,315,596,597	737,478,017	35,785,293	1,502,667,280	268,658,845
Consumer Services						
Aitken Spence Hotel Holdings PLC	140	12,824	1,616	140	11,214	1,616
Amaya Leisure PLC	554	15,734	2,209	554	15,623	2,209
Asian Hotels Properties PLC	200	10,760	616	200	10,600	616
Ceylon Hotels Corporation PLC	534	19,117	2,120	534	12,015	2,120
Dolphin Hotels PLC (Prev.Stafford Hotels PLC)	125	4,988	717	125	5,713	717
The Kingsbury PLC	1,374	20,747	3,142	1,374	16,351	3,142
Sigiriya Village Hotels PLC	11,945,180	158,870,894	38,652,691	1,194,518	105,117,584	38,652,691
Hunas Falls Hotels PLC	7,500	135,000	303	7,500	179,250	303
John Keells Hotels PLC	1,506	24,397	5,481	1,506	30,421	5,481
Beruwala Resort PLC	45,000	135,000	81,000	45,000	166,500	81,000
Marawila Resort PLC	1,667,732	9,506,072	9,018,580	1,667,732	11,340,578	9,018,580
The Nuwara Eliya Hotels Company PLC	12	53,991	3,553	12	26,229	3,553
Hotel Developers (Lanka) PLC	-		-	4	-	296
	13,669,857	168,809,524	47,772,028	2,919,199	116,932,077	47,772,324
Energy						
Lanka IOC PLC	800	112,000	21,600	800	101,600	21,600
	800	112,000	21,600	800	101,600	21,600
Balance carried forward	60,061,187	2,484,518,121	785,271,645	38,705,292	1,619,700,956	316,452,769

	Group					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	60,061,187	2,484,518,121	785,271,645	38,705,292	1,619,700,956	316,452,769
Diversified Financials						
Central Finance Company PLC	10	2,280	206	10	1,943	206
Ceylon Investment PLC	4	403	189	4	286	189
Lanka Ventures PLC	100	6,000	767	100	3,910	767
LB Finance PLC	4,624	655,452	3,196	4,624	396,739	3,196
Merchant Bank of Sri Lanka PLC	67	724	643	67	389	643
First Capital Holdings PLC (Prev. V Capital)	14,400	763,200	10,707	14,400	502,560	10,707
The Indo Malay PLC	5	-	892	5	-	892
Selinsing PLC	36	-	9,111	36	-	9,111
Colombo Fort Investments PLC	106	42,294	3,145	106	11,554	3,145
Colombo Investments Trust PLC	150	62,850	3,108	149	17,806	2,884
Nation Lanka Finance PLC	-	-	-	-	-	-
The Finance Company PLC	20	-	336	20	-	336
Vanik Incorporation PLC-Voting	-	-	165	-	-	165
Vanik Incorporation PLC-Non-Voting	-	-	25	-	-	25
	19,522	**1,533,203**	**32,490**	**19,521**	**935,187**	**32,266**
Food & Staples Retailing						
CT Holdings PLC (Prev.Ceylon Theaters PLC)	223	129,340	6,921	223	87,360	6,921
Cargills (Ceylon) PLC	343	236,241	8,522	343	149,548	8,522
Ceylon & Foreign Trades PLC_CFT	10,000	-	4,559	10,000	-	4,559
	10,566	**365,581**	**20,002**	**10,566**	**236,908**	**20,002**
Food Beverage & Tobacco						
Agarapathana Plantations PLC	13,797,993	206,969,895	163,569,641	9,772,288	128,016,973	78,423,483
Kotagala Plantation PLC	2,000	16,000	10,594	1,252	11,268	3,862
Lanka Milk Foods (CWE) PLC	1,330	106,533	3,052	1,330	57,522	3,052
	13,801,323	**207,092,428**	**163,583,287**	**9,774,870**	**128,085,763**	**78,430,397**
Balance carried forward	73,892,598	2,693,509,333	948,907,424	48,510,249	1,748,958,815	394,935,434

11. Financial Instruments (contd.)

(f) Financial asset at fair Value through Other Comprehensive Income (Contd)

Listed shares (Contd)

	Group					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	73,892,598	2,693,509,333	948,907,424	48,510,249	1,748,958,815	394,935,434
Food Beverage & Tobacco						
Watawala Plantations PLC	21,075	870,398	16,075	21,075	590,100	16,075
Distilleries Company of Sri Lanka PLC	118	6,431	878	118	4,295	878
Lankem Development PLC	296	5,269	1,995	296	5,239	1,995
	21,489	882,098	18,948	21,489	599,634	18,948
Health Care Equipment & Services						
Asiri Hospital Holdings PLC	2,660	81,662	6,099	2,660	68,628	6,099
Asiri Surgical Hospital PLC	1,499	23,085	3,646	1,499	17,239	3,646
Ceylon Hospitals PLC-Non-Voting	520	24,700	2,270	130	13,780	2,270
Nawaloka Hospitals PLC	26,666	282,660	20,000	26,666	141,330	20,000
The Lanka Hospital Corporation PLC	100	10,000	1,500	100	7,510	1,500
PC House PLC	-	-	-	-	-	11,000
	31,445	422,107	33,515	31,055	248,487	44,515
Insurance						
Ceylinco Insurance PLC_Voting	22	72,523	451	22	66,842	451
HNB Assurance PLC	600	72,150	2,655	600	46,620	2,655
Janashakthi Insurance Company PLC	1,800	-	56,247	1,800	132,480	56,247
Amana Takaful PLC	402	8,201	8,775	402	5,226	8,775
Softlogic Life Insurance PLC	844	68,702	945	844	61,106	945
	3,668	221,576	69,073	3,668	312,273	69,073
Balance carried forward	73,949,200	2,695,035,114	949,028,960	48,566,461	1,750,119,210	395,067,970

	Group					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	**73,949,200**	**2,695,035,114**	**949,028,960**	**48,566,461**	**1,750,119,210**	**395,067,970**
Materials						
ACL Plastics PLC	1,000	131,250	3,174	100	61,575	3,174
CIC Holdings PLC - Voting	540	16,146	366	108	12,663	366
Chemanex PLC	182	28,847	2,895	177	27,258	2,143
Chevron Lanka Lubrications PLC	400	71,500	8,395	400	55,000	8,395
Dipped Products PLC	860	42,484	1,518	860	47,300	1,518
Haycarb PLC	8,770	960,315	558,657	8,770	720,017	558,657
Industrial Asphalts (Ceylon) PLC	45,000	18,000	907	45,000	18,000	907
Piramal Glass Ceylon PLC (Prev.Ceylon Glass CO. PLC)	3,428	178,599	5,552	3,428	117,580	5,552
JF Packaging PLC	2,300	33,350	26,680			
Tokyo Cement Company (Lanka) PLC-Voting	161	14,313	455	161	12,719	455
Richard Peiris Export PLC	92	33,166	2,542	92	34,500	2,542
Lanka Cement PLC	100	-	241	100	-	241
J.L. Morison Sons & Jones Ceylon PLC-Non-Voting	-	-	-	-	-	17,406
J.L. Morison Sons & Jones Ceylon PLC-Voting	-	-	-	-	-	4,060
	62,833	**1,527,970**	**611,382**	**59,196**	**1,106,612**	**605,416**
Balance carried forward	**74,012,033**	**2,696,563,084**	**949,640,341**	**48,625,657**	**1,751,225,822**	**395,673,386**

11. Financial Instruments (contd.)

(f) Financial asset at fair Value through Other Comprehensive Income (Contd)

Listed shares (Contd)

	Group					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	74,012,033	2,696,563,084	949,640,341	48,625,657	1,751,225,822	395,673,386
Real Estate						
Colombo Land & Development Company PLC	1,400	71,540	2,259	1,400	31,360	2,259
C.T. Land Development PLC	167	5,862	767	167	4,225	767
	1,567	77,402	3,026	1,567	35,585	3,026
Retailing						
C M Holdings PLC	1,850	83,250	5,020	185	30,525	5,020
The Autodrome PLC	100	32,900	2,337	100	11,000	2,337
Singer Sri Lanka PLC	675	51,975	1,458	675	22,410	1,458
C W Mackie PLC	6,050,500	205,111,950	54,220,642	1,010,100	109,848,375	54,220,642
John Keells PLC	336	27,283	1,751	336	24,864	1,751
Sathosa Motors PLC	66	66,528	2,142	66	28,875	2,142
	6,053,527	205,373,886	54,233,350	1,011,462	109,966,049	54,233,350
Balance carried forward	80,067,127	2,902,014,372	1,003,876,717	49,638,686	1,861,227,456	449,909,762

	Group					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	80,067,127	2,902,014,372	1,003,876,717	49,638,686	1,861,227,456	449,909,762
Telecommunication Services						
Dialog Axiata PLC	100	3,030	2,337	100	1,430	2,337
Sri Lanka Telecom PLC	200	16,000	3,377	200	12,060	3,377
	300	19,030	5,714	300	13,490	5,714
Hotel & Travels						
Hotel Developers Lanka PLC	4	-	296			
	4		296			
Utilities						
Panasian Power PLC	1,000	19,600	3,000	1,000	6,900	3,000
Vallibel Power Erathna PLC	3,000	44,700	8,000	3,000	38,700	8,000
Vidullanka PLC	2,215	46,072	4,747	2,215	29,903	4,747
	6,215	110,372	15,747	6,215	75,503	15,747
Total listed shares	80,073,646	2,902,143,774	1,003,898,474	49,645,201	1,861,316,449	449,931,223
Unlisted shares						
Metropolitan Resource Holdings PLC	22	618	1,243	22	618	1,243
Colombo Fort Hotels Limited	25,018,939	400,803,506	481,801,855	25,018,939	382,534,401	481,801,855
Consolidated Tea Plantation Limited	6,416,061	333,763,493	398,861,551	6,416,061	583,861,551	398,861,551
	31,435,022	734,567,617	880,664,649	31,435,022	966,396,570	880,664,649
Financial assets at fair value through other comprehensive income	111,508,668	3,636,711,391	1,884,563,123	81,080,223	2,827,713,019	1,330,595,872

11. Financial Instruments (contd.)

(f) Financial asset at fair Value through Other Comprehensive Income (Contd)

Listed shares

	Company					
	31 March 2026			31 March 2025		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Capital Goods						
Lankem Ceylon PLC	5,833,534	239,174,894	224,721,257	2,716,767	236,087,052	210,721,257
	5,833,534	**239,174,894**	**224,721,257**	**2,716,767**	**236,087,052**	**210,721,257**
Consumer Services						
Beruwala Resort PLC	45,000	135,000	81,000	45,000	166,500	81,000
Marawila Resort PLC	1,666,666	9,499,996	9,014,332	1,666,666	11,333,329	9,014,332
	1,711,666	**9,634,996**	**9,095,332**	**1,711,666**	**11,499,829**	**9,095,332**
Real Estate						
York Arcade Holdings PLC	5,600	78,960	578	28	4,711	578
	5,600	**78,960**	**578**	**28**	**4,711**	**578**
Capital Goods						
E B Creasy & Company PLC	11,000,000	533,500,000	79,194,750	10,000,000	331,000,000	19,194,750
The Colombo Fort Land & Building PLC	1,500,000	100,800,000	6,898,740	1,500,000	87,150,000	6,898,740
	12,500,000	**634,300,000**	**86,093,490**	**11,500,000**	**418,150,000**	**26,093,490**
Food Beverage Tobacco						
Agarapathana Plantation PLC	7,123,593	106,853,895	79,960,261	5,886,888	77,118,233	49,950,794
	7,123,593	**106,853,895**	**79,960,261**	**5,886,888**	**77,118,233**	**49,950,794**
Materials Main Board						
JF Packaging PLC	2,300	33,350	26,680			
	2,300	**33,350**	**26,680**			
Total listed shares	**27,176,693**	**990,076,095**	**399,897,598**	**21,815,349**	**742,859,825**	**295,861,451**
Unlisted shares						
Colombo Fort Hotels Limited	19,014,348	304,609,936	425,358,700	19,014,348	290,724,205	425,358,700
Consolidated Tea Plantation Limited	6,416,061	333,763,494	398,861,551	6,416,061	583,861,551	398,861,551
	25,430,409	**638,373,430**	**824,220,251**	**25,430,409**	**874,585,756**	**824,220,251**
Financial assets at fair value through other comprehensive income	**52,607,102**	**1,628,449,525**	**1,224,117,849**	**47,245,758**	**1,617,445,581**	**1,120,081,702**

12. Deferred income tax (liabilities) / assets

(a) Deferred income tax assets

	Group		Company	
	2026	2025	2026	2025
At beginning of the year	-	-	-	
Income statement release / (charge)	-	-	-	-
Charge recognized in other comprehensive income	-	-	-	-
At end of the year	-	-	-	-

According to the Group/Company policy, deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which they can be used.

(b) Deferred income tax liabilities

	Group		Company	
	2026	2025	2026	2025
At beginning of the year	83,240,005	9,969,187	72,629,893	9,969,187
Income statement charge / (release)	(13,342,565)	(14,700,102)	(1,331,161)	(746,376)
Other Comprehensive income charge / (release)	(57,537,280)	87,970,920	(70,863,698)	63,407,082
At end of the year	**12,360,160**	**83,240,005**	**435,034**	**72,629,893**
Net deferred tax liability	**(12,360,160)**	**(83,240,005)**	**(435,034)**	**(72,629,893)**

(c) Deferred Tax Composition

	Net deferred tax assets		Net deferred tax liabilities	
Group	2026	2025	2026	2025
Composition of deferred tax assets				
Defined benefit obligations	3,466,329	3,329,780	-	-
Unclaimed right of use asset rental		6,303,276	-	-
Lease liability	16,828,900			
Provision for Doubtful Debts	4,839,520	-		
Tax losses caried forward	60,750,920	95,386,796	-	-
Total deferred tax assets before offsetting	85,885,669	105,019,852		
Offsetting deferred tax liability on:				
Property, plant & equipment	(7,389,678)	(21,475,800)	(7,891,650)	(9,222,811)
Lease Liability		(18,121,054)	-	-
Revaluation surplus	(76,920,172)	(65,422,998)	-	-
Unclaimed Right-of-Use Asset Rental	(1,575,819)			
Gain on unqouted investments at FVOCI			(4,468,510)	(74,017,194)
Total Deferred tax liabilities before offsetting	(85,885,669)	(105,019,852)	(12,360,160)	(83,240,005)
Deferred tax assets/(liabilities) after offsetting	-	-	(12,360,160)	(83,240,005)

12. Deferred income tax (liabilities) / assets contd.

(d) Temporary Difference Composition

	Statement of Comprehensive Income		Statement of Other Comprehensive Income	
Group	2026	2025	2026	2025
Defined benefit obligations	(650,778)	(526,719)	(514,230)	(2,704)
Unclaimed right of use asset rental	7,879,095	4,727,457	-	-
Provision for Doubtful Debts	(4,839,520)	-	-	-
Tax losses caried forward	34,635,876	(18,780,276)	-	-
Property, plant & equipment	(15,417,283)	600,947		
Lease Liability	(34,949,955)	(721,511)	-	-
Revaluation surplus			(11,497,174)	(13,951,022)
Gain on unquoted investments at FVOCI			69,548,684	(74,017,194)
	(13,342,565)	(14,700,102)	57,537,280	(87,970,920)

	Net deferred tax assets		Net deferred tax liabilities	
Company	2026	2025	2026	2025
Composition of deferred tax				
Property, plant & equipment	-	-	(7,891,650)	(9,222,811)
Gain on unqouted investments at FVOCI			7,456,616	(63,407,082)
Deferred tax assets/(liabilities)	-	-	(435,034)	(72,629,893)

(d) Temporary Difference Composition

	Statement of Comprehensive Income		Statement of Other Comprehensive Income	
Company	2026	2025	2026	2025
Property, plant & equipment	(1,331,161)	(746,376)		
Gain on unquoted investments at FVOCI			70,863,698	(63,407,082)
	(1,331,161)	(746,376)	70,863,698	(63,407,082)

Deferred income tax assets and liabilities of the Group are offset when there is a legally enforceable right to set off current income tax determined after appropriate offsetting, are shown in the statement of financial position.

The Colonial Motors Ceylon Limited has not recognized defereed tax assets amounting to Rs. 58,010,820 (2025 - Rs. 36,850,861/=), arrising from carried forward tax losses as at 31 March 2026, due to the company being unable to assess with responsible certinity that taxable profit would be available to recover the asset in the foreseeable future.

13. Inventories

The amounts attributable to the different categories are as follows:

	Group		Company	
	2026	2025	2026	2025
Spares and consumables	162,966,528	132,853,928	-	-
Motor vehicles	25,774,969	-	-	-
Repair job-in-progress	3,600,797	104,748	-	-
Goods-in-transit	493,988,963	5,373,482	-	-
	686,331,257	**138,332,158**	**-**	**-**

14. Trade and other receivables

	Group		Company	
	2026	2025	2026	2025
Trade receivables - Rent	1,858,117	37,081	1,858,117	37,081
Trade receivables - Other	29,939,984	33,029,781	-	-
Trade receivables	31,798,101	33,066,862	1,858,117	37,081
Provision for impairment of debtors	(16,131,755)	(16,131,755)	-	-
Trade receivables - Net	15,666,346	16,935,107	1,858,117	37,081
Amounts due from related parties (note 32 (b))	127,211,344	23,456,437	129,901,781	33,890,004
Prepayments	6,978,024	3,550,367	2,096,999	1,859,845
Other receivables	14,797,638	9,263,032	965,956	2,452,377
	164,653,352	53,204,943	134,822,853	38,239,307

(i) Classification as trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The group holds the trade receivables with the objective of collecting the contractual cash flow and therefore measures them subsequently at amortised cost using the effective interest method.

(ii) Fair values of trade receivables

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

(iii) Impairment and risk exposure

Information about the impairment of trade receivable and the group's exposure to credit risk can be found in note 3.4.

15. Cash and cash equivalents

Cash and cash equivalents wholly consist of cash held in local banks and cash in hand.

	Group		Company	
	2026	2025	2026	2025
Cash in hand	16,068,828	2,233,514	-	-
Cash at bank	35,246,389	100,267,549	20,829,978	50,998,532
Fixed deposits	-	30,872,204	-	30,872,204
	51,315,217	**133,373,267**	**20,829,978**	**81,870,736**

Fixed deposits have a maturity period of less than 3 months.

For the purposes of the cash flow statement, the year-end cash and cash equivalents comprise the following:

	Group		Company	
	2026	2025	2026	2025
Cash and bank balances	51,315,217	133,373,267	20,829,978	81,870,736
Bank overdraft (note 19)	(55,631,445)	(68,373,705)	-	-
	(4,316,228)	**64,999,562**	**20,829,978**	**81,870,736**

16. Stated capital

	Number of shares	Stated capital
At 31 March 2026 / 2025	152,000,000	288,386,885

The authorised number of shares in the Company is 152,000,000. They entitle the holder to participate in dividends and to share in the proceeds of winding up the Company in proportion to the number of and amounts paid on the shares held.

17. Retained earnings

(a) Revaluation reserve

	Group		Company	
	2026	2025	2026	2025
At beginning of the year	204,125,638	171,573,253	-	-
Revaluation surplus for the year - net of tax	26,826,739	32,552,385	-	-
At end of the year	**230,952,377**	**204,125,638**	-	-

(b) Fair value reserve

	Group		Company	
	2026	2025	2026	2025
At beginning of the year	1,605,381,029	765,293,840	619,652,028	180,985,961
Change in fair value of financial assets at FVOCI net of tax	283,042,763	841,351,227	(22,168,505)	438,666,067
Transfer to retained earnings	-	(1,264,038)	-	-
At end of the year	**1,888,423,793**	**1,605,381,029**	**597,483,523**	**619,652,028**

(c) Retained earnings

	Group		Company	
	2026	2025	2026	2025
At beginning of the year	2,972,603,699	2,365,783,331	1,930,400,092	1,823,308,379
Profit for the year	647,396,035	605,465,753	131,117,373	107,091,713
Remeasurement of post employment benefits	1,199,869	6,308	-	-
NCI aquition Equity adjustment	184,144	-	-	-
Reclassification of gain on disposal of equity instruments at fair value through other comprehensive income	-	1,348,307	-	-
Reversal of unclaimed dividends	1,776,110	-	1,776,110	-
At end of the year	**3,623,159,857**	**2,972,603,699**	**2,063,293,575**	**1,930,400,092**

(d) Other reserve

	Group		Company	
	2026	2025	2026	2025
Revaluation reserve (note 17 (a))	230,952,377	204,125,638	-	-
Fair value reserve (note 17 (b))	1,888,423,793	1,605,381,029	597,483,523	619,652,028
At end of the year	**2,119,376,169**	**1,809,506,667**	**597,483,523**	**619,652,028**

(i) Nature and purpose of other reserves

Revaluation surplus - property, plant and equipment

The property, plant and equipment revaluation surplus is used to record increments and decrements on the revaluation of non-current assets. In the event of a sale of an asset, any balance in the reserve in relation to the asset is transferred to retained earnings, see accounting policy note 2.14 for details.

Financial assets at FVOCI

The Group/ Company has elected to recognise changes in the fair value of certain investments in equity securities in OCI, as explained in note 11(d). These changes are accumulated within the FVOCI reserve within equity. The Group/ Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

18. Trade and other payables

	Group		Company	
	2026	2025	2026	2025
Trade payables	290,210,104	14,261,776	-	-
Amounts due to related parties (note 32(b))	6,254,873	5,846,589	-	-
Other payables	65,262,991	37,307,460	55,240,174	33,804,220
Advances from customers - rent	23,004,730	17,569,581	23,004,730	17,569,581
Advances from customers - other	132,526,757	10,838,811		
Accrued expenses and provisions	49,380,099	157,525,068	-	-
	566,639,554	243,349,285	78,244,904	51,373,801
Less: Non-current portion	(17,045,404)	(11,590,223)	(17,045,404)	(11,590,223)
Current Portion	**549,594,150**	**231,759,062**	**61,199,500**	**39,783,578**

Trade and other payables consist of advances received from customers amounting to Rs. 155,531,487 (2025 - Rs. 28,408,392) for the Group and Company.

(i) Fair values of trade payables

Due to the short-term nature of the current payables, their carrying amount is considered to be the same as their fair value.

19. Borrowings

	Group		Company	
	2026	2025	2026	2025
Current				
Bank overdrafts (note 15)	55,631,445	68,373,705	-	-
Bank borrowings	353,673,200	744,269,248	-	-
Margin facility	200,792,236	-		
	610,096,881	812,642,953	-	-
Non-current				
Bank borrowings	678,958,535	21,940,389	-	-
	678,958,535	21,940,389	-	-
Total borrowings	**1,289,055,416**	**834,583,342**	-	-

The carrying amounts of the Group's and Company's borrowings is denominated in Sri Lanka Rupees.

Details of assets pledged as securities by each subsidiary are as follows:

Colonial Motors (Ceylon) Limited

Institution and Facility	Principal Amount	Amount Outstanding	Interest Rate	Security Offered
Commercial Bank of Ceylon PLC				
Restructured Loan	103,000,000	8,305,381	AWPLR + 3% p.a	(i)
Long Term Loan				
- Import Demand Loan		180,008,265	AWPLR + 1% p.a	
- Diribala - 1859449	65,000,000	136,35,000	15% p.a	
Hatton National Bank PLC				
Import Demand Loan		107,700,006	AWPLR	Demand Promissory Note for Rs.300 Mn
Short Term Loan	321,048,909	290,720,808	AWPLR	
Sampath Bank PLC				
Short Term Loan	300,000,000		AWPLR + 2%	-
Long Term Loan	133,000,000	93,365,040	AWPLR + 1% p.a	
National Development Bank PLC				
Short Term Loan	10,000,000		15% p.a	Primary Mortgage over stocks and book debts
Term Loan 01	239,703,646	233,553,073	10% p.a	
Term Loan 02	50,160,417	49,960,417	0% p.a	
Term Loan 03	55,383,745	55,383,745	0% p.a	
		1,032,631,735		

(i) Facilities obtained by Commercial Bank of Ceylon PLC for Short Term Loans and Long Term Loans are securitised against the following;

Floating Primary Mortgage Bond No. 3639 - No.41/35,Nagahamulla Road,Thalangama South and more fully depicted as Lot A in plan No.1706A dated 30.09.2004 drawn by Mr. M A H Bandara (L/S) in extent of 133.0 Perches owned by M/s.Colonial Motors (Ceylon) Limited.

19. Borrowings contd.

Floating Primary Mortgage Bond No.CTY/VM/14/05 dated 25/02/2015 for Rs.66.0 Mn. obtained over the Stocks of "Mazda" brand Vehicles and spare parts (Mazda/Tata/Land Rover) and/or other movable assets.

Floating Secondary Mortgage Bond No.CTY/15/04 dated 20.08.2015 for LKR.20.0 Mn over stocks obtained.

Union Investments (Private) Limited

Institution and Facility	Principal Amount	Amount Outstanding	Interest Rate	Security Offered
HNB Investment Bank (Pvt) Ltd				
Margin Facility	270,149,000	200,792,236	11.32%	The share portfolio maintained with HNB Investment Bank (Pvt) Ltd. had a margin value of Rs. 201,358,919/- as at 31 March 2026.
		200,792,236		

The maturity analysis based on the remaining period at the statement of financial position date to the contractual maturity date is given below

	As at	
Group	31 March 2026	31 March 2025
Less than 3 months	356,839,337	68,373,705
Between 3 months and 1 year	253,257,544	744,269,248
Between year 1 and year 2	59,859,788	21,940,389
Between year 2 and year 5	419,032,429	
More than 5 years	200,066,318	
	1,289,055,416	**834,583,342**

There are no borrowings in the Company as of 31 March 2026 and 2025.

20. Defined benefit obligations

The amount recognised in the balance sheet has been valued according to the following methods:

	Group		Company	
	2026	2025	2026	2025
Present value of the unfunded obligations	11,554,430	11,099,269	-	-
Liability in the statement of financial position date	**11,554,430**	**11,099,269**	**-**	**-**
Balance sheet obligations for:				
Defined benefits (gratuity)	11,554,430	11,099,269	-	-
Income statement charge / (release)				
Defined benefits (gratuity)	2,661,760	2,450,582	-	-
Remeasurements for:				
Defined benefits (gratuity)	(1,714,099)	(9,012)	-	-

The income statement charge included within operating profit includes current service cost and interest expense.

The defined benefit plan of each subsidiary of the Group is unfunded, where each subsidiary meets the benefit payment obligation as it falls due. Accordingly, the liability in the Statement of Financial Position represents the present value of unfunded obligations.

Amounts recognised in the Statement of Financial Position are as follows:

	Group		Company	
	2026	2025	2026	2025
At beginning of the year	11,099,269	9,352,549	-	-
Interest expense	1,220,920	1,019,428	-	-
Current service cost	1,440,840	1,431,154	-	-
Benefits paid	(492,500)	(694,850)	-	-
Actuarial (gains) / losses	(1,714,099)	(9,012)	-	
At end of the year	**11,554,430**	**11,099,269**	**-**	**-**

Amounts recognised in the profit or loss are as follows:

	Group		Company	
	2026	2025	2026	2025
Interest expense	1,220,920	1,019,428	-	-
Current service cost	1,440,840	1,431,154	-	-
	2,661,760	**2,450,582**	**-**	**-**
Remeasurements	(1,714,099)	(9,012)	-	-
	(1,714,099)	**(9,012)**	**-**	**-**

Defined benefit obligation of Colonial Motors (Ceylon) Limited is determined through an actuarial valuation carried out internally for the year ended 31 March 2026.

20. Defined benefit obligations contd.

The below sensitivity analysis is based on a change in an assumption while holding all other constant although in practice it is unlikely to occur and changes in assumptions could be correlated. The same method has been applied when calculating the defined benefit obligation to significant actuarial assumptions. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The Principal Assumptions used are as follows:

	Staff Turnover rate	Salary Escalation rate for future years	Discount rate
31 March 2026	26%	5%	11%
31 March 2025	12%	8%	11%

A quantitative sensitivity analysis for significant assumptions as at 31 March is shown below

Impact on Present Value of Defined	Salary Escalation Rate		Discount Rate		Staff Turnover Rate	
Benefit Obligation	1% Increase	1% Decrease	1% Increase	1% Decrease	1% Increase	1% Decrease
31 March 2026	257,356	(246,318)	(231,238)	245,412	69,550	(74,917)
31 March 2025	394,921	(375,719)	(362,937)	387,924	(113,590)	105,874

Maturity profile of the defined benefit obligation is as follows:

	Group	
	2026	2025
Less than 1 year	119,890	4,674,108
Between 1-2 years	84,528	1,225,241
Between 2-5 years	628,720	141,517
Over 5 years	10,721,292	5,058,403
	11,554,430	11,099,269

Risk exposure

Through its defined benefit pension plans, the group is exposed to a number of risks, the most significant of which are detailed below:

Changes in bond yields	A decrease in corporate bond yields will increase plan liabilities.
Inflation risks	Some of the group's pension obligations are linked to salary inflation, and higher inflation will lead to higher liabilities.
Life expectancy	The majority of the plans' obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities.

21. Revenue

Revenue of the Group consists of revenue earned from the sale of spare parts, repairing and servicing motor vehicles, sale of motor vehicles and income earned from renting out of property as follows:

	Group		Company	
	2026	2025	2026	2025
Rent income	108,460,171	104,644,517	108,460,171	104,644,517
Sale of spares and repair work	226,436,650	239,480,070	-	-
Sale of motor vehicles	980,116,949	7,381,261	-	-
	1,315,013,770	**351,505,848**	**108,460,171**	**104,644,517**

22. Other income

	Group		Company	
	2026	2025	2026	2025
Dividend income				
- Subsidiaries	-	-	50,000,000	-
- Financial assets at fair value through profit or loss	61,954,023	51,961,740	3,872,585	6,063,771
- Financial assets at FVOCI	71,550,302	60,468,563	24,620,249	22,529,200
Sundry Income	2,210,728	1,175,619	1,140,236	768,086
Profit on sale of property, plant and equipment	-	14,773,040	-	-
Profit on equity trading	12,170,412	2,794,825	(166,072)	-
	147,885,465	**131,173,787**	**79,466,998**	**29,361,057**

23. Other gains

	Group		Company	
	2026	2025	2026	2025
Net fair value gains on financial assets at fair value through profit or loss	526,886,045	514,049,789	42,876,700	38,148,854
	526,886,045	**514,049,789**	**42,876,700**	**38,148,854**

24. Expenses by nature

	Group		Company	
	2026	2025	2026	2025
Cost of purchases	979,749,765	117,591,806	-	-
Directors' emoluments (Note 32(c))	16,800,000	7,260,000	16,800,000	7,260,000
Auditor's remuneration	2,728,310	2,642,837	1,364,080	1,449,820
Fees for other professional services	19,788,433	12,265,267	14,861,496	11,144,679
Staff costs (Note 25)	72,514,846	63,857,692	-	-
Depreciation of				
- Property, plant, and equipment (note 6)	9,961,488	10,130,430	614,782	462,830
- Investment property (note 7)	7,407,719	7,018,825	7,407,720	7,018,825
- Right of use asset (note 9)	15,758,190	15,758,194	-	-
Repairs and maintenance expenditure				
- Investment property	7,305,153	5,918,941	7,305,153	5,918,941
- Property, plant, and equipment	15,292,248	11,904,307	-	-
Travelling and transportation expenses	2,919,298	3,295,094	117,233	95,441
Agency costs, commission and Incentives	1,177,235	20,000	-	-
Sales & promotional expenses	2,329,873	505,614	-	-
Utilities	7,967,099	7,307,139	1,362,854	1,208,692
Business running expenses	17,422,772	14,226,040	7,866,540	6,662,332
Non - refundable government taxes	20,060,579	3,692,297	2,345,944	2,234,232
Impairment of investment Property	21,110,249		21,110,249	
Other expenses	11,455,148	8,400,507	4,897,773	3,157,150
Total costs of sales, distribution costs, and administrative expenses	**1,231,748,405**	**291,794,990**	**86,053,824**	**46,612,942**

25. Staff costs

	Group		Company	
	2026	2025	2026	2025
Wages, salaries, and related costs				
- to administrative expenses	61,692,564	53,584,014	-	-
Defined contribution plans	8,160,522	7,823,096	-	-
Defined benefit plans (note 20)	2,661,760	2,450,582	-	-
	72,514,846	**63,857,692**	**-**	**-**

Permanent Employees - 66
Total Employees - 66

26. Finance costs - net

	Group		Company	
	2026	2025	2026	2025
Interest income from loans to related parties	10,067,336	1,075,790	10,756,454	1,678,233
Other interest income	675,424	1,191,826	220,001	1,191,826
Finance income	**10,742,760**	**2,267,616**	**10,976,455**	**2,870,059**
Interest expenses on:				
- Bank Overdraft	(7,783,616)	(8,587,931)	(2,507,166)	-
- Other loans	(91,374,537)	(79,150,974)	-	-
- Other interest expenses	(9,943,945)	-	-	-
- Finance leases	(1,852,823)	(3,714,968)	-	-
Finance costs	**(110,954,921)**	**(91,453,873)**	**(2,507,166)**	**-**
Finance (costs) / income - net	**(100,212,161)**	**(89,186,257)**	**8,469,289**	**2,870,059**

27. Income tax expense

	Group		Company	
	2026	2025	2026	2025
Current income tax	24,875,222	22,304,876	24,555,226	22,304,876
Deferred income tax charge	(13,342,565)	(14,700,102)	(1,331,161)	(746,376)
Under/ (Over) provision for tax in previous years	(1,122,104)	(238,667)	(1,122,104)	(238,668)
Total current tax reported in the statement of profit or loss	**10,410,553**	**7,366,107**	**22,101,961**	**21,319,832**

The tax on the profit before tax differs from the theoretical amount that would arise using the basic tax rate applicable to the Group and Company as follows:

	Group		Company	
	2026	2025	2026	2025
Profit before tax	657,824,714	612,875,075	153,219,334	128,411,545
Tax calculated at a tax rate of 24%	-	-	-	-
Tax calculated at a tax rate of 30%	197,347,414	183,862,523	45,965,800	38,523,463
Tax calculated at a tax rate of 14%	-	-	-	-
Tax calculated at a tax rate of 15%	-	-	-	-
Tax impact of allowable items/income not subject to tax	(207,109,383)	(201,225,682)	(37,397,382)	(21,886,019)
Aggregate dis-allowable items	29,109,133	21,686,075	15,986,808	5,667,432
Tax losses adjusted	5,528,058	17,981,960	-	-
Net adjustment of deferred tax	(13,342,565)	(14,700,102)	(1,331,161)	(746,376)
Under provision for tax in the previous year	(1,122,104)	(238,667)	(1,122,104)	(238,668)
	10,410,553	**7,366,107**	**22,101,961**	**21,319,832**

In accordance with the provisions of the Inland Revenue Act No.24 of 2017 and subsequent amendments there to the Company was liable of income tax at 30% and Dividend Income received after 01st January 2023, from a resident Company wais subject to a final withholding payment of 15% which is considered as a final tax.

28. Earnings per share

	Group		Company	
	2026	2025	2026	2025
Profit attributable to owners of the parent	647,396,035	605,465,753	131,117,373	107,091,713
Shares in issue	152,000,000	152,000,000	152,000,000	152,000,000
Basic earnings per share	4.26	3.98	0.86	0.70

With the approval of shareholders at an Extra Ordinary General Meeting of the Company held on 14th October 2025, the 15,200,000 issued ordinary voting shares were sub-divided on the basis of ten (10) issued ordinary voting shares of every one (1) existing ordinary voting shares held as at the end of trading on 16th October 2025. Following the subdivision, the issued ordinary voting shares of the Company is 152,000,000 shares.

Following the subdivision of issued ordinary shares, earning per share (EPS) and net assets per share have been adjusted retrospectively for all comparative periods presented.

The diluted earnings per share is same as the basic earnings per share.

29. Dividends

No dividend were paid in 2025/2026 (2024/2025 - Nil)

30. Cash generated from operations

Reconciliation of profit before tax to cash generated from operations.

	Group		Company	
	2026	2025	2026	2025
Profit before tax	657,824,714	612,875,075	153,219,334	128,411,545
Depreciation of property, plant and equipment (note 6)	9,961,488	10,130,430	614,782	462,830
Depreciation of investment property (note 7)	7,407,719	7,018,825	7,407,719	7,018,825
Depreciation of right of use assets (note 9)	15,758,190	15,758,194	-	-
Dividend income (note 22)	(133,504,325)	(112,430,303)	(78,492,834)	(28,592,972)
Interest (income) / expense (note 26)	100,212,161	89,186,257	(8,469,289)	(2,870,059)
Profit/Loss on sale of investments (note 22)	(12,170,412)	(2,794,825)	166,072	-
Profit on sale of property, plant and equipment (note 22)	-	(14,773,040)	-	-
Impairment of Investment Property	21,110,249	-	21,110,249	
Net impairment losses on financial assets (note 3.4)	-	2,873,102	-	-
Defined benefit obligations (note 20)	2,661,760	2,450,582	-	-
Changes in fair value of financial assets at FVPL (note 23)	(526,886,045)	(514,049,789)	(42,876,700)	(38,148,854)
Changes in working capital				
- Trade and other receivables	(112,356,266)	111,489,560	(96,583,544)	157,445,612
- Inventories	(547,999,099)	10,253,061	-	-
- Trade and other payables	325,066,381	(15,157,786)	17,717,564	6,568,971
Cash generated from / (used in) operations	**(192,913,485)**	**202,829,343**	**(26,186,647)**	**230,295,898**

31. Net assets value per share

	Group		Company	
	2026	2025	2026	2025
Stated capital	288,386,885	288,386,885	288,386,885	288,386,885
Reserves	5,742,536,027	4,782,110,366	2,660,777,098	2,550,052,120
Net assets	6,030,922,912	5,070,497,251	2,949,163,983	2,838,439,005
Number of shares	152,000,000	152,000,000	152,000,000	152,000,000
Net assets per share	39.68	33.36	19.40	18.67

With the approval of shareholders at an Extra Ordinary General Meeting of the Company held on 14th October 2025, the 15,200,000 issued ordinary voting shares were sub-divided on the basis of ten (10) issued ordinary voting shares of every one (1) existing ordinary voting shares held as at the end of trading on 16th October 2025. Following the subdivision, the issued ordinary voting shares of the Company is 152,000,000 shares.

Following the subdivision of issued ordinary shares, earning per share (EPS) and net assets per share have been adjusted retrospectively for all comparative periods presented.

32. Related parties

The Group is controlled by Colombo Fort Land & Building PLC which owns 60.99% of the Company's shares. The remaining 39.01% of shares are widely held. Colombo Fort Land & Building PLC is also the ultimate parent of the Group.

(a) Common directorships

The Directors of the Company are also Directors of the following companies with which the Group and/ or Company had business transactions in the ordinary course of business:

	Mr S D R Arudpragasam	Mr S Rajaratnam	Mr. Anushman Rajaratnam	Mr. R M M J Ratnayake	Mr. Amrit Rajaratnam	Mr. E D P Soosaipillai	Mr. A I Piyadigama
C M Holdings PLC	x	x	x	x	x	x	x
Union Investments (Private) Limited	x	x	x	x	-	-	-
Colonial Motors (Ceylon) Limited	x	x	x	x	-	-	-
The Colombo Fort Land & Building PLC	x	x	x	-	x	-	-
Lankem Ceylon PLC	x	-	x	-	-	-	-
Colombo Fort Group Services (Private) Limited	x	-	x	-	-	-	-
Colombo Fort Properties (Private) Limited	-	-	x	-	-	-	-
Agarapatana Plantations Limited	x	-	x	-	-	-	-
C W Mackie PLC	x	-	x	-	-	-	-
E B Creasy & Company PLC	x	x	-	-	-	-	-
Kotagala Plantations PLC	x	-	x	-	-	-	-
Union Commodities (Private) Limited	x	-	x	-	x	-	-
Laxapana Batteries PLC	x	x	-	-	-	-	-
Consolidated Tea Plantations Limited	x	-	x	-	-	-	-
Sun Agro Life Science Limited	x	-	x	-	-	-	-
Beruwala Resorts PLC	x	x	x	-	x	-	-
Candy Delight Limited	x	x	-	-	-	-	-
Motor Mart Ceylon (Pvt) Ltd	x	x	x	x	-	-	-
Guardian Assets Management Ltd	-	x	-	-	-	-	-
Sigiriya Village Hotels PLC	x	x	x	-	x	-	-

32 Related parties (Contd)

(b) Year - end balances arising in the ordinary course of business

Amounts due from related parties		Group 2026	Group 2025	Company 2026	Company 2025
The Colombo Fort Land & Building PLC	Parent	8,941,523	8,471,498	8,941,523	8,471,498
Union Investments (Private) Limited	Subsidiary	-	-	-	10,000,000
Union Commodities (Private) Limited	Sub - CFLB	-	3,444,366	-	-
Colonial Motors (Ceylon) Limited	Subsidiary	-	-	7,812,444	7,256,773
Agarapatana Plantations Limited	Sub - CFLB	98,038	565,997	-	-
Beruwala Resorts PLC	Sub - CFLB	3,016,430	-	-	-
E B Creasy & Company PLC	Sub - CFLB	29,736	44,939	-	-
Sigiriya Village Hotels Plc	Sub - CFLB	94,801			
Kotagala Plantations PLC	Sub - CFLB	227,197	636,848	-	-
Consolidated Tea Plantations Limited	Sub - CFLB	104,463,833		104,463,833	
C W Mackie PLC	Sub - CFLB	60,101	71,887	-	-
Sun Agro Life Science Limited	Sub - CFLB	134,429	261,658		
Lankem Ceylon PLC	Sub - CFLB	10,145,256	9,959,244	8,683,981	8,161,733
		127,211,344	**23,456,437**	**129,901,781**	**33,890,004**

Amounts due from related parties includes receivables from:

The Colombo Fort Land & Building PLC due to C M Holdings PLC amounting to Rs. 4,500,000/- on which interest is charged at AWPLR+2% per annum.

Lankem Ceylon PLC due to C M Holdings PLC amounting Rs. 5,000,000/- on which interest is charged at AWPLR+2% per annum.

Colonial Motors (Ceylon) Limited due to C M Holdings PLC amounting Rs. 5,320,000/- on which interest is charged at AWPLR+2% per annum

Consolidated Tea Plantations Limited due to C M Holdings PLC amounting to Rs. 96,000,000/- on which interest is charged AWPLR+2% per annum.

Amounts due to related parties		Group 2026	Group 2025	Company 2026	Company 2025
Colombo Fort Group Services (Private) Limited	Affiliate - CFLB	6,025,887	5,846,589	-	-
Lankem Ceylon PLC	Sub - CFLB	228,985	-	-	
		6,254,872	**5,846,589**	**-**	**-**

Transactions with related parties are carried out in the ordinary course of business on an arm's length basis. Related party balances at the year end are unsecured and repayable on demand.

(c) Key management compensation

Key management includes the Board of Directors (executive and non - executive) of the Company. The compensation paid or payable to key management for employee service is shown below:

	Group 2026	Group 2025	Company 2026	Company 2025
Salaries and short term employee benefits	16,800,000	7,260,000	16,800,000	7,260,000
The post-employment benefits	-	-	-	-
	16,800,000	**7,260,000**	**16,800,000**	**7,260,000**

32. Related parties contd.

(d) The details of transactions carried out by the Group with related parties are as stated below

Group	Relationship	Repair services supplied / (received)		Dividends (paid) / received		Rent (paid) / received		Fees (paid) / received		Interest (paid) / received		Loans received / (given)		(Investment in) / transfer of shares	
		2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
Lankem Ceylon PLC	Sub - CFLB	16,304,878	24,247,204	-	-	-	-	-	-	522,248	566,205	-	-	(19,198,620)	-
The Colombo Fort Land & Building PLC	Parent	-	-	1,450,083	-	-	-	-	-	470,023	509,585	-	-	-	-
Agarapatana Plantations Limited	Sub - CFLB	1,011,983	7,227,983	6,001,825	12,498,541	-	-	-	- -	-	-	-	-	(85,146,158)	-
Lankem Developments PLC	Sub - CFLB		-	4,320,474	-	-	-	-	-	-	-	-	-	(12,000,000)	-
C W Mackie PLC	Sub - CFLB	1,101,907	734,544	6,868,680	7,139,104	-	-	-	-	-	-	-	-	(41,459,200)	-
Sun Agro Life Science Limited	Sub - CFLB	2,987,531	261,657	-	-	-	-	-	-	-	-	-	-	-	-
Beruwala Resorts PLC	Sub - CFLB	109,974	-	3,825	-	-	-	-	-	516,430	-	(10,000,000)	-	-	-
E B Creasy & Company PLC	Sub - CFLB	4,686,310	1,419,191	56,231,400	40,165,800	-	-	-	-	-	-	-	-	(454,769,000)	-
Kotagala Plantations PLC	Sub - CFLB	512,279	13,184,726	-	-	-	-	-	-	-	-	-	-	(6,732)	-
Sigiriya Village Hotels PLC	Sub - CFLB		-	3,046,021	-	-	-	-	-	94,801	-	(3,583,554)	-	-	-
Colombo Fort Group Services (Pvt) Limited	Affiliate - CFLB	96,841	-	-	-	-	-	(4,604,245)	(249,169)	-	-	-	-	-	-
Marawila Resorts PLC	Sub - CFLB		-	991,757	-	-	-	-	-	-	-	-	-	-	-
Colombo Fort Properties (Pvt) Limited	Sub - CFLB		-	-	-	-	-	(5,855,000)	(4,500,000)	-	-	-	-	-	-
Union Commodities (Pvt) Limited	Sub - CFLB	547,027	4,925,855	-	-	-	-	-	-	-	-	-	-	-	-
Laxapana Batteries PLC	Sub - CFLB	-	-	900	900	-	-	-	-	-	-	-	-	-	-
J F Packaging PLC	Sub - CFLB	-	-	1,150	-	-	-	-	-	-	-	-	-	(26,680)	-
Consolidated Tea Plantations Limited	Sub - CFLB	-	-	-	-	-	-	-	-	8,463,833	-	(96,000,000)	-	-	(128,861,551)
		27,358,730	52,001,160	78,916,115	59,804,345	-	-	(10,459,245)	(4,749,169)	10,067,335	1,075,790	(109,583,554)	-	(612,606,390)	(128,861,551)

(d) The details of transactions carried out by the Company with related parties are as stated below

Company	Relationship	Repair services supplied / (received)		Dividends (paid) / received		Rent (paid) / received		Fees (paid) / received		Interest (paid) / received		Loans received / (given)		Investment in / (transfer of) shares	
		2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Guardian Asset Management Limited	Subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Beruwala Resorts PLC	Sub - CFLB	-	-	3,825	-	-	-	-	-	-	-	-	-	-	-
Lankem Ceylon PLC	Sub - CFLB	-	-	-	-	-	-	-	-	522,248	566,205	-	-	(14,000,000)	-
The Colombo Fort Land & Building PLC	Parent	-	-	375,000	-	-	-	-	-	470,023	509,585	-	-	-	-
E B Creasy & Company PLC	Sub - CFLB	-	-	21,000,000	15,000,000	-	-	-	-	-	-	-	-	(60,000,000)	-
Marawila Resorts PLC	Sub - CFLB	-	-	141,667	-	-	-	-	-	-	-		-	-	-
Union Investments(Pvt) Limited	Subsidiary	-	-	50,000,000	-	-	-	-	-	744,678	-	(50,000,000)	-	-	-
Colombo Fort Group Services (Pvt) Limited	Affiliate - CFLB	-	-	-	-	-	-	(4,339,038)	(91,801)	-	-	-	-	-	-
Colombo Fort Properties (Pvt) Limited	Sub - CFLB	-	-	-	-	-	-	(5,855,000)	(4,500,000)	-	-	-	-	-	-
Union Commodities (Pvt) Limited	Sub - CFLB	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Colonial Motors Ceylon Ltd	Subsidiary	-	-	-	-	-	-	-	-	555,672	602,443	-	-	(24,000,000)	(24,000,000)
Agarapatana Plantations Limited	Sub - CFLB	-	-	3,098,607	7,529,200	-	-	-	-	-	-	-	-	(30,009,466)	-
Consolidated Tea Plantations Limited	Sub - CFLB	-	-	-	-	-	-	-	-	8,463,833	-	(96,000,000)	-	-	(128,861,551)
J.F.Packaging PLC	Sub - CFLB	-	-	1,150	-	-	-	-	-	-	-	-	-	(26,680)	
		-	-	**74,620,249**	**22,529,200**	-	-	**(10,194,038)**	(4,591,801)	**10,756,454**	**1,678,233**	**(146,000,000)**	-	**(128,036,146)**	**(152,861,551)**

(e) Non-Recurrent Related Party Transaction

There were no Non-Recurrent related party transactions that exceeded the respective threshsholds mentioned in the Rule 9.14.7 of the Listing Rules of the Colombo Stock Exchange for the financial year 2025/2026.

33. Events after the reporting period

Subsequent to the reporting period, no circumstances have arisen that would require adjustments to/or disclosure in the financial statements other than disclosed below.

The investment property land situated at 479/G, Pannipitiya Road, Thalangama South, Battaramulla sold in April 2026 for Rs. 260,000,000

The Directors of C M Holdings PLC have recommended the payment of a First & Final Dividend of Rs.0.40 per ordinary share which will be declared at the Annual General Meeting to be held on 10th September 2026. In accordance with the Sri Lanka Accounting Standard (LKAS) 10 - "Events Occurring After the Reporting Date", this proposed dividend has not been recognised as a liability as at 31st March, 2026.

34. Contingencies

Contingent liabilities

There were no contingent liabilities as at the end of the reporting period

35. Commitments

(a) Financial commitments

There were no material financial commitments outstanding as at the end of the reporting period

(b) Capital commitments

There were no material capital commitments outstanding as at the end of the reporting period

Share Information

Distribution of Shareholders

Shareholdings	31st March 2026			31st March 2025		
	No of Shareholders	Total Share Holding	Holding %	No of Shareholders	Total Share Holding	Holding %
1 - 1,000	908	231,868	0.15	690	119,590	0.79
1,001 - 10,000	490	1,892,188	1.24	183	666,527	4.39
10,001 - 100,000	211	7,154,548	4.71	80	2,313,591	15.22
100,001 - 1000,000	65	19,061,324	12.54	12	2,450,442	16.12
Over 1,000,000	9	123,660,072	81.36	1	9,649,850	63.49
	1,683	152,000,000	100.00	966	15,200,000	100.00

Categories of Shareholders

	31st March 2026			31st March 2025		
	No.of Shareholders	Total Shareholdings	%	No.of Shareholders	Total Shareholdings	%
Individuals	1,566	22,344,170	14.70	870	2,633,610	17.33
Institutions	117	129,655,830	85.30	96	12,566,390	82.67
	1,683	152,000,000	100.00	966	15,200,000	100.00

Public Holding

The percentage of the Issued Share Capital held by the public as at 31st March 2026 was 31.17% (31.03.2025 - 28.90%)

The application option under Colombo Stock Exchange Rule 7.13.1 (i) (b) on Minimum Public Holding is Option 5 and the Float adjusted Market Capitalisation as at 31st March 2026 was Rs. 2,132,028,000/- (31.03.2025 - Rs.724,812,000/-)

Public Shareholders

The number of public shareholders as at 31st March 2026 was 1,670 (31.03.2025 - 953)

Market Prices of the year

	2026 (Rs.)	2025 (Rs.)
Highest	584.00	188.00
Lowest	41.70	79.20
Market Value as at the year end	45.00	165.00

Share Information

Distribution of Shareholders

20 Major Shareholders as at 31/03/2026

Position	Name of Shareholders	31.03.2026		31.03.2025	
		No of Ord. Vot. Shares	Percentage	No of Ord. Vot. Shares	Percentage
1	The Colombo Fort Land and Building PLC	92,698,500	60.99%	9,649,850	63.49%
2	Sampath Bank PLC/ Senthilverl Holdings (Pvt) Ltd	15,205,652	10.00%	-	-
3	Commercial Bank of Ceylon PLC/ The Colombo Fort Land & Building PLC	3,800,000	2.50%	-	-
4	Mrs Agnes. E De Vos (Decd)	3,749,780	2.47%	374,978	2.47%
5	Colombo Investment Trust PLC	3,200,000	2.11%	330,976	2.18%
6	Trust Holdings & Investments (Pvt) Limited	1,321,420	0.87%	132,142	0.87%
7	Colombo Fort Investments PLC	1,314,580	0.86%	131,458	0.86%
8	Commercial Bank of Ceylon PLC/N.H. Dawoodbhoy and Company (Private) Limited	1,200,000	0.79%	113,000	0.74%
9	Glenford Investments (Private) Limited	1,170,140	0.77%	117,014	0.77%
10	E.B. Creasy Ceylon (Private) Limited	956,001	0.63%	95,640	0.63%
11	Mr. Jawaharlal Vijaya Srikumaradas Corea	883,280	0.58%	88,328	0.58%
12	Mr. Sidath Vivendra Kodikara	829,340	0.55%	82,934	0.55%
13	Mr. Weerahennedige Sohan Raminal Fernando	755,650	0.50%	75,565	0.50%
14	York Arcade Holdings PLC	686,378	0.45%	71,707	0.47%
15	Oakley Investments (Private) Limited	630,000	0.41%	63,000	0.41%
16	Financial Trust Limited	625,710	0.41%	62,571	0.41%
17	Dr. Joseph Marius Ranjan Goonewardene	622,350	0.41%	4,428	0.03%
18	Dr. Surendramohan Chandpal Paul	605,350	0.40%	60,535	0.40%
19	Corporate Holdings (Private) Limited A/C No.01	595,080	0.39%	63,508	0.42%
20	People S Leasing And Finance PLC/L.P. Hapangama	578,441	0.38%	28,532	0.19%
		131,427,652	85.42%	11,546,166	64.93%

Five Year Summary-Group

	2025/2026	2024/2025	2023/2024	2022/2023	2021/2022
Assets Employed					
Property , plant and equipment	458,852,404	426,268,041	386,690,284	395,435,000	403,440,854
Capital work in progress	175,000	-	13,087,187	-	-
Investment property	1,033,845,286	1,057,267,405	1,051,275,711	1,057,935,878	1,061,377,259
Intangible assets	4,870,824	4,870,824	4,870,824	4,870,824	4,870,824
Right of use assets	5,252,730	21,010,920	36,769,114	52,527,308	68,285,498
Financial assets at FVOCI	3,636,711,391	2,827,713,019	1,783,987,974	1,163,446,347	943,561,135
Deferred income tax assets	-	-	-	-	-
Current assets	2,836,634,838	1,969,994,348	1,452,505,714	1,734,114,397	1,755,241,454
Liabilities net of debt	(600,267,811)	(338,310,340)	(297,402,002)	(200,621,614)	(163,095,388)
	7,376,074,662	5,968,814,217	4,431,784,806	4,207,708,140	4,073,681,636
Capital Employed					
Stated capital	288,386,885	288,386,885	288,386,885	288,386,885	288,386,885
Reserves	5,742,536,026	4,782,110,366	3,302,650,424	3,072,137,168	2,908,873,267
	6,030,922,911	5,070,497,251	3,591,037,309	3,360,524,053	3,197,260,152
Non controlling interest	-	3,330,113	2,681,173	2,546,365	1,296,447
Total equity	6,030,922,911	5,073,827,364	3,593,718,482	3,363,070,418	3,198,556,599
Total debt	1,345,151,751	894,986,853	838,066,324	844,637,722	875,125,037
	7,376,074,662	5,968,814,217	4,431,784,806	4,207,708,140	4,073,681,636
Operating Results					
Revenue	1,315,013,770	351,505,848	305,685,802	276,430,164	305,664,737
EBIT	758,036,875	702,061,332	321,962,700	94,135,675	179,279,660
Finance expenses - net	(100,212,161)	(89,186,257)	(78,961,767)	13,613,403	(70,259,390)
Profit before tax	657,824,714	612,875,075	243,000,933	107,749,078	109,020,270
Tax (expense)/ release	(10,410,553)	(7,336,107)	(34,683,250)	(58,001,398)	(28,814,401)
Profit after tax	647,414,161	605,508,968	208,317,683	49,747,680	80,205,869
Cash Flow					
Net cash generated from/ (used) in operating activities	(306,194,122)	83,973,416	357,741,056	(95,605,411)	(72,721,246)
Net cash generated from/ (used) in investing activities	(224,176,002)	(23,259,591)	(344,820,340)	134,981,805	75,239,712
Net cash generated from/ (used) in financing activities	461,054,334	101,018,144	(50,660,898)	(70,816,240)	33,114,644
Increase/ (Decrease) in cash and cash eqivalents	(69,315,790)	161,731,969	(37,740,182)	(31,439,846)	35,633,110
Key Indicators					
Basic earnings per share (Rs) *	4.26	3.98	1.37	0.33	0.53
Dividend per share (Rs) **	-	-	5.00	5.00	5.00
Net asset per share *	39.68	33.36	23.63	22.11	21.04
Debt - Equity ratio	0.22	0.18	0.23	0.25	0.27
Current ratio (times covered)	2.31	1.79	1.38	1.83	2.06
Dividend payout ratio	-	-	37%	153%	95%

* Following the sub-division of issued ordinary shares, earning per share (EPS) and net assets per share have been adjusted retrospectively for all comparative periods presented.

** Dividend per share figures have not been adjusted for the sub-division of issued ordinary shares.

Notice of Meeting

C M HOLDINGS PLC

Notice is hereby given that the 114th Annual General Meeting of C M Holdings PLC will be held on Thursday, 10th September 2026 at 10.00 a.m. and conducted as a Virtual Meeting from 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 1, for the following purposes:

1. To receive and consider the Annual Report of the Board of Directors and the Statement of Accounts for the year ended 31st March, 2026 with the Report of the Auditors thereon.

2. To declare a First and Final Dividend of Rs. 0.40 per share for the year ended 31st March, 2026 as recommended by the Directors.

3. To re-elect as a Director, Mr. S. Rajaratnam who retires in accordance with Articles 88 and 89 of the Articles of Association.

4. To re-elect as a Director, Mr. Anushman Rajaratnam who retires in accordance with Articles 88 and 89 of the Articles of Association.

5. To reappoint Mr. S.D.R. Arudpragasam who is over seventy years of age as a Director. Special Notice has been received from a shareholder of the intention to pass a Resolution which is set out below in relation to his reappointment. (See Note No. 5).

6. To authorize the Directors to determine donations to Charities.

7. To reappoint as Auditors, Messrs. Deloitte Partners and to authorize the Directors to determine their remuneration.

By Order of the Board,
Corporate Managers & Secretaries (Private) Limited
Secretaries

Colombo
31st July 2026

C M HOLDINGS PLC

Notes:

1. A member of the Company who is entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of him or her. A proxy need not be a member of the Company.

2. A Form of Proxy is enclosed in this Report. The instrument appointing a proxy must reach the Registered Office of the Company's Secretaries, Corporate Managers & Secretaries (Private) Limited, No. 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 01, not less than forty-eight (48) hours before the time fixed for the holding of the meeting.

3. Members are encouraged to vote by Proxy through the appointment of a member of the Board of Directors to represent them and vote on their behalf. Members are advised to complete the Form of Proxy and their voting preferences on the specified resolutions to be taken up at the meeting and submit the same to the Company in accordance with the instructions given on the reverse of the Form of Proxy.

4. Please refer the "Circular to Shareholders" dated 31 July 2026 for further instructions relating to the Annual General Meeting and for joining the Meeting virtually.

5. Special Notice has been received by the Company from a shareholder giving notice of the intention to move the following Resolution as an Ordinary Resolution at the Annual General Meeting:

   Resolved -

   That Mr. S.D.R. Arudpragasam who as at the date of the Annual General Meeting would have reached seventy five years of age be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of seventy years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said Director, Mr. S.D.R. Arudpragasam

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Form of Proxy

C M HOLDINGS PLC

I/We the undersigned .... of
.... being a member/member of C M Holdings PLC, do hereby appoint
.... of ....
.... or failing him

1. Sri Dhaman Rajendram Arudpragasam of Colombo or failing him
2. Anushman Rajaratnam of Colombo or failing him
3. Sanjeev Rajaratnam of Colombo or failing him
4. Ratnayake Mudiyanselage Mohan Joseph Ratnayake of Colombo or failing him
5. Amrit Rajaratnam of Colombo or failing him
6. Eugen Duliksha Pratharp Soosaipillai of Colombo or failing him
7. Asoka Indrasiri Piyadigama of Colombo

as my/our proxy to represent me/us, to speak and to vote on my/our behalf at the Annual General Meeting of the Company to be held on 10th September 2026, at 10.00 a.m. and at any adjournment thereof and at every poll which may be taken in consequence thereof.

	For	Against
1. To receive and consider the Annual Report of the Board of Directors and the Statement of Accounts for the year ended 31st March, 2026 with the Report of the Auditors thereon.		
2. To declare a First and Final Dividend of Rs. 0.40 per share for the year ended 31st March, 2026 as recommended by the Directors.		
3. To re-elect Mr. S. Rajaratnam as a Director.		
4. To re-elect Mr. Anushman Rajaratnam as a Director.		
5. To reappoint Mr. S.D.R. Arudpragasam as a Director.		
6. To authorize Directors to determine donations to Charities.		
7. To reappoint as Auditors Messrs. Deloitte Partners and authorize the Directors to determine their remuneration.		

As witness my/our hand(s) this .... day of .... 2026.

....
Signature of Shareholder

Note:
A proxy need not be a member of the Company. If no words are deleted or there is in the view of the proxy doubt (by reason of the manner in which the instructions contained in the Form of Proxy have been completed) as to the way in which the proxy should vote, the proxy may vote as he/she thinks fit.

Instructions as to completion are noted on the reverse hereof.

Instructions as to Completion

1. Perfect the Form of Proxy, after filling in legibly your full name, address and by signing in the space provided and filling in the date of signature.

2. In the case of corporate members the Form of Proxy must be under the Common Seal of the Company or under the hand of an Authorized Officer or Attorney.

3. Where the Form of Proxy is signed under a Power of Attorney (POA) which has not been registered with the Company, the original POA together with a photocopy of the same, or a copy certified by a Notary Public must be lodged with the Company's Secretaries, Corporate Managers & Secretaries (Private) Limited along with the Form of Proxy.

4. The completed Form of Proxy should be deposited at the Registered Office of the Company's Secretaries, Corporate Managers & Secretaries (Private) Limited, 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 1, not less than 48 hours before the time appointed for the meeting.

Corporate Information

Board of Directors

Chairman
S. D. R. Arudpragasam FCMA (UK)

Directors

S. Rajaratnam B.Sc., CA
Anushman Rajaratnam B.Sc. (Hons.), CPA, MBA
R. M. M. J. Ratnayake CMA, CGMA, MBA
Amrit Rajaratnam LLB (Notts.), Barrister-at-Law
E. D. P. Soosaipillai FCA (Sri Lanka), FCMA (Sri Lanka)
A. I. Piyadigama FCA (Sri Lanka), CPA (Aus)

Secretaries

Corporate Managers & Secretaries (Private) Limited
8-5/2, Leyden Bastian Road,
York Arcade Building,
Colombo 01.

Registered Office

297, Union Place, Colombo 02.

Legal Form

Public Quoted Company with Limited Liability
Domiciled in Sri Lanka

Date Of Incorporation

09 July 1909

Company Number

PQ 169

Stock Exchange Listing

The Ordinary Shares of the Company are Listed with the Colombo Stock Exchange of Sri Lanka.

Bankers

People's Bank
Hatton National Bank PLC
Commercial Bank of Ceylon PLC

Lawyers

Messrs. Julius & Creasy

Auditors

Messrs. Deloitte Partners

Concept & Designed by Copyline

C M Holdings PLC
297, Union Place, Colombo 02.