INTEGRATED FOR IMPACT

INTEGRATED FOR IMPACT

At Access Engineering, our strength lies in the power of integration. This year's performance reflects the collective contribution of our subsidiaries, whose expertise, innovation, and disciplined execution have significantly strengthened our results and expanded our influence across sectors. Operating as one interconnected system, we align capabilities, share resources, and leverage synergies to deliver measurable outcomes and sustained value.

Firmly grounded in strong foundations, our expansion is purposeful and progressive. The performance we record today stems from strategic initiatives, operational discipline, and sustainability efforts reflecting a commitment to responsible development and long-term environmental stewardship.

Together, this integrated approach enhances operational resilience, advances sustainable progress, and positions Access Engineering to reach new heights. By remaining firm in purpose and grounded in expertise, we continue to generate meaningful impact across industries and communities.

Our journey is mirrored in the enduring strength of the banyan tree. Just as its expansive canopy is supported by a network of roots that grow into new pillars of stability, Access Engineering thrives through an interconnected ecosystem of diverse industries. Each subsidiary and every project reinforces our foundation, creating a resilient structure that reaches further while remaining deeply rooted in responsibility. It is this natural synergy—where growth and stability coexist—that allows us to adapt, endure, and build a legacy of lasting impact to expand our reach while creating sustainable value across industries, communities, and generations; strengthening a legacy designed to endure.

Access ENGINEERING

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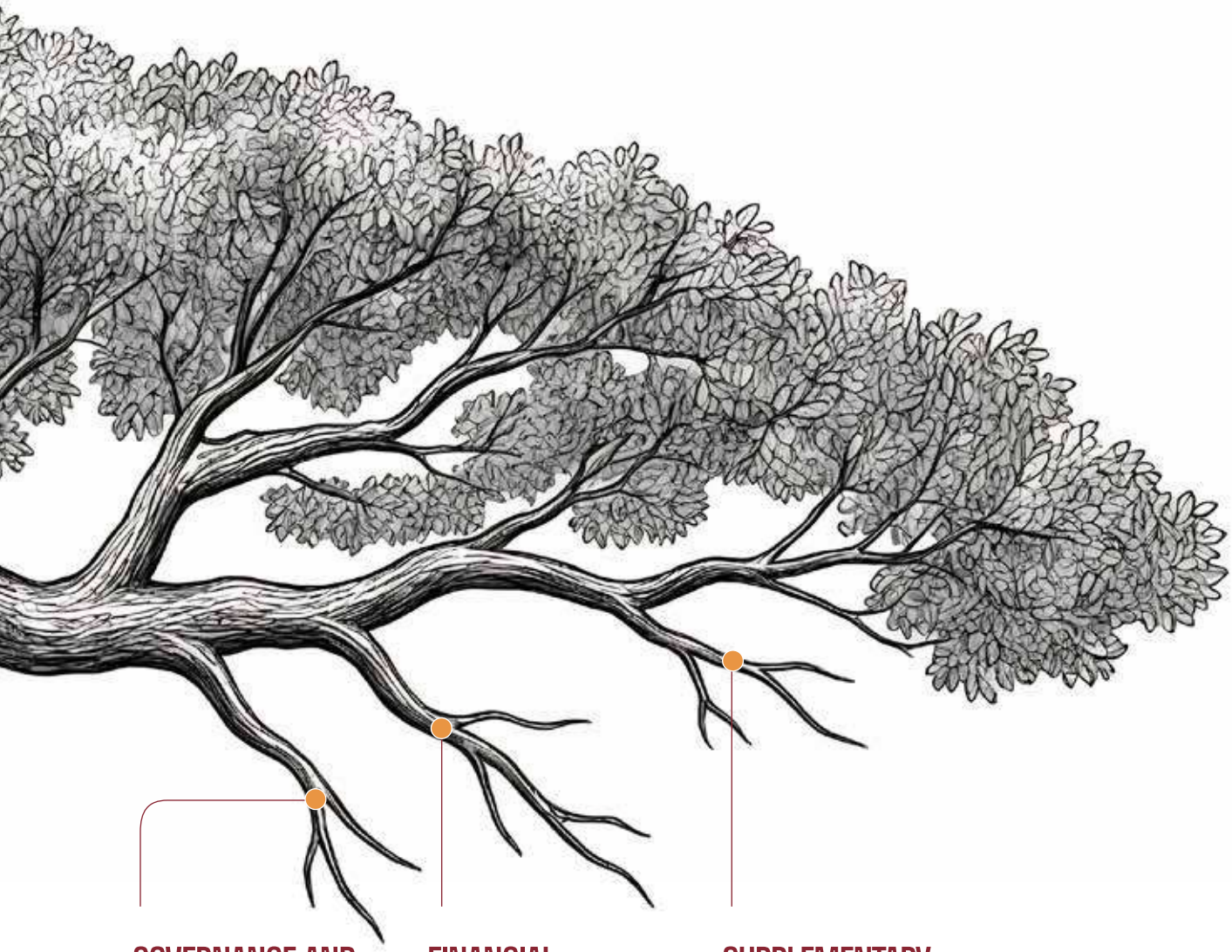

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WELCOME TO OUR INTEGRATED REPORT

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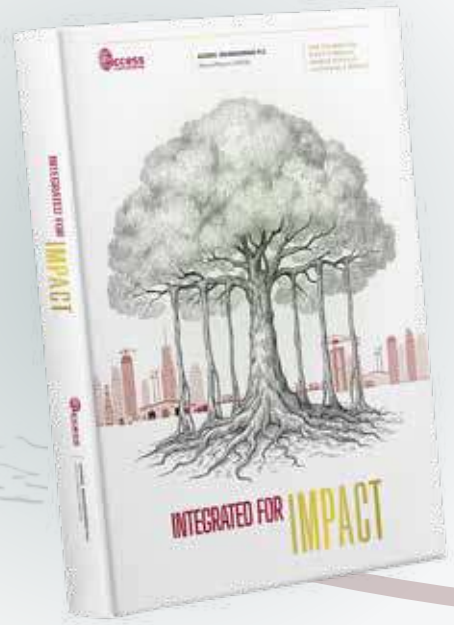


Dear Stakeholders

Welcome to the Thirteenth Integrated Annual Report of Access Engineering PLC. This year's report has been thoughtfully conceptualised around the banyan tree. It was felt that this symbol of endurance, resilience, interconnected growth, and deep cultural significance in Sri Lanka ideally reflects the Group's evolution as a diversified, purpose-driven organisation that continues to grow with strength, coherence, and long-term vision.

Hence, the main trunk of the banyan tree represents the Group's core foundation in engineering excellence, which continues to remain the anchor and enduring strength of the Access Group, while the branching structure is meant to depict the progression of the Group's business portfolio as part of a deliberate and structured growth journey, guided by capability, discipline, and long-term vision.

The aerial roots of the banyan, which evolve into independent yet interconnected trunks, symbolise our diversification journey, highlighting how each business segment has matured into distinct yet interdependent pillars of strength that form the basis of how value is created and sustained across the Group.

The expansive canopy alludes to the value delivered to our stakeholders and the communities we serve, underscoring the integrated impact of the Group's commitment to shared prosperity.

REPORT PROFILE

This Integrated Annual Report provides a comprehensive and balanced overview of the financial and non-financial performance of the Access Engineering PLC Group. It embodies the commitment to sustainable value creation for all stakeholders by highlighting key strategic initiatives undertaken in response to evolving market dynamics and stakeholder expectations, while maintaining a clear focus on balancing current performance with long-term growth and resilience.

All previous Integrated Annual Reports, including the FY 2024/25 report, are available for viewing and download under the Investor Relations section of the Group's corporate website - https://accessengsl.com/investors/

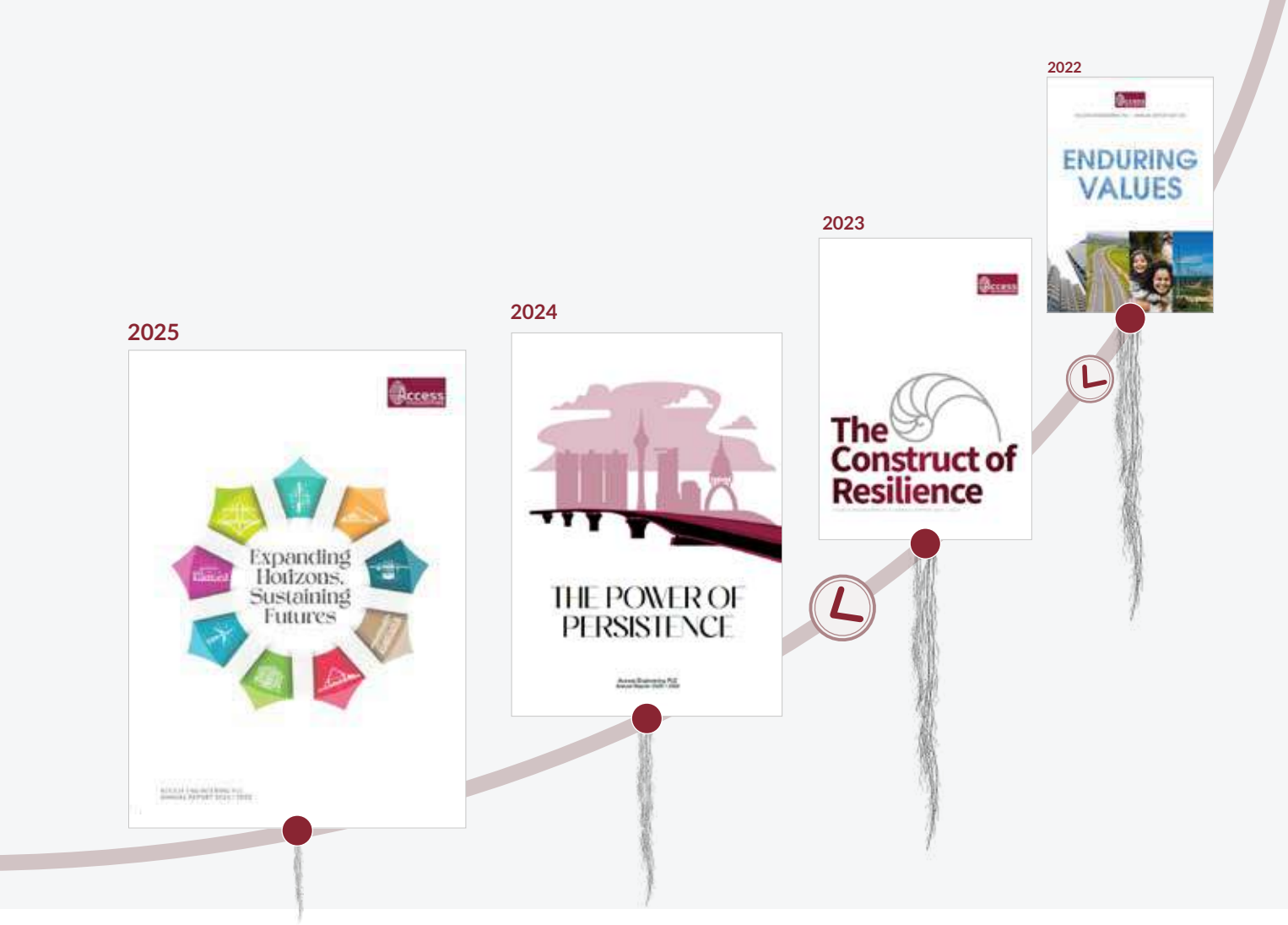
KEY IMPROVEMENTS CAPTURED IN THE FY 2025/26

Strengthening SLFRS S1 and S2 Sustainability and Climate Related Financial Disclosures

Demonstrates the outcomes of the Material Topic assessment undertaken through a double materiality lens.

Strengthens the integration and connectivity of information by linking stakeholder engagement, material topics, strategic priorities, resource allocation, and the associated risks and opportunities.

Enhances governance disclosures presented within the Corporate Governance Report



SCOPE AND BOUNDARY

Access Engineering PLC (the Company) and its Subsidiaries (collectively referred to as the Group). These consolidated financial statements present the financial results of Access Engineering PLC and its subsidiaries. Unless otherwise specified, the non-financial information presented in this report relates solely to the operations of Access Engineering PLC. There were no material changes to the reporting boundaries during the year under review compared to the previous year.

FINANCIAL AND STATUTORY REPORTING BOUNDARY

01st April 2025 to 31st March 2026

ACCESS ENGINEERING PLC

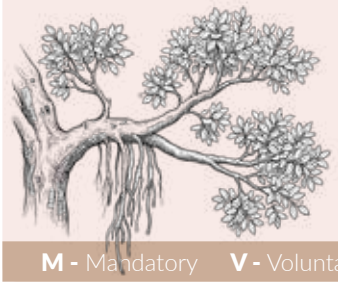
- Civil Engineering
- Construction Material Production
- Mechanical Engineering
- Properties - Commercial Offices
- Properties - Warehouses
- Condominium Properties
- Renewable Energy
- Automobile
- Radiopharmaceutical

FINANCIAL CAPITAL | **HUMAN CAPITAL** | **MANUFACTURED CAPITAL** | **INTELLECTUAL CAPITAL** | **SOCIAL AND RELATIONSHIP CAPITAL** | **NATURAL CAPITAL**

WELCOME TO OUR INTEGRATED REPORT

REPORTING FRAMEWORKS

Financial Reporting (M)	Governance and Risk Reporting	Integrated Reporting (V)	Sustainability Reporting (V)
» The Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995 Sri Lanka » Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka » The Companies Act no. 7 of 2007	» The Code of Best Practice on Corporate Governance issued jointly by the Institute of Chartered Accountants of Sri Lanka (ICASL) - (V) » Corporate Governance rules issued by the CSE for listed entities (M) » Securities and Exchange Commission Regulations (M)	» Integrated Reporting Framework <IR> by the International Integrated Reporting Council (IIRC) » "A Preparer's Guide to Integrated Corporate Reporting" issued by the Institute of Chartered Accountants of Sri Lanka	» SLFRS S1 and S2 » With Reference to the Global Reporting Initiative (GRI) Standards » GRI Content Index is on page 347) » United Nations Sustainable Development Goals (SDG's)



M - Mandatory **V -** Voluntary

COMBINED ASSURANCE

The integrity of the financial and non-financial information presented in this report has been ensured through a combined assurance approach. Information sourced from a range of internal and external systems has been subject to rigorous review by the Board Audit Committee (BAC) to assess the completeness and consistency of disclosures and verify alignment with applicable reporting frameworks and standards.

In addition, independent external assurance has been obtained for the financial statements for the year ended 31 March 2026, as well as for selected elements of the integrated reporting process and compliance with the GRI Standards.

Independent external assurance has been obtained in relation to the following areas:

Integrated Report - Independent Assurance Report by the External Auditors - Messrs. KPMG Chartered Accountants on the validity, accuracy, and completeness of the Integrated Report for FY 2025/26.

Financial Statements - Independent Audit Report by external auditors on page 261 on the accuracy and completeness of the Financial Statements for the year ended 31 March 2026 (pages 265-342).

Sustainability Disclosures - Independent Assurance Report by the External Auditors - Messrs. KPMG Chartered Accountants confirming compliance with the GRI Standards (pages 245-250).

FORWARD-LOOKING STATEMENT

This Integrated Annual Report contains forward-looking statements that reflect the current expectations, assumptions, and projections of the management of Access Engineering PLC based on information available at the time of preparation.

Forward looking statements by their very nature are subject to a range of risks, uncertainties, and external factors, including but not limited to changes in economic and market conditions, regulatory developments, competitive dynamics, and other unforeseen events that may cause actual outcomes to differ materially from those expressed or implied. Hence, readers are cautioned not to place undue reliance on such statements.

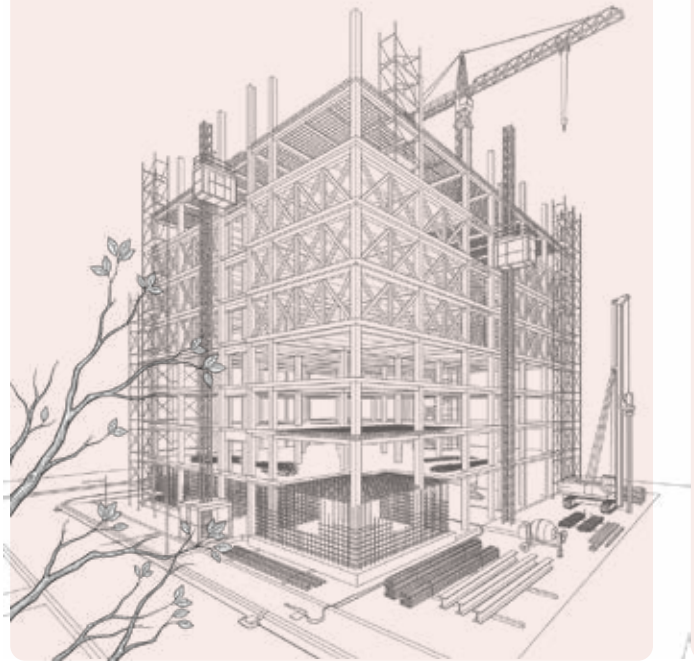
Disclaimer:

The Group undertakes no obligation to update or revise any forward-looking statements contained in this report to reflect events or circumstances arising after the reporting date, except as may be required by applicable law or regulatory requirements. The Board of Directors confirms that there have been no restatements of prior period disclosures in previous Integrated Annual Reports.

BOARD RESPONSIBILITY STATEMENT

The Board of Directors of Access Engineering PLC assumes full responsibility for the integrity and accuracy of the information presented in this Integrated Annual Report for FY 2025/26.

The Board further confirms that this Integrated Annual Report presents a balanced and fair representation of the Group's performance, including its material matters, ESG focus areas, governance practices, risk and opportunity landscape, and growth outlook.



FEEDBACK

Stakeholder feedback on this Integrated Annual Report is highly valued as it enables continuous improvement of the quality, relevance, and transparency of disclosures in future Annual Reports. As such, readers are encouraged to share their views and suggestions with feedback and queries directed to:

Rohana Fernando
Managing Director,
Access Engineering PLC,
12th Floor, Access Tower,
Union Place,
Colombo 02
Phone : +94 11 760 6606
Email : rohana@accessengsl.com

WHO WE ARE AND OUR PURPOSE

OVERVIEW OF THE COMPANY

Since its inception, Access Engineering PLC (AEL) has played a defining role in shaping Sri Lanka's built environment, delivering infrastructure that supports connectivity, urban development, industrial growth and community progress. Recognised as one of the country's leading engineering and construction companies, we have built a strong legacy through the delivery of roads and highways, bridges and flyovers, ports and marine infrastructure, water and utility systems, buildings, urban infrastructure and specialised engineering solutions.

While civil engineering remains the foundation of our identity, AEL has progressively evolved into a diversified and integrated Group, with capabilities extending across Civil Engineering, Construction Material Production, Mechanical Engineering, Commercial Office Spaces, Commercial Warehouses, Condominium Properties, Renewable Energy, Automobiles and Radiopharmaceuticals. This nine-segment portfolio reflects the strength of our growth journey to date, while also demonstrating our readiness to keep evolving in line with emerging opportunities, national priorities and stakeholder needs.

Our ability to deliver end-to-end, future-ready solutions is supported by strong local insight, multidisciplinary collaboration, technical expertise and operational discipline. By integrating our capabilities across sectors, we are able to create synergies that strengthen resilience, enhance value creation and support sustainable growth.

Guided by a commitment to responsible development and long-term impact, we remain focused on delivering solutions that empower communities, support national progress and generate sustainable value for all stakeholders. As our operating environment continues to change, we will continue to evolve with purpose, building on our engineering legacy while expanding into areas that shape the future.

VISION AND MISSION

VISION

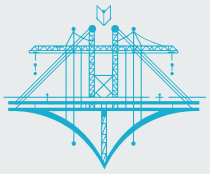
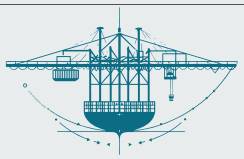
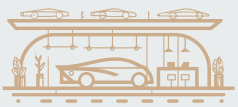
To be the foremost Sri Lankan business enterprise in value engineering.

MISSION

To meet the challenges in the development of multisector civil engineering projects, providing innovative solutions whilst developing long-term progressive relationships with all our stakeholders.

GROUP STRUCTURE

GRI 2-6

Business Segment	Operating Entities
Civil Engineering 	Access Engineering PLC
	Access Projects (Private) Limited
	Access – CHEC JV (Private) Limited
Construction Material Production	Access Engineering PLC
	Lanka AAC (Private) Limited
Mechanical Engineering 	Access Engineering Port Services (Private) Limited
	ZPMC Lanka Company (Private) Limited
Properties - Commercial Offices	Access Realties (Private) Limited
	Access Realties 2 (Private) Limited
	ARL Elevate (Private) Limited
Properties- Commercial Warehouses	Access Logistics Park Ekala (Private) Limited
	Access Logistics (Private) Limited
	W U S Logistics (Private) Limited
	South Asia Commercial and Logistics Hub Limited
Condominium Properties	Harbour Village (Private) Limited
	Blue Star Realties (Private) Limited
Renewable Energy	Access Logistics (Private) Limited
	Access Logistics Park Ekala (Private) Limited
Automobile 	Sathosa Motors PLC
	Access Motors (Private) Limited
Radiopharmaceutical	Access Medical Tracers (Private) Limited

	Effective Ownership	Principle Activity	Markets Served	Country of Incorporation
	Parent	Construction and supply of construction related services, materials and strategic investments	Sri Lanka	Sri Lanka
	80%	Construction and supply of construction related services and materials	Sri Lanka	Sri Lanka
	51%	Construction	Sri Lanka	Sri Lanka
	Parent	Construction and supply of construction related services and materials	Sri Lanka	Sri Lanka
	50%	Supply of construction related materials	Sri Lanka	Sri Lanka
	100%	Commission, repair, and maintenance of container handling equipment	Sri Lanka and Overseas	Sri Lanka
	30%	Commission, repair, and maintenance of container handling equipment (in partnership with ZPMC of China)	Sri Lanka and Overseas	Sri Lanka
	100%	Commercial property development for lease and rental	Sri Lanka	Sri Lanka
	100%	Commercial property development for lease and rental	Sri Lanka	Sri Lanka
	100%	Provision of value adding facilities for Access Towers	Sri Lanka	Sri Lanka
	100%	Commercial property development for lease and rental	Sri Lanka	Sri Lanka
	100%	Commercial property development for lease and rental	Sri Lanka	Sri Lanka
	100%	Commercial property development for lease and rental	Sri Lanka	Sri Lanka
	15%	Commercial property development for lease and rental	Sri Lanka	Sri Lanka
	100%	Residential and commercial property development	Sri Lanka	Sri Lanka
	60%	Residential Property development	Sri Lanka	Sri Lanka
	100%	Renewable energy generation through rooftop solar power	Sri Lanka	Sri Lanka
	100%	Renewable energy generation through rooftop solar power	Sri Lanka	Sri Lanka
	84.42%	Authorised distributor for ISUZU in Sri Lanka and Maldives	Sri Lanka and Maldives	Sri Lanka
	42.21%	Authorised distributor for Jaguar and Land Rover in Sri Lanka	Sri Lanka	Sri Lanka
	60%	Production of Fluoro-Deoxy-Glucose (FDG), a critical compound used in cancer detection	Sri Lanka	Sri Lanka

OUR JOURNEY

2001

AEL was incorporated as a public limited liability company by the three founder shareholders Sumal Perera, Christopher Joshua and Ranjan Gomez with the prime objective of carrying out civil engineering projects and was accredited as a Major Specialist Contractor by the National Construction Association of Sri Lanka (NCASL).

2004

AEL was awarded the highest accreditation in many fields of civil engineering by the Institute of Construction Training and Development (ICTAD) which was the governing body of the industry and developed its Quality Management System (QMS) in conformity to the requirements of ISO 9001:2004 to continuously improve the effectiveness and efficiency of its performance.

2008

Access Realties (Private) Limited, which is the owner and the managing agent of Access Tower, a 12-story modern A-Grade office complex in the Central Business District of Colombo became a subsidiary of AEL.

2009

AEL developed its Environment Management System (EMS) in conformity to the requirements of ISO 14001:2004 to manage the significant environmental impacts caused by its construction operations.

2010

AEL was accredited by the Institution of Engineers Sri Lanka (IESL) as an institution for training of engineers for professional charter.

2016

AEL invested in 50% of Blue Star Realties (Private) Limited [former Blue Star Constructions (Private) Limited] for the construction of 242 luxury condominium apartment units in Rajagiriya. SML Frontier Automotive (Private) Limited was appointed the sole distributor for Jaguar vehicles in Sri Lanka.

2017

AEL invested in 51% of Harbour Village (Private) Limited [former Hotel 10 (Private) Limited] for the construction of 1,088 condominium apartments in downtown Colombo. The newly built Access Tower II commenced commercial operations adding approximately 200,000 sq. ft. of A-Grade office space.

2018

For the second consecutive year AEL was selected to the category of "Ten Best Corporate Citizens in the Country" by the Ceylon Chamber of Commerce.

2019

AEL acquired 100% of WUS Logistics (Private) Limited for the construction of Sri Lanka's largest single roof warehouse in Kimbulapitiya. For the third consecutive year, AEL was selected to the category of "Ten Best Corporate Citizens in the Country" by The Ceylon Chamber of Commerce

2020

AEL commenced construction work of Kenya's T-Mall flyover through AEL East Africa Limited, a 100% owned subsidiary. AEL invested in 50% of Lanka AAC (Private) Limited, engaged in the manufacturing of autoclave aerated concrete blocks and initiated its first BOT project together with the UDA for the construction of a public car park in Union Place.

2021

AEL commenced construction of a 700,000 Sq. Ft. Export Greenfield (EGF) logistics and warehousing facility in Ekala through Access Logistics Park Ekala (Private) Limited, a 100% owned subsidiary.

2011

-AEL issued 180 million ordinary shares raising LKR 4.5 Bn. in a private placement. For the first time in the corporate history of Sri Lanka the founder shareholders gifted LKR 3 Bn. worth of ordinary shares among over 1,000 of its dedicated employees.

-AEL became the first construction company in Sri Lanka to become a part of the world's largest corporate sustainability initiative, the United Nations Global Compact (UNGC). Integrating its operations backward AEL ventured into the production of construction related material such as asphalt, ready mix concrete, crusher products and quarry operations.

2012

Following the successful private placement, AEL became a public quoted company on the Main Board of the Colombo Stock Exchange (CSE) through an Initial Public Offering of 20 million ordinary shares raising LKR 500 Mn. Diversifying its operations to the automobile sector, AEL acquired 60% of the issued capital of Sathosa Motors PLC, the authorised distributor for Isuzu vehicles. AEL was awarded piling works of the Northern Section of the Outer Circular Highway valued at over LKR 3 Bn.

2013

Further, extending its presence in the automobile sector AEL invested in a 50% stake in SML Frontier Automotive (Private) Limited (now Access Motors Private Limited), the authorised distributor for Land Rover and Range Rover vehicles through Sathosa Motors PLC. AEL entered into a 30% joint venture with Shanghai Zhenhua Heavy Industries Company Limited (ZPMC) of China, the world's largest port machinery manufacturer to commission, repair and maintain container handling equipment in Sri Lanka and overseas through ZPMC Lanka Company (Private) Limited. AEL commenced operations in its first overseas project in Papua New Guinea to carryout specialised engineering work. AEL was selected to the category of '10 Best Corporate Citizens' in the country by the Ceylon Chamber of Commerce.

2014

AEL became the first construction company in Sri Lanka to integrate business operations through an Enterprise Resource Planning Platform and commenced construction work on Access Tower II through its 100% owned indirect subsidiary Access Realties 2 (Private) Limited. AEL acquired 80% of Access Projects (Private) Limited an industry leader in interior and aluminium works.

2015

Establishing its footprint in the African Continent AEL opened its East Africa Branch in the Republic of Djibouti. AEL's joint venture, ZPMC Lanka extended its operations into overseas ports. Diversifying its operations into the promising real estate sector AEL invested in 50%, 100% and 92% of the issued share capital of Horizon Holdings (Private) Limited, Horizon Holdings Ventures (Private) Limited and Horizon Knowledge City Limited securing a land bank of over 20 acres in the education and information technology zone of Malabe. Taking advantage of the low interest rate regime that prevailed AEL raised LKR 5 Bn. in the debt market through an initial public offering of debentures on the CSE.

2022

Commenced construction of the East Container Terminal (ECT) at the Port of Colombo through Access – CHEC JV (Private) Limited, a 51% owned subsidiary. ECT will be the second deep-water terminal to be developed since the Colombo International Container Terminal (CICT). AEL Ranked 8th among all the listed entities by Transparency International Sri Lanka (TISL) for transparency in corporate reporting for the year 2021.

2023

Commencement of commercial operations of Export Greenfield (EGF) logistics and warehousing facility in Ekala

Signing of Consortium Agreement with CM Ports China & the Sri Lanka Ports Authority (SLPA) for the formation of South Asia Commercial & Logistics Hub Limited

2024

Winner of 'Collaborate to Innovate Award 2023' by The Engineer United Kingdom

Commencement of operations of AEL Port Services, expanding Access Engineering's footprint into the maritime and logistics sector

Initiated groundwork for Access Medical Tracers, paving the way for entry into the radiopharmaceutical industry

2025

Expansion into renewable energy through Power Purchase Agreements (PPAs) for a combined capacity of 15.85 MW across two subsidiaries – Access Logistics (Pvt) Ltd. and Access Logistics Park Ekala (Pvt) Ltd.

2026

Completed construction and opened Access Medical Tracers, marking the Group's strategic entry into the radiopharmaceutical sector and strengthening Sri Lanka's capacity to support advanced cancer diagnostics.

Implementation of SLFRS S1 and S2 requirements and strengthened ESG data management systems, further enhancing the Group's sustainability, climate-related reporting, and governance framework.

Advanced Marina Square Uptown Colombo into its next phase, with residential unit handovers commencing during the year and positioning the development as a landmark harbour-front residential community within Colombo's evolving urban landscape.

OUR JOURNEY

OUR MOMENTUM

APRIL 2025

Continuation of Port Services Maintenance Contract with CWIT

The Group continued its repair and maintenance services contract with Colombo West International Terminal through Access Engineering Port Services (Pvt.) Ltd, supporting the operational readiness of one of Sri Lanka's key port infrastructure developments. This milestone reflects the Group's growing capability in specialised port services, mechanical maintenance and terminal-support operations.

MAY 2025

Acquisition of Remaining Stake in Marina Square Uptown Colombo

The Group completed the acquisition of China Harbour's stake in Marina Square Uptown Colombo, securing 100% ownership of the landmark mixed-use development. This strategic investment strengthened the Group's position in the condominium property sector and enhanced its long-term value creation potential through one of Colombo's largest harbour-front residential developments.

JUNE 2025

Commencement of Vehicle Body Fabrication Operations

The Group commenced vehicle body fabrication operations, expanding its automobile-related service offering beyond vehicle sales and aftersales support. This new capability enables the Group to provide customised vehicle solutions, strengthen its technical service portfolio and capture new opportunities within the commercial vehicle and transport sectors.

JULY 2025

Strategic Partnership with the National Academy of Sciences Sri Lanka

The Group formalised a strategic partnership with the National Academy of Sciences Sri Lanka for the Rebuilding Trust in Science in Sri Lanka initiative, following the signing of agreements on 1 July 2025 at Elevate, Access Tower II. The initiative seeks to strengthen public trust in science through national-level engagement, education, innovation and knowledge-sharing programmes.

AUGUST 2025

Development of an Internal ESG Data Management System

The Group developed an internal ESG data management system to improve the recording, monitoring and consolidation of ESG-related information across its business units. This initiative supports more structured sustainability reporting, strengthens internal accountability and improves the quality and reliability of ESG disclosures.

SEPTEMBER 2025

Completion of Main Terminal Building Works at Bandaranaike International Airport

The Group completed works on Pier 2, Pier 3 and the Main Terminal Building under the Bandaranaike International Airport Development Project. This milestone supported the continued expansion and modernisation of Sri Lanka's aviation infrastructure, while further strengthening the Group's role in delivering large-scale, nationally significant construction projects.

OUR MOMENTUM

Completion and Handover of Stadiumgama Housing Development Project

The Group completed and handed over the Stadiumgama Housing Development Project, supporting national urban housing requirements and improving access to residential infrastructure. The project further demonstrates the Group's capability in delivering large-scale housing developments that contribute to urban renewal and community development.

DECEMBER 2025

Operationalisation of Baladaksha Mawatha Flyover

The Baladaksha Mawatha Flyover was completed and operationalised during the year, improving urban connectivity and supporting smoother traffic movement along a key transport corridor. The project reflects the Group's continued contribution to road infrastructure that enhances mobility and eases congestion in urban areas.

Completion of Phase 1 of Colombo West Container Terminal Works

The Group completed Phase 1 works of the Colombo West Container Terminal Project and commenced Phase 2, further strengthening its contribution to large-scale port infrastructure development within the Port of Colombo. The project supports Sri Lanka's position as a regional maritime and logistics hub.

JANUARY 2026

Progress at Colombage Mawatha Housing Project

Works commenced at the Colombage Mawatha Housing Project, supporting the continuation of urban residential development and the delivery of essential housing infrastructure. The project reflects the Group's role in completing and upgrading large-scale housing developments that respond to growing urban accommodation needs.

FEBRUARY 2026

Opening of Access Medical Tracers

The Group completed construction and opened Access Medical Tracers, marking a strategic milestone in its diversification into the radiopharmaceutical sector. As Sri Lanka's first dedicated FDG production facility, the project supports the advancement of cancer diagnostics by improving local access to radiopharmaceuticals required for PET scan imaging.

Piling Works for the 50 MW Mannar Wind Farm Facility

The Group carried out piling works for the development of the 50 MW Wind Farm Facility in Mannar, contributing to Sri Lanka's renewable energy infrastructure. The project supports the national transition towards cleaner energy sources and reflects the Group's continued involvement in infrastructure that enables sustainable development.

Recommencement of Gatambe Flyover Works

Works related to the Gatambe Flyover recommenced with a groundbreaking ceremony during the year, supporting improved traffic flow and regional connectivity. Once completed, the project is expected to ease congestion and improve transport efficiency within a key road corridor.

MARCH 2026

Progress on SLFRS S1 and S2 Readiness

These efforts were further supported by progress in greenhouse gas (GHG) emissions measurement and reporting processes, positioning the Group to obtain independent GHG emissions verification and strengthen the credibility and transparency of its climate-related disclosures.

Progress on Greenhouse Gas Reporting and Verification

The Group progressed its Greenhouse Gas reporting and verification-related work, including the consolidation of emissions data and strengthening of internal processes. These efforts subsequently enabled the Group to obtain Greenhouse Gas verification certification from the National Cleaner Production Centre after the reporting period.

OUR JOURNEY

OUR MOMENTUM

Piling Works for Colombo Port City and Bay Residencies

The Group completed piling works for the Colombo Port City Development Project and commenced piling works for the proposed Bay Residencies project. These works support the continued development of Colombo Port City as Sri Lanka's emerging international business, residential and lifestyle district.

Marina Square Uptown Colombo Reaches Substantial Completion

Marina Square Uptown Colombo reached substantial project completion, covering residential, commercial and common areas across its five-tower condominium development. During the year, residential unit handovers commenced to several customers, marking the transition of the 1,088-unit project from a major construction development into an emerging harbour-front residential community.

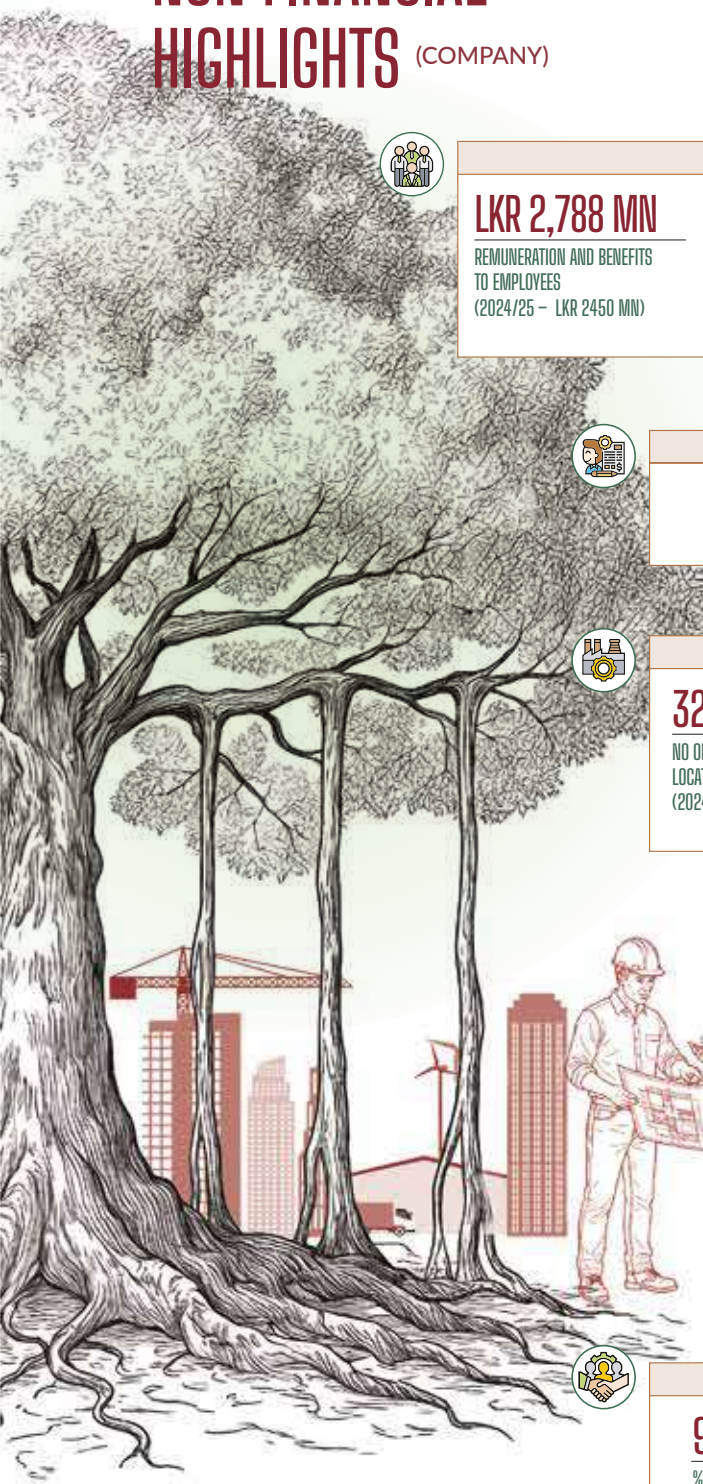
OUR TOMORROW

- Continue transforming Sri Lanka's infrastructure landscape through engineering excellence, innovation, and disciplined execution.
- Consolidate and strengthen our position across core business segments, including Civil Engineering, Construction Material Production, Mechanical Engineering, Automobile, Commercial Warehouses and Offices, Condominium Properties, Renewable Energy, and Radiopharmaceuticals.
- Pursue opportunities that complement and extend our core competencies, enabling sustainable diversification and long-term value creation.
- Unlock new avenues for growth by integrating engineering expertise with technology, sustainability, and urban development solutions.
- Expand innovation-led practices across the Group, fostering a culture of research, development, and applied engineering excellence.
- Strengthen our international footprint through the expansion of specialised engineering services, including port equipment maintenance and terminal support operations.
- Deepen our contribution to national development through job creation, skills enhancement, local supplier engagement, and the strengthening of domestic value chains.
- Further integrate ESG considerations into strategy, operations, risk management, and decision-making processes, supported by the continued implementation of SLFRS S1 and S2 requirements.
- Enhance ESG data management capabilities to improve the accuracy, consistency, and reliability of sustainability-related disclosures across the Group.
- Accelerate digital adoption across project management, procurement, reporting, and operational processes to enhance efficiency, transparency, and agility.
- Invest in talent development and future-ready capabilities to cultivate a high-performing, innovation-driven workforce equipped for the evolving business landscape.
- Maintain financial resilience while unlocking new sources of value through disciplined capital allocation, operational excellence, and prudent risk management.
- Strengthen Access Engineering's position as a future-ready, purpose-led organisation committed to delivering sustainable progress and creating lasting impact for all stakeholders.

FINANCIAL HIGHLIGHTS

	Unit	2025/26		2024/25		Change (%)	
		Group	Company	Group	Company	Group	Company
FINANCIAL PERFORMANCE							
Revenue	LKR Mn	49,661	24,092	34,511	29,321	44	(18)
Gross profit	LKR Mn	12,850	5,012	11,896	7,915	8	(37)
Gross profit margin	%	25.9	20.8	34.5	27.0	(25)	(23)
Operating profit Margin	%	28.6	19.7	27.2	28.3	5	(31)
Net profit margin	%	15.6	13.0	18.2	15.5	(14)	(16)
Earnings Before Interest, Taxes, Depreciation & Amortisation (EBITDA)	LKR Mn	15,434	6,533	10,967	8,189	41	(20)
EBIT	LKR Mn	13,925	5,728	9,670	7,391	44	(23)
Earnings before tax	LKR Mn	11,544	4,012	7,784	6,125	48	(35)
Income Tax	LKR Mn	(3,798)	(882)	(1,492)	(1,578)	154	(44)
Profit after Tax	LKR Mn	7,746	3,130	6,291	4,547	23	(31)
Profit attributable to equity holders	LKR Mn	7,169	3,130	6,310	4,547	14	(31)
Dividend	LKR Mn	2,000	2,000	2,000	2,000	-	-
Earnings per share	LKR	7.17	3.13	6.31	4.55	14	(31)
Return on Assets (ROA)	%	5.80	4.88	5.72	7.88	1	(38)
Return on capital employed (ROCE)	%	17.49	11.54	14.52	17.75	20	(35)
Return on equity (ROE)	%	18.06	10.74	14.73	16.24	23	(34)
Dividend per share	LKR	2.00	2.00	2.00	2.00	-	-
Dividend payout	%	28	64	32	44	(12)	45
Dividend Cover	Times	3.58	1.57	3.16	2.27	14	(31)
Dividend Yield	%		2.99		5.19		(43)
Interest coverage ratio	Times	5.85	3.34	5.13	5.84	14	(43)
FINANCIAL POSITION							
Total assets	LKR Mn	133,576	64,144	109,979	57,688	21	11
Stated capital	LKR Mn	9,000	9,000	9,000	9,000	-	-
Retained earnings	LKR Mn	31,072	19,745	30,311	18,665	3	6
Total equity/shareholders' funds	LKR Mn	41,148	29,142	40,127	27,995	3	4
Total liabilities	LKR Mn	90,679	35,001	67,266	29,693	35	18
Assets Turnover	Times	0.37	0.38	0.31	0.51	18	(26)
Current assets	LKR Mn	64,808	20,771	50,262	24,253	29	(14)
Current liabilities	LKR Mn	53,965	14,524	43,396	16,049	24	(9)
Net asset per share	LKR	41.15	29.14	40.13	27.99	3	4
Debt/Total assets	%	31.8	39.0	25.1	27.2	27	44
Equity/Assets	%	32.11	45.43	38.84	48.53	(17)	(6)
Current asset ratio	Times	1.20	1.43	1.16	1.51	4	(5)
Quick asset ratio	Times	0.40	1.25	0.58	1.34	(31)	(7)
SHAREHOLDER INFORMATION							
Price per share	LKR	-	67.00	-	38.50	-	74
Highest Market Price Per Share	LKR	-	80.50	-	43.20	-	86
Lowest Market Price Per Share	LKR	-	34.80	-	19.40	-	79
Value as at End of Financial Year	LKR	-	67.00	-	38.50	-	74
AEL Market Capitalisation	LKR Mn	-	67,000	-	38,500	-	74
Price to Book Value (P/B) Ratio	Times	-	1.67	-	1.38	-	21
No. of Shares in Issue	Mn	-	1,000	-	1,000	-	-

NON FINANCIAL HIGHLIGHTS (COMPANY)



Human Capital

LKR 2,788 MN	**4,245**	**91%**	**730**	**LKR 3.3 MN**
REMUNERATION AND BENEFITS TO EMPLOYEES (2024/25 – LKR 2450 MN)	TOTAL TRAINING HOURS (2024/25 – 2,750)	EMPLOYEE RETENTION RATE (STAFF ONLY) (2024/25 – 87%)	NEW HIRES (2024/25 – 760)	INVESTMENT IN TRAINING (2024/25 – LKR 3 MN)

Intellectual Capital

30 REGISTRATIONS AND CERTIFICATIONS (2024/25 - 15)	**LKR 19 MN** INTANGIBLE ASSETS (2024/25 – LKR 25 MN)

Manufactured Capital

32	**LKR 230 MN**	**LKR 12,090 MN**
NO OF PRODUCTION PLANT LOCATIONS (2024/25 – 30)	INVESTMENT IN PROPERTY, PLANT & EQUIPMENT DURING THE YEAR (2024/25 – 297 MN)	INVESTED IN PROPERTY PLANT & EQUIPMENT (COST) (2024/25 – LKR 11,928 MN)

Social and Relationship Capital

96%	**100%**	**LKR 24.8 MN**
% OF LOCAL SUPPLIERS (2024/25– 96%)	COMPLAINTS RESOLVED (2024/25– 100%)	INVESTMENT IN DONATION & CSR (2024/25 – LKR 3.7 MN)

Natural Capital

66,083 m^3	**10,826 KG**	**8,199 GJ**	**154.9 GJ**
WATER CONSUMPTION (2024/25 – 96,455 m^3)	PAPER CONSUMPTION 2025/26 (2024/25 – 14,073 KG)	ELECTRICITY CONSUMPTION (2024/25 – 6,665 GJ)	ENERGY INTENSITY PER EMPLOYEE (2024/25 – 239 GJ)

BUSINESS PORTFOLIO OVERVIEW

CIVIL ENGINEERING

Engineering Projects

Buildings Construction

Roads & Highways

Bridges & Flyovers

Ports & Marines

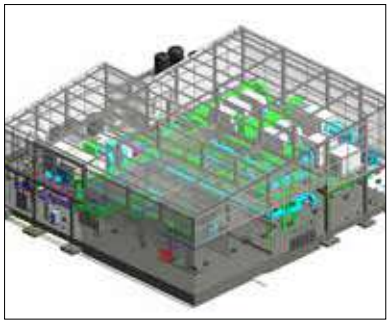
Water & Wastewater

Engineering Services

Piling

Telecommunication

Fabrication



Engineering Designs

Construction Equipment & Machinery - Hiring and Maintenance

MEP Services

CONSTRUCTION MATERIALS PRODUCTION

Asphalt Production

Concrete Production

Quarry Operations

Crusher Operations

Manufactured Sand (M – Sand) Production

MECHANICAL ENGINEERING

Commission of Port Machinery

Repair of Port Machinery

Maintenance of Port Machinery

BUSINESS PORTFOLIO OVERVIEW

PROPERTY

Commercial Offices

Commercial property for lease and rental

Commercial Warehouses

Warehousing and logistics

AUTOMOBILE

New Vehicle Sales

Sale of Spare Parts

Workshop Operations

Marine engine sales

CONDOMINIUM PROPERTIES

Residential and commercial property

RENEWABLE ENERGY

Solar panels yielding 15.85 MW of power

RADIOPHARMACEUTICAL PRODUCTIONS

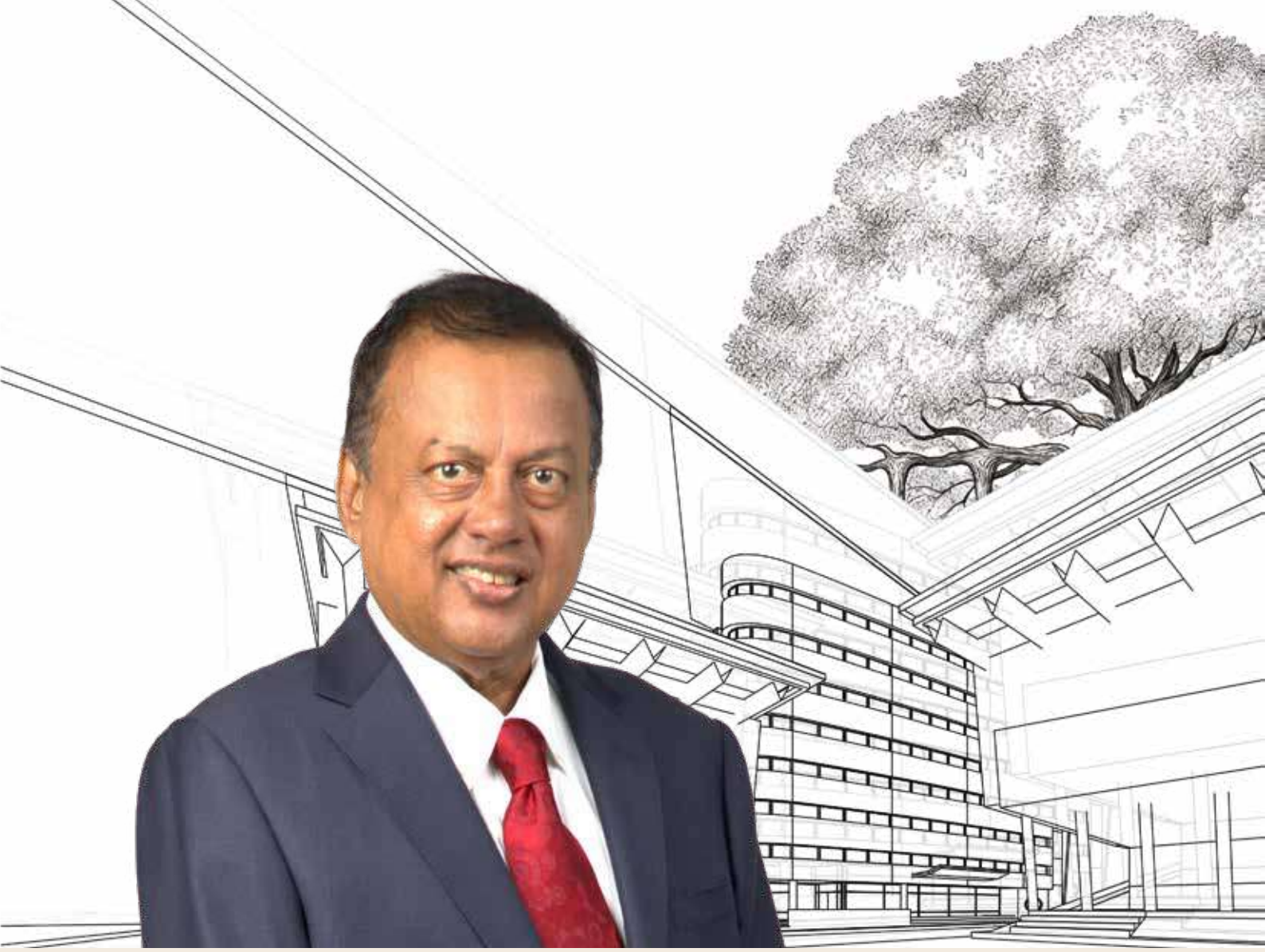
Radiopharmaceutical
Company producing FDGs

NURTURING WITH PURPOSE

The banyan fig is a catalyst for a thriving ecosystem. By providing a vital source of nourishment for birds and many other species across seasons, it supports biodiversity while enabling the dispersal of seeds that give rise to future generations of banyan trees. Through this continuous cycle of nourishment, renewal, and regeneration, the banyan extends its reach, strengthens its resilience, and creates an enduring legacy that supports life far beyond itself.

At Access Engineering, our leadership shapes the future through clear vision, disciplined decision-making, and a commitment to developing people and capabilities. By building on a strong foundation while preparing for tomorrow's opportunities, we continue to strengthen our organisation, inspire confidence, and create sustainable value for generations to come.

CHAIRMAN'S STATEMENT



WE ARE CUSTODIANS OF TRUST — TRUSTED BY OUR CLIENTS, PARTNERS, SHAREHOLDERS, COMMUNITIES AND THE COUNTRY TO DELIVER WORK THAT MATTERS.

Every organisation has moments that test not only its strategy, but its character. For Access Engineering PLC, the past few years have been such a period. We have operated through uncertainty, absorbed the aftershocks of national economic disruption, adapted to changing market realities and continued to carry forward the responsibilities entrusted to us.

At Access Engineering, we have always believed that we are more than builders of infrastructure. We are custodians of trust — trusted by our clients, partners, shareholders, communities and the country to deliver work that matters. That trust has been built over decades, not by words alone, but by the dedication of our teams on the ground, the professionalism of our people and the quiet determination with which they continue to serve the Group.

The financial year 2025/26 was one in which Access Engineering continued to move with purpose. Sri Lanka's economy showed further signs of stabilisation, creating renewed confidence across several sectors. However, the construction industry continued to face delayed project cycles, funding constraints, cost pressures and the need for stronger investment momentum. Against this backdrop, our progress was earned through discipline, teamwork, patience and a shared commitment to doing what is right for the long term.

INTEGRATED FOR IMPACT

Access Engineering's journey has always been shaped by the strength of integration. Over the years, the Group has evolved beyond a single line of business into a connected platform of capabilities, where engineering expertise, operational discipline, sector knowledge and long-standing partnerships work together to create sustainable value.

Today, our diversified business model spans nine business segments — Civil Engineering, Commercial Warehouses, Commercial Office Spaces, Automobiles, Construction Materials Production, Renewable Energy, Condominium Properties, Radiopharmaceuticals and Mechanical Engineering. While each segment has a distinct role within the Group, together they strengthen our ability to manage risk, preserve value and respond with agility to evolving market needs.

Civil Engineering remains the foundation upon which Access Engineering was built, representing our technical capability, execution strength and contribution to national infrastructure development. Our Commercial Warehouses and Commercial Office Spaces segments continue to support recurring income and long-term asset strength, while the Automobiles, Construction Materials Production, Renewable Energy and Mechanical Engineering segments further demonstrate the breadth of our portfolio. Together, these businesses provide the stability needed to navigate changing market cycles.

At the same time, our Condominium Properties and Radiopharmaceuticals segments carry a broader story about the future we are helping to shape. Harbour Village, also known as Marina Square, which represents one of the largest and most unprecedented condominium developments in Sri Lanka, underpins our forward-looking vision for urban living, connectivity and community in the heart of Colombo.

Radiopharmaceuticals represent a bold step into a specialised and future-oriented field. Admittedly, while the Financial contribution of the segment will be more visible in the years ahead, its strategic importance is already clear. The presence in Radiopharmaceuticals extends the Access Engineering Group's role into an area with the potential to support advanced healthcare, scientific capability and national progress. Together, these nine segments reflect the essence of Access Engineering's integrated model: a Group grounded in engineering, strengthened by diversification and guided by a commitment to create impact beyond the immediate financial year.

PERFORMANCE AND STRATEGIC DIRECTION

During the year, the Group remained focused on disciplined execution, cost consciousness and prudent capital allocation. In a market that continued to demand caution, we prioritised operational efficiency, project delivery, financial discipline and the protection of long-term value.

The Group recorded a turnover of LKR 49,661 Mn and a net profit of LKR 7,746 Mn for the year under review, a testament to the resilience of our business model as well as the relevance of our strategic investments to diversify our portfolio. More importantly, they reflect the commitment of our teams who continued to deliver despite the practical challenges faced across project sites, business operations and support functions.

Given all that the Access Group has achieved notwithstanding substantial headwinds, our strategic direction remains clear. We will continue to strengthen our core engineering capabilities, deepen synergies across business segments, pursue opportunities aligned with national development priorities and invest in areas that support sustainable growth. In doing so, we will pursue growth that is purposeful, responsible and aligned with the long-term interests of our shareholders, employees, customers, partners and communities.

SUSTAINABILITY, GOVERNANCE AND RESPONSIBILITY

Sustainability has become an increasingly important part of how we think, plan and operate. For Access Engineering, it is not a separate agenda, but deeply connected to the way we build, manage resources, treat people, engage with communities and prepare the organisation for the future.

CHAIRMAN'S STATEMENT

As a Group operating in sectors that directly influence the built environment, resource use and community well-being, we recognise our responsibility to align growth with environmental and social considerations. We are acutely aware that climate resilience, responsible resource management, occupational health and safety, ethical business conduct and strong governance remain essential to the future of our Group. The Board remains committed to providing oversight and direction as we continue to embed these principles across the organisation.

During the year, we also continued to strengthen our approach to ESG, including our readiness for enhanced sustainability reporting requirements.

OUTLOOK

Looking ahead, I remain cautiously optimistic. Sri Lanka's need for quality infrastructure, modern logistics, urban development, renewable energy, healthcare advancement and sustainable communities remains clear. While these are all exciting new opportunities, I believe the path ahead will require patience, discipline and collaboration. The construction industry still needs stronger investment flows, improved project continuity and policy consistency to realise its full potential.

Access Engineering is well positioned to contribute to this next chapter. We have a strong engineering foundation, a diversified business model, trusted partnerships and a team that has repeatedly proven its ability to deliver under pressure. Our focus will be on building a Group that is more integrated, more resilient and more future-ready, while continuing to pursue innovation and expand responsibly into areas that create long-term impact.

In this changing environment, our role is not only to construct physical assets, but to help build confidence, opportunity and progress. That is the responsibility we carry, and it is one we accept with pride.

ACKNOWLEDGEMENTS

I wish to place on record my sincere appreciation to my fellow members of the Board for their guidance, wisdom and commitment to strong governance. I also extend my deep gratitude to our Executive Vice Chairman, Managing Director, Executive Directors and Senior Management Team for their leadership, dedication and steady execution during another demanding year.

Most importantly, I wish to thank our employees across every level of the Group. The achievements of Access Engineering are indeed thanks to your hard work on project sites, in offices, in plants, in warehouses, in showrooms and across every support function. Your resilience in difficult times, commitment when circumstances were uncertain and pride in the work you do have been instrumental the Group's ability to navigate challenges and continue delivering value to our stakeholders.

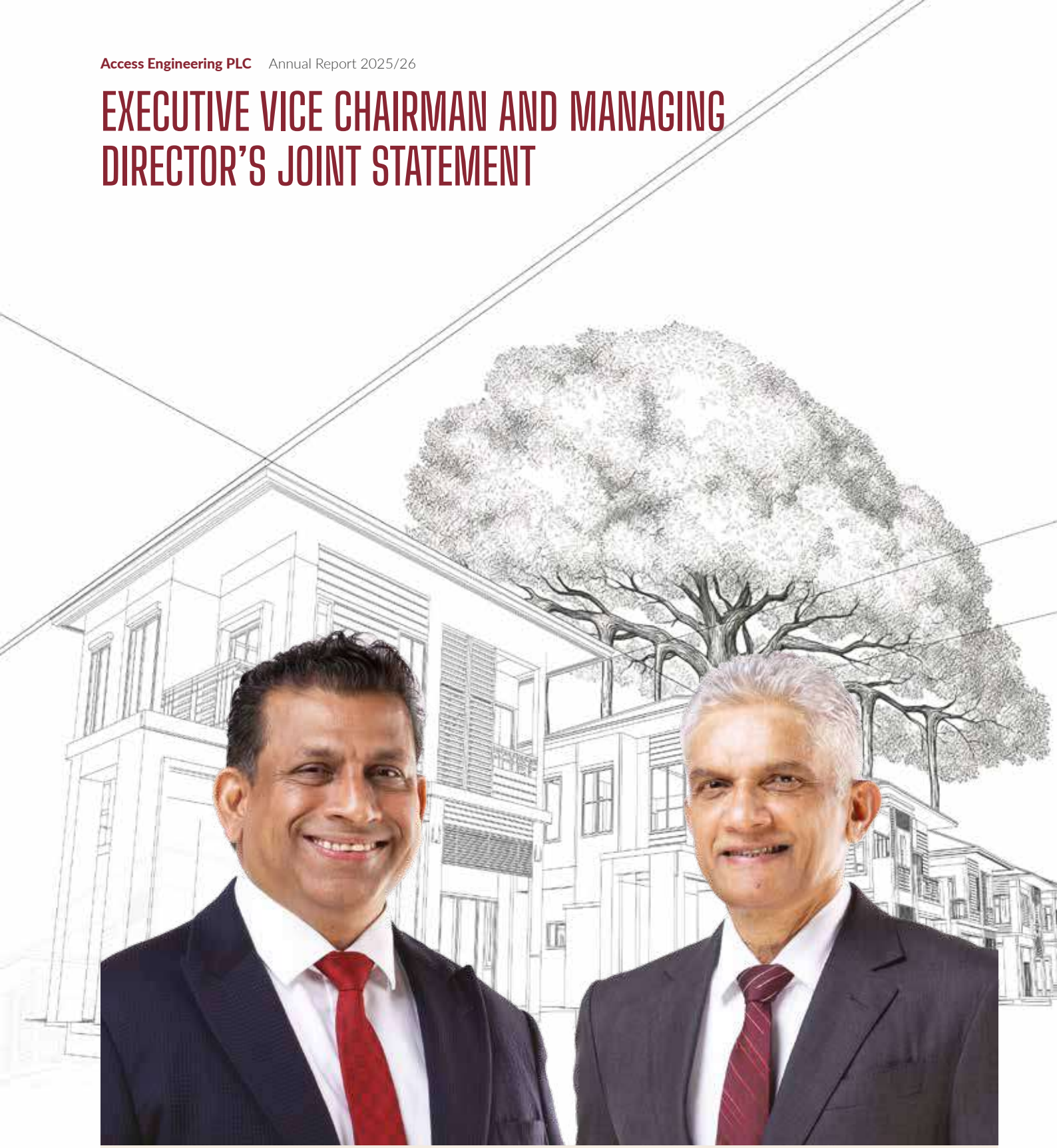
To our shareholders, customers, business partners, suppliers, lenders, regulators and all other stakeholders, I thank you for your continued trust and confidence. Your support has been invaluable in enabling us to remain focused on our purpose and responsibilities.

As we move ahead, I am confident that Access Engineering PLC will continue to build on its legacy with humility, courage and determination. Together, we will continue to strengthen our foundations, expand our possibilities and create lasting impact for Sri Lanka and for future generations.

Sumal Perera
Chairman

30 June 2026

EXECUTIVE VICE CHAIRMAN AND MANAGING DIRECTOR'S JOINT STATEMENT



Rohana Fernando
Managing Director

Christopher Joshua
Executive Vice Chairman

WITH A STRONG FOUNDATION, EXPERIENCED PEOPLE, TRUSTED PARTNERSHIPS AND A DIVERSIFIED PLATFORM, WE ARE CONFIDENT IN THE GROUP'S ABILITY TO CREATE MEANINGFUL IMPACT FOR SRI LANKA AND LONG-TERM VALUE FOR ALL STAKEHOLDERS.

EXECUTIVE VICE CHAIRMAN AND MANAGING DIRECTOR'S JOINT STATEMENT

Dear Stakeholder,

The financial year 2025/26 marked an important period in the continuing evolution of Access Engineering PLC. After a few years of operating through uncertainty, constraint and volatility, the year under review reflected a gradual return of confidence within the wider economy and renewed momentum across several of our business segments.

For Access Engineering, this year was not simply about recovery. It was about further strengthening our integration. It was about demonstrating how a Group founded on engineering excellence has grown into a diversified platform of businesses connected by our core values, capability, discipline, asset strength and long-term purpose. Our theme for the year, "Integrated for Impact," reflects this journey. It captures the way our engineering heritage, operational experience, recurring income platforms, strategic investments and emerging growth sectors are working together to create enhanced value for shareholders, customers, employees, communities and the country.

It gives us pleasure to present this Joint Statement for the financial year ended 31 March 2026, and to reflect not only on the progress achieved during the year, but also on the strategic direction that will guide the Group into its next phase of growth.

A GRADUAL RECOVERY, STILL REQUIRING DISCIPLINE

Sri Lanka's operating environment continued to improve during the year under review. The economy showed signs of stabilisation, supported by lower inflationary pressures compared to the crisis period, improved foreign exchange liquidity, reduced interest rates, a gradual recovery in business confidence and the reopening of sectors previously constrained by import restrictions.

However, the year also reminded us that recovery is rarely linear. Construction industry demand remained uneven, public sector project timelines continued to be influenced by administrative conditions, and businesses remained exposed to exchange rate movements, cost escalation, supply chain pressures, financing costs and evolving regulatory requirements.

In this environment, our priority was to remain focused, disciplined and responsive. We continued to progress nationally relevant infrastructure projects, strengthen asset-backed recurring income platforms, support the recovery of the automobile sector, enhance operational efficiency in construction materials, and advance future-facing investments in renewable energy, urban real estate, mechanical engineering and healthcare infrastructure.

GROUP PERFORMANCE AND FINANCIAL DISCIPLINE

During FY 2025/26, the Group recorded revenue of LKR 49,661 Mn, compared to LKR 34,511 Mn in the previous year, reflecting a year-on-year increase of approximately 44%. The Company recorded revenue of LKR 24,092 Mn, compared to LKR 29,321 Mn in FY 2024/25.

Gross profit reached LKR 12,850 Mn at Group level and LKR 5,012 Mn at Company level, supported by improved performance across selected business segments, continued cost discipline and better utilisation of operational assets. The Group's performance during the year reflected the benefits of its diversified business model, with recurring income platforms, market recovery and higher asset utilisation helping to offset pressure from cost movements, demand volatility and project-related timing differences in certain segments.

Group Profit Before Tax stood at LKR 11,544 Mn, while Profit After Tax amounted to LKR 7,746 Mn. At Company level, Profit Before Tax and Profit After Tax were LKR 4,012 Mn and LKR 3,130 Mn respectively. The Group recorded EBITDA of LKR 15,434 Mn, while the Company recorded EBITDA of LKR 6,533 Mn, translating into EBITDA margins of 31% and 27% respectively.

The year's operating results were further supported by disciplined cost management across administrative, operational and support functions. Lower finance cost pressures during the year also supported overall profitability, while the Group continued to maintain a prudent approach to borrowings, liquidity and working capital management.

The Group's Profit After Tax of LKR 7,746 Mn translated into a net profit margin of 15.6%, compared to 18.23% in the previous year. The Company recorded a net profit margin of 12.99%. Earnings Per Share at Group level stood at LKR 7.17, while Company-level Earnings Per Share stood at LKR 3.13.

We maintained a prudent funding approach, prioritising internally generated cash flows where possible, preserving liquidity and directing capital towards investments that support long-term value creation. Total capital expenditure for the year amounted to approximately LKR 1,400 Mn, directed towards plant upgrades, construction equipment, property development, digital systems and other strategic investments.

In line with our commitment to shareholder value, the Board of Directors declared dividends amounting to LKR 2 per share during the financial year, resulting in a total dividend payout of LKR 2,000 Mn.

This disciplined approach to capital allocation remains central to our leadership philosophy. Growth must be ambitious, but it must also be sustainable, measured and aligned with the Group's long-term direction.

CIVIL ENGINEERING: THE FOUNDATION OF OUR IDENTITY

Civil Engineering remains the foundation upon which Access Engineering was built. With a legacy spanning over 35 years, the segment continues to support Sri Lanka's

infrastructure development across roads, highways, bridges, flyovers, ports, marine works, utilities, buildings, piling, telecommunication infrastructure, fabrication, engineering design, construction equipment and MEP services. The segment review identifies Civil Engineering as contributing 26% to Group revenue, reinforcing its continued importance to the Group.

In the year under review, the segment recorded revenue of LKR 12,966 Mn and a segment profit of LKR 1,967 Mn, reflecting its continued operational strength and disciplined project execution.

During the year, the segment progressed several key projects across housing, transport infrastructure, mixed-use developments, port-related infrastructure and urban construction. These included the Colombo West International Terminal (CWIT), Stadiumgama Housing Project, Elliot Place Housing Project, Marina Square Uptown Colombo, Colombage Mawatha Housing Project, Central Expressway Section 3, Nittambuwa-Pasyala Road Project, flyover projects and other works.

Important milestones were achieved during the year. Phase 1 of the Colombo West International Terminal was handed over and commenced commercial operations, marking a significant contribution to Sri Lanka's port and logistics infrastructure. The Stadiumgama Housing Project was formally handed over to the Urban Development Authority, while related gravity sewer line works continued under the approved extension period. The Central Expressway Project - Section 3 Package 1M completed its original scope and was handed over to the Road Development Authority, with additional works continuing thereafter.

These achievements reflect the technical depth, execution discipline and stakeholder coordination that define Access Engineering. Even as the Group expands into new sectors, our civil engineering capability remains one of our strongest sources of credibility, confidence and future opportunity.

CONSTRUCTION MATERIALS PRODUCTION: SUPPORTING THE INDUSTRY FROM THE GROUND UP

The Construction Materials Production segment continued to serve as a critical enabler of both the Group's internal projects and Sri Lanka's wider construction industry. The segment produces asphalt, aggregates, ready-mix concrete, M-sand and related materials through its network of asphalt plants, quarries, crusher plants, concrete batching plants and sand washing plants.

During the year, construction industry demand remained volatile. The segment recorded revenue of LKR 7,363 Mn, while profit stood at LKR 1,016 Mn, reflecting demand fluctuations, pricing pressure and cost sensitivity within the construction materials market. Despite these pressures, the segment remained the market leader in asphalt, serving a portfolio of over 400 customers across Sri Lanka.

Operational efficiency remained a strategic priority throughout the year, driven by process optimisation, higher plant utilisation, and strengthened energy conservation practices. These initiatives enabled the segment to safeguard margins and enhance resilience, despite operating in a challenging market environment

The segment also maintained a strong focus on environmental compliance, including dust suppression, emissions control, water recycling, responsible quarrying and adherence to all applicable regulatory requirements. These initiatives strengthen both the operational resilience and environmental responsibility of the business.

COMMERCIAL OFFICE SPACES: RESILIENT RECURRING INCOME

The Group's commercial office property segment, operated through Access Realties, continued to deliver stability through high-quality assets, strategic location and strong tenant relationships. Access Realties managed approximately 385,311 sq. ft. of leasable office space across Access Tower I and II, together with the Access Tower III public car park facility. During the year, the company achieved 100% occupancy, supported by effective tenant retention, service quality and continued demand for Grade A office space in Colombo.

The tenant base includes multinational corporations, leading local corporates, technology firms, financial institutions, professional service providers, logistics businesses and retail service operators. This diversity has contributed to the resilience of the portfolio and reinforces the value of long-term asset ownership and professional facilities management.

Looking ahead, the segment will continue to focus on tenant experience, asset quality, operational efficiency and the evolving expectations of corporate occupiers, including sustainability, energy performance and technology enabled facilities management.

COMMERCIAL WAREHOUSES: INTEGRATED LOGISTICS INFRASTRUCTURE

The Commercial Warehouse segment continued to strengthen the Group's position in Grade A logistics and industrial infrastructure. Operated through Access Logistics Park Ekala and WUS Logistics, the segment includes the development, ownership, leasing and management of logistics parks and built-to-suit industrial facilities.

The portfolio comprises over 1.2 million sq. ft. of operational Grade A logistics and industrial space across Ekala and Kimbulapitiya. Occupancy remained at or near full capacity during the year, supported by long-term lease structures, USD or USD-pegged rentals and demand from multinational and domestic corporates. The strength of the customer base is reflected through leading tenants including Michelin one of the world's leading tyre manufacturers together with Empire Teas (Pvt) Ltd, Ansell Lanka and Savinda Graphic Systems (Pvt) Ltd.

EXECUTIVE VICE CHAIRMAN AND MANAGING DIRECTOR'S JOINT STATEMENT

The resilience of these assets was further demonstrated during periods of adverse weather, with the design and planning of the logistics parks supporting operational continuity. The segment is increasingly positioned not merely as a warehousing business, but as an integrated industrial ecosystem offering infrastructure reliability, renewable energy integration, facility management and long-term operational support.

Looking ahead, the Group will continue to explore opportunities to expand its logistics infrastructure platform, including the planned development of a new warehouse facility to support Hellmann MAS Supply Chain. As supply chains become more sophisticated and customers place greater emphasis on ESG-aligned infrastructure, we believe this segment will continue to play an important role in the Group's future growth and earnings stability.

RENEWABLE ENERGY: EMBEDDED SUSTAINABILITY AND VALUE CREATION

The Renewable Energy segment continued to support the Group's sustainability agenda while contributing to recurring income generation. The Group's rooftop solar installations at Ekala and Kimbulapitiya reached a total installed capacity of 15.85 MW, comprising 9.25 MW at Ekala and 6.6 MW at Kimbulapitiya. The installations are estimated to generate approximately 22-26 GWh annually under optimal performance conditions.

This segment is strategically important because renewable energy is embedded into the Group's asset development model. Solar infrastructure enhances the long-term value of our logistics parks, supports the ESG expectations of tenants, contributes to national renewable energy goals and provides annuity-style income through long-term power purchase arrangements.

During the year, the Group continued to use advanced technologies including high-efficiency inverters, real-time monitoring systems, optimisers, rapid shutdown relays, infrared temperature monitoring and enhanced fire protection systems. These systems support safe, reliable and efficient operations at scale.

Looking ahead, the Group will continue to explore opportunities to improve the efficiency, resilience and commercial value of its renewable energy assets. This includes evaluating battery energy storage solutions that could support energy availability during grid interruptions or shutdown periods, improve energy utilisation and further strengthen the reliability of our asset-backed renewable energy model. Further expansion will be pursued where commercially viable, technically feasible and aligned with the Group's broader asset strategy. Renewable energy will remain a practical expression of our ESG commitment and a meaningful contributor to long-term value creation.

AUTOMOBILES: READINESS, RECOVERY AND BRAND STRENGTH

The Automobile segment experienced a strong recovery during the year following the removal of vehicle import restrictions in early 2025. The segment is represented by Sathosa Motors PLC and Access Motors, bringing together established commercial vehicle strength and premium automotive representation.

Sathosa Motors PLC benefited from renewed vehicle availability and pent-up demand, recording approximately LKR 12,374 Mn in company revenue, while Group-level automobile revenue exceeded LKR 24,681 Mn. The company continued to represent the Isuzu brand in Sri Lanka, serving government institutions, corporates, fleet operators and individual customers. During the year, new and refreshed Isuzu models were introduced, including the Isuzu D-Max pickup and the refreshed Isuzu MU-X SUV. Showrooms in Colombo, Peliyagoda, Matara and Kurunegala were also upgraded to improve customer experience.

A notable milestone was the launch of the Lorry Body Fabrication Division, enabling customers to fit SML-branded lorry bodies directly onto Isuzu truck chassis. This enhances quality, durability, convenience and integration across the customer value chain.

Access Motors continued to represent Jaguar and Land Rover in Sri Lanka, maintaining customer engagement, after-sales support, technical service capability and brand presence in the premium vehicle market. Together, Sathosa Motors and Access Motors provide the Group with exposure to both commercial mobility and premium automotive segments.

The performance of this segment demonstrates the importance of readiness. Even during the years of import restrictions, the businesses maintained their focus on after-sales service, spare parts, workshop capability and customer relationships. As the market reopened, the segment was well positioned to respond and will continue to focus on customer service, operational efficiency and disciplined market expansion.

MECHANICAL ENGINEERING: SPECIALISED PORT AND MARITIME CAPABILITY

The Mechanical Engineering segment, through ZPMC Lanka Company (Pvt) Ltd and Access Engineering Port Services (Private) Limited, continued to reinforce the Group's specialised technical capability in port-related engineering services.

During FY 2025/26, ZPMC Lanka maintained long-term maintenance contracts with Colombo International Container Terminals and Hambantota International Port Group, while executing major commissioning projects at the Adani-led Colombo West International Terminal and East Container Terminal. The segment also expanded its international footprint through commissioning projects in Turkey and technical interventions across terminals in Pakistan.

Access Engineering Port Services further strengthened the Group's presence in the maritime and logistics value chain by expanding its service offering across port terminal support, equipment maintenance, commissioning support, spare parts supply and related engineering services. This platform enhances the Group's ability to provide integrated technical solutions to port operators and terminal infrastructure customers, including its engagement with the Colombo West International Terminal.

As port infrastructure and regional logistics continue to grow in importance, this segment provides Access Engineering with a platform to extend its technical capabilities beyond traditional construction and into specialised engineering services with regional potential.

CONDOMINIUM PROPERTIES: CREATING A NEW URBAN LANDMARK

The Condominium Properties segment, operated through Harbour Village, represents one of the most visible and future-facing dimensions of the Group's portfolio.

During the year under review, the primary focus was the successful completion of Marina Square Uptown Colombo, Sri Lanka's largest harbour-front condominium and mixed-use development. Comprising 1,088 residential condominium units and over 200,000 sq. ft. of commercial space, Marina Square is not merely a residential project; it is a landmark urban development that brings together scale, lifestyle, connectivity and long-term city value.

The project reached substantial completion as at 31 March 2026, with the handing over of residential units to several customers marking a defining milestone in its transition from construction to community.

Marina Square stands as a powerful expression of what Access Engineering can create when engineering capability, development vision and customer aspiration come together. Positioned along Colombo's harbour-front, the development is expected to reshape perceptions of urban living in the city, offering residents not only a home, but an integrated lifestyle environment supported by harbour-front views, over two acres of curated amenities, commercial spaces, connectivity and a distinctive sense of place.

For the Group, Harbour Village signals a bold step into the future of urban real estate. As Colombo continues to evolve as a commercial, residential and lifestyle hub, Marina Square is positioned to capture long-term value from urbanisation, harbour-front renewal and demand for integrated living spaces. It is a project of national visibility and one that will continue to strengthen the Access Engineering brand well beyond the construction phase.

RADIOPHARMACEUTICAL: ENGINEERING A NEW HEALTHCARE FRONTIER

Our entry into radiopharmaceutical manufacturing through Access Medical Tracers is another future-oriented step in the Group's diversification journey.

This is not a conventional expansion. It is an engineering-led investment into a critical national healthcare need, with the potential to reshape access to advanced cancer diagnostics in Sri Lanka. Access Medical Tracers is developing Sri Lanka's first cyclotron-based radiopharmaceutical manufacturing facility, designed to locally produce Fluorodeoxyglucose, or FDGs, which is critical for PET-based cancer detection and treatment planning.

The facility has progressed through development approvals, civil construction, specialised shielding, MVAC systems, installation of the cyclotron and radiochemistry systems, and commissioning readiness within a highly regulated operating framework.

The significance of this project lies in its long-term impact. Sri Lanka's current PET scanning capacity serves only a fraction of estimated national demand, with limited FDG-18 availability acting as a major constraint. By enabling local production of diagnostic isotopes, Access Medical Tracers can reduce dependency on imports, improve availability, support better utilisation of PET scanning infrastructure and help make advanced oncology diagnostics more accessible to patients.

This segment reflects the next frontier of Access Engineering's growth. It demonstrates that the Group's capabilities can extend beyond conventional infrastructure into specialised, high-value sectors that contribute directly to national well-being. In doing so, Access Medical Tracers brings together engineering precision, regulatory discipline, healthcare relevance and long-term social impact.

PEOPLE, SYSTEMS AND EXECUTION CULTURE

Behind every milestone achieved during the year stands the commitment of our people. Across project sites, production plants, offices, workshops, logistics parks, renewable energy facilities and specialised technical environments, our employees continued to demonstrate resilience, ownership and professionalism.

The diversity of our operations demands more than technical skill. It requires coordination, discipline, communication, safety awareness, problem-solving and the ability to adapt to changing conditions. During the year, our teams managed complex project requirements, cost pressures, regulatory obligations, supply chain constraints, customer expectations and operational deadlines across multiple sectors.

As the Group becomes more integrated, the ability to share knowledge and collaborate across business segments becomes increasingly important. We continued to focus on developing internal capabilities, strengthening quality and safety standards, improving systems and encouraging cross-functional learning.

EXECUTIVE VICE CHAIRMAN AND MANAGING DIRECTOR'S JOINT STATEMENT

Access Engineering's culture has always been shaped by people who take responsibility for outcomes. It is this sense of ownership that continues to define the Group and support its reputation for reliability.

BUILDING THE NEXT CHAPTER

As we look ahead, Access Engineering enters the next phase of its journey with a stronger foundation, a broader operating platform and a clearer sense of direction. The Group's future will be shaped not only by the recovery of its traditional markets, but also by its ability to identify new opportunities, invest with discipline and build businesses that are relevant to the evolving needs of Sri Lanka and the region.

Our immediate priority is to strengthen and grow the businesses that form the core of the Group. Civil Engineering will continue to remain central to our identity, with opportunities expected to emerge from transport infrastructure, ports and marine works, housing, utilities, buildings and other nationally important development needs. Furthermore, we are also looking at the expansion of our mechanical engineering services. At the same time, our recurring income platforms in commercial office spaces, logistics infrastructure and renewable energy will continue to provide stability, resilience and long-term value.

Beyond the core, the Group is increasingly focused on businesses that reflect future demand. Harbour Village, through Marina Square Uptown Colombo, positions the Group within the evolving urban real estate landscape, where integrated living, convenience and lifestyle-led developments are expected to gain greater importance. Access Medical Tracers represents a different but equally significant step forward, extending our engineering capabilities into a specialised healthcare infrastructure segment with the potential to support advanced cancer diagnostics in Sri Lanka. These investments reflect our belief that long-term value creation requires both operational strength and the courage to enter new sectors where the Group can make a meaningful contribution.

Innovation and Research & Development will play a greater role in the Group's next chapter, supported by the growing impact of IdeaNest, Access Engineering's innovation platform. IdeaNest was established to nurture undergraduates, postgraduates, engineers, researchers and innovators with ideas that can contribute to the future of engineering, infrastructure and society. It provides a platform through which promising concepts can be supported, developed and connected with practical industry applications.

During the year, IdeaNest continued to support important research-led collaborations, including the Smart Drain project led by Dr. Nadeesha Chandrasena and her team. The project is an innovative solution designed to address urban drainage challenges through technology-enabled monitoring and early warning mechanisms. By using mesh nets, sensors and alert systems to prevent drain blockages and support timely intervention, the Smart Drain project reflects the potential of practical innovation to improve stormwater management, reduce urban flood risk and contribute to cleaner waterways.

As part of our broader commitment to purpose-driven innovation and nation-building, Access Engineering, through IdeaNest, also joined hands with the National Academy of Sciences Sri Lanka and the Sri Lanka Association for the Advancement of Science in a landmark three-year national programme titled "Rebuilding Trust in Science in Sri Lanka." This initiative aims to rebuild public trust in science by making scientific knowledge more accessible, practical and relatable to stakeholders ranging from schoolchildren and undergraduates to policymakers, industry participants and the wider public. Together, these initiatives reflect our belief that innovation must be practical, collaborative and relevant to national needs.

Technology and digitalisation will remain important enablers of this transformation. The Group will continue to strengthen digital systems across procurement, project monitoring, asset management, financial reporting, maintenance, customer service, operational decision-making and ESG data management. The implementation of our ESG system marks an important step in improving the way sustainability-related data is captured, monitored and reported across the Group. The continued adoption of digital tools will support greater transparency, efficiency, accountability and speed across our businesses, while enabling leadership teams to respond more effectively to changing market conditions and stakeholder expectations.

Sustainability will remain central to our long-term direction. Our investments in renewable energy, resource efficiency, environmental compliance, responsible quarrying, water recycling, emissions control, workplace safety and governance systems reflect our commitment to building a more resilient and responsible enterprise. As ESG expectations continue to evolve, we will seek to further embed sustainability into the way we design, build, operate and invest.

Strategic investment will continue to be guided by financial discipline. We will pursue growth opportunities that are commercially viable, operationally relevant and aligned with the Group's capabilities. Our approach will be measured and long term, with capital directed towards assets, technologies and businesses that can strengthen earnings quality, expand market position and create sustainable value for shareholders.

The next chapter of Access Engineering will therefore be one of disciplined growth, deeper integration and purposeful diversification. We will continue to build on our engineering heritage while expanding into sectors that reflect the future needs of the economy. With a strong foundation, experienced people, trusted partnerships and a diversified platform,

we are confident in the Group's ability to create meaningful impact for Sri Lanka and long-term value for all stakeholders.

ACKNOWLEDGEMENTS

We extend our sincere appreciation to our Chairman and the Board of Directors for their guidance, strategic oversight and confidence during the year.

We are especially grateful to the Corporate Management Team and every team member across the Group for their commitment, discipline and resilience. The progress achieved during the year was made possible by the collective efforts of our people across project sites, production plants, offices, workshops, logistics parks, renewable energy facilities and specialised technical operations. Their professionalism, adaptability and sense of ownership continue to define the strength of Access Engineering and remain central to our ability to deliver through changing and demanding conditions.

We also thank our customers, clients, business partners, consultants, suppliers, lenders, regulators and government institutions for their continued support and collaboration.

To our shareholders, we express our appreciation for your trust and confidence in the Group's long-term direction. As Access Engineering moves forward, we do so with confidence in our foundation, clarity in our strategy and commitment to creating meaningful impact for Sri Lanka and all our stakeholders.

Rohana Fernando
Managing Director

Christopher Joshua
Executive Vice Chairman

30 June 2026

BOARD OF DIRECTORS

Seated (left to right)

Dalpadoruge Anton Rohana Fernando, Sumal Joseph Sanjiva Perera

Standing (left to right)

Condagamage Vajira Kulatilaka, Manoha Jude Sergius Rajakariar, Ranil Prasad Pathirana

Seated (left to right)

Joseph Christopher Joshua, Saumaya Dharshana Munasinghe

Standing (left to right)

Shevantha Harindra Sudharaka Mendis, Shamal Perera, Dilhan Perera

BOARD OF DIRECTORS

SUMAL JOSEPH SANJIVA PERERA
Chairman

The Founder Chairman of the Access Group of Companies founded in 1989, he is also the Founder Chairman and a shareholder of AEL. He continues to be the Chairman of all companies under the umbrella of the Access Group, AEL Group and Sathosa Motors PLC. He is a Fellow Member of the Chartered Institute of Management Accountants – UK. It is under his vision and leadership that the Access Group of Companies has grown to be a diversified and successful business enterprise, in a span of over three decades.

JOSEPH CHRISTOPHER JOSHUA
Executive Vice Chairman

Joseph Christopher Joshua is one of the founding Directors of the Access Group of Companies and has played a pivotal role in shaping some of its most successful business ventures. As a founding shareholder of Access Engineering PLC, he served as Joint Managing Director, CEO, and later as Managing Director from the Company's inception until 24th August 2021. On 24th August 2021, he assumed his current role as Executive Vice Chairman of the Company. Under his visionary leadership, AEL reached several key milestones and experienced significant growth. He was appointed as the Managing Director of Sathosa Motors PLC with effect from 1st April 2019. Subsequently, he was appointed as the Executive Vice Chairman of Sathosa Motors PLC effective 1st October 2024, concurrently stepping down from his role as Managing Director of the Company from the same date.

DALPADORUGE ANTON ROHANA FERNANDO
Managing Director

Rohana Fernando joined Access Engineering PLC in 1998 as an Engineer within the Engineering Division, where he played a pivotal role in transforming the division into a standalone business entity—laying the foundation for what AEL is today. Over the years, he has held several senior management positions and was appointed to the Board of Directors in 2002. In 2007, he was elevated to the role of Director/Chief Operating Officer. A Civil Engineering graduate from the University of Peradeniya, he is also a Corporate Member of the Institution of Engineers Sri Lanka (IESL). He assumed duties as Managing Director of the Company on 24th August 2021.

SHEVANTHA HARINDRA SUDHARAKA MENDIS
Executive Director/Director – Business Development

Having held many Executive and Management positions within the AEL Group, he has functioned within the Engineering Division since its inception. With the genesis of AEL, he became a part of that unit and was appointed as Director – Business Development in 2002.

SAUMAYA DHARSHANA MUNASINGHE
Executive Director/Director – Business Development

He joined Access International (Private) Limited in 1996 and held Executive and Senior Managerial positions throughout his successful career. He joined AEL in 2006 and was appointed to the Board of AEL as Director – Business Development.

DILHAN PERERA
Non-Executive Director

Dilhan Perera is serving in the capacity of Non-Executive Director of AEL since December 2013. He is serving as the Chief Financial Officer in affiliated companies which are not coming under the Group of Companies of Access Engineering PLC.

SHAMAL PERERA
Non-Executive Director

Shamal Perera joined Access International (Private) Limited in 2009 as Director – Healthcare and played a pivotal role in the rapid growth of the business leading to Access Healthcare becoming a well reputed and respected supplier in the industry. Following this success, he was appointed to the Director Board of Access International (Private) Limited in 2014. In 2015, Access International (Private) Limited expanded its healthcare services by acquiring the Ninewells Hospital, and Shamal was appointed to its Board, tasked with the responsibility of restructuring the Company. Today, Ninewells is the leading private women's and children's hospital in the country. In 2023 he was appointed as Managing Director of Access International (Pvt) Ltd. Shamal also serves as a Director in many of the Access Group Companies. He holds an MBA from the University of Buckingham and a CIMA Advanced Diploma in Management Accounting. Shamal is also a major shareholder of Access Engineering PLC.

RANIL PRASAD PATHIRANA
Independent Non-Executive Director

Mr. Ranil Prasad Pathirana was appointed to the Board of Access Engineering PLC as an Independent Non-Executive Director with effect from 31st December 2024. He brings extensive experience in finance and management, with a strong track record across the financial services, apparel, and energy sectors. He currently serves as a Group Director of the Hirdaramani Group of Companies and its holding companies, namely Hirdaramani Apparel Holdings (Private) Limited, Hirdaramani Investment Holdings (Private) Limited, and Hirdaramani Leisure Holdings (Private) Limited. In addition, he is the Managing Director of Hirdaramani International Exports (Private) Limited and heads the Apparel Sector Executive Committee. Mr. Pathirana also serves as a Non-Executive Director of several listed companies, including WindForce PLC, Hemas Holdings PLC, BPPL Holdings PLC, Dankotuwa Porcelain PLC

and Ceylon Hotels Corporation PLC. He is a Fellow Member of the Chartered Institute of Management Accountants (UK) (FCMA - UK) and holds a Bachelor of Commerce degree from the University of Sri Jayewardenepura.

MANO RAJAKARIAR
Independent Non-Executive Director

Mr. Mano Rajakariar was appointed to the Board as Independent Non-Executive Director on 1st November 2024. His career spans over three decades in Finance and Management Accounting. He has served leading entities such as South Asia Gateway Terminals, John Keells Holdings PLC and Coopers and Lybrand (PWC) in Sri Lanka and Malawi, playing key roles at Executive and Senior Management Levels. Mr. Rajakariar possesses a wealth of experience in Financial and Management Accounting, Auditing, Risk, and Compliance practices.

In addition to his corporate career, he also serves on the Ethics Committee of CA Sri Lanka and on the Finance Committee of Sri Lanka Cancer Society. He also serves on the respective Boards of Alumex PLC, Hayleys Fiber PLC, Digital Mobility Solutions Lanka Limited (Pick-Me), AssetLine Finance Limited and Elpitiya Plantations PLC.

A Fellow of the Institute of Chartered Accountants (CA) Sri Lanka, Mr. Rajakariar is also a Fellow Member of the Chartered Institute of Management Accountants (CIMA) UK and a Fellow Member of the Institute of Certified Management Accountants of Sri Lanka.

CONDAGAMAGE VAJIRA KULATILAKE
Senior Independent Non-Executive Director

Mr. Vajira Kulatilaka was appointed to the Board of Access Engineering PLC as an Independent Non-Executive Director with effect from 1st October 2024. He is a veteran in the financial services sector with over four decades of experience. He served as the CEO of NDB Investment Bank (NDBIB), where he played a pivotal role in positioning the firm as a market leader in investment banking, recognised by Euromoney as the “Best Investment Bank in Sri Lanka” for nine consecutive years. He also held key roles in the broader capital market, leading the formation of Sri Lanka’s largest private sector asset management and stock broking firms. Mr. Kulatilaka served as Chairman of the Colombo Stock Exchange (2014–2017) and the South Asian Federation of Exchanges (2015–2017). He is currently a director of Sampath Bank PLC, Printcare PLC, Hemas Hospitals (Pvt) Ltd, and LTL Holdings Ltd. He holds a BSc in Civil Engineering (First Class Honours) from the University of Moratuwa, an MSc in Industrial Engineering and Management from AIT Thailand, and is a Chartered Financial Analyst (CFA) and Fellow of the Chartered Institute of Management Accountants (UK).

Note: For a comprehensive list of directorships held by the members of the Board, please refer to page 321 of this Annual Report.

CORPORATE MANAGEMENT TEAM

VASANTHA MANATUNGE
Senior General Manager
- Administration

SRIMAL FERNANDO
Senior General Manager

LAGATH GAMALATHGE
Senior General Manager
– Head of Production Plants

KOSALA WICKRAMASINGHE
Senior General Manager
– Planning and Development

PRABASHANA KUMARA
General Manager
– Project Management Division II

THASANTHA KUMARA
General Manager
– Project Management Division IV

NILANTHA IDDAGODAGE
General Manager
– Finance

DHAMMIKA SILVA
General Manager
– Head of Engineering Designs

PRASANNA GUNARATHNE
General Manager – Project Management Division III

PIVITHIRI JAYASINGHE
Deputy General Manager – Project Management Division II

SENARATH BANDARA
Deputy General Manager – Business Development

SAMEERA SIYABALAPE
Deputy General Manager – Commercial

VASANTHA MANATUNGE

Senior General Manager - Administration

V K Manatunge joined the Company in early 2003 and is currently functioning as the Senior General Manager of Access Engineering. He obtained his Degree in Civil Engineering from the University of Moratuwa in 1978 and has been a Corporate Member of the Institution of Engineers, Sri Lanka since 1982. He counts over 47 years of experience in the civil engineering field and has worked in various capacities in the state sector as well as the private sector.

SRIMAL FERNANDO

Senior General Manager

Srimal joined the Company in August 1999 as a Civil Engineer and was promoted to Manager – Engineering in January 2004, General Manager in January 2008 and Senior General Manager in 2017. He is currently heading the Central Procurement Division of the Company. He holds a Bachelor's Degree in Civil Engineering from the University of Peradeniya and is a Corporate Member of the Institution of Engineers, Sri Lanka. During the period of his service, he was involved with major projects in many diversified fields such as Roads and Highways, Bridges, Telecommunication, Water and Wastewater, Piling and Buildings in a senior level management capacity. He was also appointed as a Director to the Board of WUS Logistics (Private) Limited, Access Logistics (Private) Limited, Access Logistics Park Ekala (Private) Limited, Access Motors (Private) Limited and Access Eco Power (Private) Limited. He also holds the position of Managing Director at Sathosa Motors PLC.

LAGATH GAMALATHGE

Senior General Manager – Head of Production Plants

Lagath joined Access Engineering in 2007 as an Accountant for Projects and since then he has risen from Manager to Senior Manager roles and is now operating in his present placement as Senior General Manager – Head of Production Plants. Lagath graduated from the University of Sri Jayewardenapura with a Bachelor of Commerce, specialising in marketing; following which he also completed an MBA at Cardiff Metropolitan University. He has over 26 years of experience in diversified fields such as manufacturing, operations and trading in Sri Lanka and overseas. Lagath is also a member of the Chartered Professional Managers of Sri Lanka. He was also appointed as a Director to the Board of Lanka AAC (Private) Limited.

KOSALA WICKRAMASINGHE

Senior General Manager – Planning and Development

Kosala joined the Company in 2007 as a Project Manager and currently serves as Senior General Manager – Planning and Development. He holds a BSc (Hons) in Civil Engineering and a Postgraduate Diploma in Structural Engineering from the University of Moratuwa, together with an MBA from Cardiff Metropolitan University. He is a Corporate Member of the Institution of Engineers Sri Lanka and the Society of Structural Engineers Sri Lanka.

With over 27 years of experience in engineering, project development, contract administration and business management, both locally and internationally, he has played a key role in the Company's planning, business development and growth initiatives. He has also contributed to the successful delivery of a diverse portfolio of infrastructure and development projects, including bridges and flyovers, ports and airports, buildings, mixed-use developments and large-scale real estate projects. Throughout his tenor at Access, he has held a range of senior management positions encompassing planning, project delivery, commercial management and business development. He also serves as Executive Director of Harbour Village (Private) Limited, the developer of the Marina Square Mixed Development Project.

PRABASHANA KUMARA

General Manager – Project Management Division II

Prabashana joined the Company in December 2006 as an Operations Manager – Telecom Projects. Since then he has risen from Senior Manager – Telecom Projects to Deputy General Manager and he is currently functioning as a General Manager (Project Management Division II). He holds a BSc in Electrical and Electronics Engineering from the University of Peradeniya. He has 28 years of experience in the fields of Telecommunication, Building Services (M&E) and renewable energy sector and was involved in several major projects in Sri Lanka and overseas in Key Management roles.

CORPORATE MANAGEMENT TEAM

THASANTHA KUMARA

General Manager – Project Management Division IV

Thasantha joined the Company at the beginning of 2013. He has over 30 years of experience in the field of Civil Engineering including Roads, Highways and Bridge Engineering and Project Management. He has served in the capacity of Resident Engineer, Design Engineer, and Executive Engineer for the Road Development Authority for seven years and in the private sector for 17 years in the capacity of Project Manager, Senior Project Manager and Divisional Coordinator in the Roads, Highways and Bridges Division. He has a BSc (Hons) in Civil Engineering from the University of Moratuwa and a Postgraduate Diploma in Highway and Traffic Engineering from the University of Moratuwa. He is also a Corporate Member of the Institution of Engineers, Sri Lanka.

NILANTHA IDDAGODAGE

General Manager – Finance

Nilantha joined the Company in 2008 and presently serves in the capacity of General Manager – Finance of the Company. He is a Fellow Member (FCA) of The Institute of Chartered Accountants of Sri Lanka and an Associate Member of the Association of Accounting Technicians of Sri Lanka. He holds an MBA from the Postgraduate Institute of Management (PIM) of the University of Sri Jayewardenepura and holds a BSc in Estate Management and Valuation (Special) Degree from the University of Sri Jayewardenepura. He has over 20 years of experience in the field of Finance, Auditing, Taxation and ESG Reporting and Compliance. He was also appointed to the Board of Access Projects (Private) Limited in May 2018.

DHAMMIKA SILVA

General Manager – Head of Engineering Designs

Dhammika joined Access Engineering in 2007 as a Senior Design Engineer. Since then he has risen from Manager Engineering Design to Senior Manager Engineering Designs and is currently operating as the General Manager – Engineering Designs. He holds both a BSc (Hons) in Engineering and an M.Eng in Structural Engineering from the University of Moratuwa. Dhammika is a Fellow Member of the Institution of Engineers, of Sri Lanka and a Member of the Society of Structural Engineers of Sri Lanka. He is a recognised structural Engineer eligible to design and approve high rise buildings in Sri Lanka under the IESL and UDA regulations. He is an International Professional Engineer recognised in 20 leading countries under the Washington Accord. He has over 24 years of experience in various disciplines of Civil Engineering mainly in structural engineering designs together with the constructions.

PRASANNA GUNARATHNE

General Manager – Project Management Division III

Prasanna joined the Company in 2006 as a Quantity Surveyor and, having served in a range of positions from middle management to senior management, was appointed General Manager – PMD III in 2025. He holds a BSc (Hons) in Quantity Surveying from the University of Moratuwa and an LLB (Hons) from the University of London. He also earned an MSc in Construction Law and Dispute Resolution from the University of Moratuwa and holds a Diploma in Commercial Arbitration. Prasanna is a Chartered Quantity Surveyor and an Associate Member of the Institute of Quantity Surveyors Sri Lanka (AIQS. SL). He is also an Associate Member of the Chartered Institute of Arbitrators (ACIArb), an Associate of the International Cost Engineering Council (ICECA), and a member of the adjudicators' pool maintained by the Construction Industry Development Authority (CIDA).

Throughout his 22-year career, he has been actively involved in the management and administration of major construction projects both locally and internationally, providing expertise in commercial management, contract strategy, claims management, dispute resolution, and project delivery.

PIVITHIRI JAYASINGHE

Deputy General Manager – Project Management Division II

Pivithiri Jayasinghe Manachchi joined Access Engineering PLC in 2008 as a Trainee Site Engineer in the Piling Division. He has since progressed through several key positions, including Manager and Senior Manager, before being appointed as Deputy General Manager – Project Management Division II in 2019. With extensive experience in geotechnical and piling engineering, Pivithiri possesses specialised expertise in diaphragm wall construction and complex ground engineering solutions. He holds a Bachelor of Science (Hons) degree in Civil Engineering from the University of Moratuwa, Sri Lanka, and is a Chartered Engineer.

SENARATH BANDARA

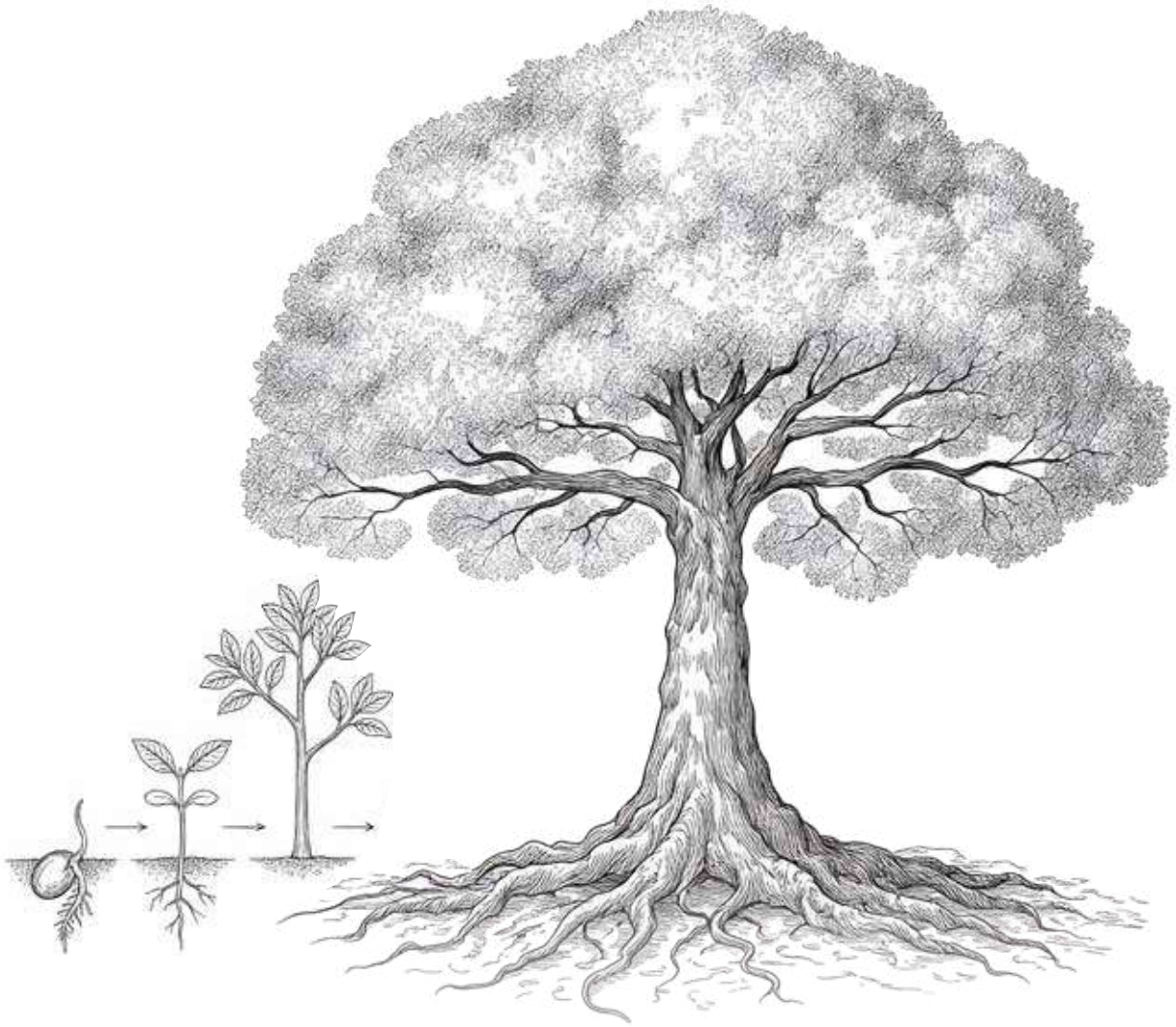
Deputy General Manager – Business Development

Senarath has served in the capacity of Civil Engineer for a foreign construction Company for seven years. He joined Access Engineering in 2004 as a Planning Engineer. Then he rose to Senior Engineer Planning, Senior Manager Engineering and is currently functioning as the Deputy General Manager – Business Development. He graduated from the University of Peradeniya with a BSc in Civil Engineering, after which he followed through with an MBA from the University of Moratuwa and Diploma in Commercial Arbitration. Senarath is also a corporate member of the Institution of Engineers of Sri Lanka. He has over 30 years of experience in the fields of Civil Engineering Construction, Planning, Contract Administration, Dispute Resolution, Project Management and Business Development.

SAMEERA SIYABALAPE

Deputy General Manager – Commercial

Sameera Joined Access Engineering in 2016 as a Treasury Manager attached to the Commercial Division. He has over 14 years' experience in financial analysis, fund management and commercial operations. He then rose to becoming Senior Manager, Head of Treasury and was promoted to Deputy General Manager – Commercial in 2023. He graduated from the University of Moratuwa with a BSc in Information Technology in 2011. He is a Chartered Financial Analyst with membership at Chartered Financial Analyst Institute – (CFA) - USA and is a Passed Finalist of Chartered Institute of Management Accountants (CIMA) – UK.



STABILISED WITH PURPOSE

The trunk of the banyan tree stands as an enduring force at the heart of its ecosystem; unwavering, resilient, and built to withstand the test of time. Supporting every branch, root, and extension of growth, it serves as the stabilising core from which the tree expands with strength, balance, and purpose despite changing conditions

At Access Engineering, the strength of our engineering foundation is the force that anchors every strategic decision, operational milestone, and long-term ambition. Built on technical excellence, resilience, and disciplined execution, we continue to reinforce our core capabilities while creating the stability, confidence, and momentum needed to pursue future growth with purpose and precision.

VALUE CREATION MODEL

INPUTS (COMPANY)

Financial Capital

- Base of **14,726** equity shareholders
- Shareholder Funds **LKR 29,143 Mn**
- Total Assets **LKR 64,144 Mn**
- Stated Capital **LKR 9,000 Mn**

Manufactured Capital

- Cost of PPE **LKR 12,090 Mn**
- NBV of PPE **LKR 3,101 Mn**
- **32** Manufacturing locations

Intellectual Capital

- Intangible Assets – **LKR 19 Mn**
- The AEL Brand

Human Capital

- **56** internal and external training programmes conducted
- Total staff and labourers **1,480**
- New recruitments **636**

Social and Relationship Capital

- Investment in Community and Development Projects: **LKR 24.8 Mn**
- Community Relationships

Natural Capital

- ISO 14001:2015 Environmental Management Standard
- Training and Awareness
- GHG Emissions Verified

VISION

To be the foremost Sri Lankan business enterprise in value engineering.

MISSION

To meet the challenges in the development of multisector civil engineering projects, providing innovative solutions whilst developing long-term progressive relationships with all our stakeholders.

VALUE CREATION MODEL

CORE BUSINESS

Driven through

- Construction: Roads, highways, bridges, ports, piling, water, wastewater
- Construction Materials Production: Asphalt, concrete, crusher, quarry, AAC blocks
- Mechanical Engineering: Commissioning, repair, maintenance
- Automobiles: New vehicle sales, spare parts, workshops
- Property – Commercial Offices: Commercial property for lease and rental
- Property – Commercial Warehouses: Warehousing and logistics
- Condominium properties – Residential and commercial property
- Renewable energy – Solar panels yielding nearly 15.85 MW of power
- Radiopharmaceuticals – FDG production

Delivered via

- Internal business units and teams
- Subsidiaries & partnerships
- On-site & digital project management platforms

EMPOWERED STAKEHOLDERS

Value Unlocks:

- Engineering trust through timely delivery & quality
- ESG-aligned stakeholder engagement
- Strong client partnerships (govt, private sector)

OPERATIONAL EXCELLENCE

Value Unlocks:

- Integrated design-build capabilities
- Use of advanced construction technology
- Resource & waste optimisation
- Safety-first culture
- Sustainability Concerns

UNDERPINNED BY:
CORPORATE GOVERNANCE - Page 200-233
RISK MANAGEMENT - Page 69-82

OUTPUTS (COMPANY)	OUTCOMES
Financial Capital » Revenue **LKR 24,092 Mn** » Net Profit Margin **12.99%** » Return on Capital Employed (ROCE) **11.5%**	**Financial Capital** » Revenue and profitability continue on a sustainable growth trajectory » Capital is deployed efficiently to maximise returns for shareholders » The Group maintains a strong financial position, reinforcing stakeholder confidence
Manufactured Capital » PPE Investment – **LKR 230 Mn** » Return on Assets - **5.8%**	**Manufactured Capital** » Ongoing investments in property, plant and equipment strengthen operational capacity and efficiency » Upgraded infrastructure supports the successful delivery and expansion of projects
Intellectual Capital » No data breaches » Brand Strength	**Intellectual Capital** » A robust brand reputation drives competitive advantage and deepens stakeholder trust » Sound data governance frameworks protect business continuity and organisational integrity
Human Capital » **4,245** Total Training Hours » **91%** (Staff Only) Employee Retention Rate	**Human Capital** » Measured investment in training initiatives continues to build employee capabilities » Elevated turnover rates highlight opportunities to strengthen employee engagement strategies » The workforce remains aligned with the operational demands of the business
Social and Relationship Capital » New Suppliers – **701** » Material Purchase from Suppliers – **LKR 7,250 Mn**	**Social and Relationship Capital** » A growing supplier network bolsters procurement resilience and contributes to local economic development » Prompt supplier payments foster stable and mutually beneficial supply chain relationships
Natural Capital » **229,364 GJ** - Energy Consumption » **66,083 m3** - Total Water Consumption » **23%** Reduction in Paper Consumption	**Natural Capital** » Elevated energy and water consumption underscores the need for continued focus on resource efficiency » A notable decline in paper usage reflects the Group's progress in sustainability and digital transformation

CAPITAL TRADE-OFFS

Financial capital

The Group carefully manages its financial capital to strike the right balance between long-term corporate sustainability and delivering value to stakeholders. Through disciplined capital allocation, the Group ensures continued growth while enhancing its capacity to create value across all other capitals.

Manufactured Capital

Research and development is a continuous journey that drives innovation within the Group. Advancing these capabilities requires significant financial investment, which the Group is committed to sustaining in support of long-term operational excellence.

Intellectual Capital

The well-being of our people is our foremost priority. By fostering a diverse and inclusive workplace where employees can realise their full potential, the Group strengthens safety, health and skills development — ultimately driving greater productivity across the organisation.

Human Capital

The trust and goodwill of our communities forms the foundation of our social licence to operate. The Group invests meaningfully in economic empowerment initiatives and actively works to improve the quality of life for those in the communities where we operate.

Social and Relationship Capital

Strategic relationships and technological advancement are key enablers of the Group's financial viability and operational performance. These relationships attract investment and serve as a cornerstone of the Group's long-term sustainability.

Natural Capital

The Group recognises that preserving natural capital requires financial commitment. Protecting and sustaining natural resources is not only essential for the continued success of the business today, but also for the benefit of future generations.

STAKEHOLDER ENGAGEMENT

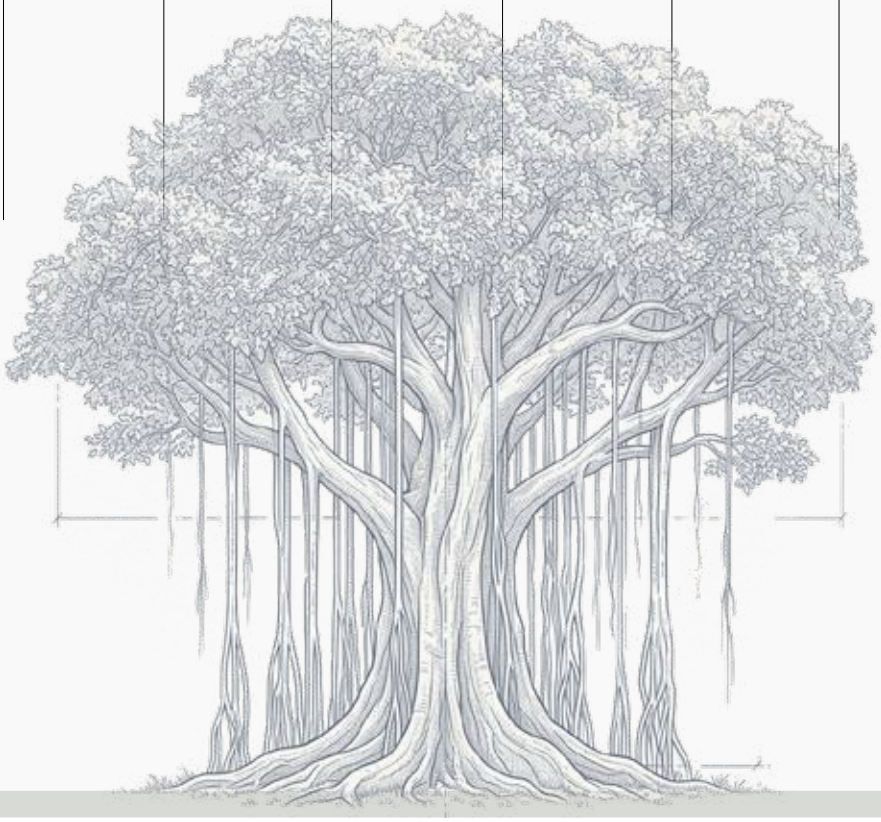
GRI 2 - 29

AEL views stakeholder engagement as a strategic imperative that underpins trust, strengthens relationships, and enables the delivery of sustainable, long-term value. Regular and purposeful engagement ensures stakeholder perspectives are understood and meaningfully integrated into decision-making processes, thereby demonstrating the Group's commitment to remain responsive to evolving expectations while enhancing its ability to anticipate risks, identify emerging opportunities, and strengthen overall organisational resilience. Additionally, stakeholder engagement also provides a vital platform for communicating the actions taken in response to key concerns, thereby reinforcing accountability. Premised on this, the Group strives to foster ongoing dialogue that promotes mutual understanding, transparency, and collaboration across all stakeholder groups.

Given its importance as a strategic decision-making tool, AEL Board assumes overall responsibility for stakeholder engagement and has established a comprehensive framework to ensure consistency in engagement quality, timely responsiveness, and a high standard of transparency and accountability across all stakeholder interactions.

STAKEHOLDER ENGAGEMENT PROCESS

1. **Stakeholders are identified based on those who have the most impact to the Group**
   a. Investors and Shareholders
   b. Banks and Respective Lenders
   c. Employees
   d. Government and Regulators
   e. Customers and Clients
   f. Suppliers and Business Partners
   g. Industry Peers and Competitors
   h. Society and Environment
2. **Prioritise stakeholders based on the power-interest matrix**
3. **Based on the results of the power-interest matrix, design suitable interaction and engagement plans for each stakeholder category**
4. **Execute stakeholder engagement plans**
5. **Understand stakeholder expectations and aspirations**
6. **Scrutinise stakeholder insights to identify appropriate "Material Topics"**
7. **Keep stakeholders informed on progress**



Investors and Shareholders

Importance to the Group - CRITICAL

Key Commitments by AEL

Delivering a consistent returns on Investment

Maintaining business stability and sustainability notwithstanding varying economic cycles

Providing timely and transparent updates on the Group's performance and activities

Strength of Relationship

★ ★ ★ ★

Method and Frequency of Engagement

- Investor forums (as needed)
- Annual General Meeting (AGM)
- Business promotion meetings (as needed)
- Annual Integrated Report
- Interim Financial Statements (Quarterly)
- Disclosures and announcements made to the Colombo Stock Exchange (CSE) (as needed)
- Social Media channels (continuous and ongoing)
- Extraordinary General Meetings (as needed)
- Dedicated Investor Relations Officers (continuous and ongoing)
- Press releases (as needed)
- Corporate website (continuous and ongoing)
- Email and other forms of written correspondence (as needed)

Stakeholder Concerns and Expectations

- Sustained Returns
- Business Diversification
- Prudent Capital allocation
- Governance and stewardship
- Risk management efficiency

Material Themes for AEL

- Economic Performance
- Market Presence
- Tax
- Business resilience and diversification
- Brand reputation and stakeholder trust

Value Creation Scorecard FY 2025/26

- 28% Dividend payout ratio
- LKR 7.57 EPS
- LKR 41.15 NAV per share
- 0.40% Liquidity Asset Ratio

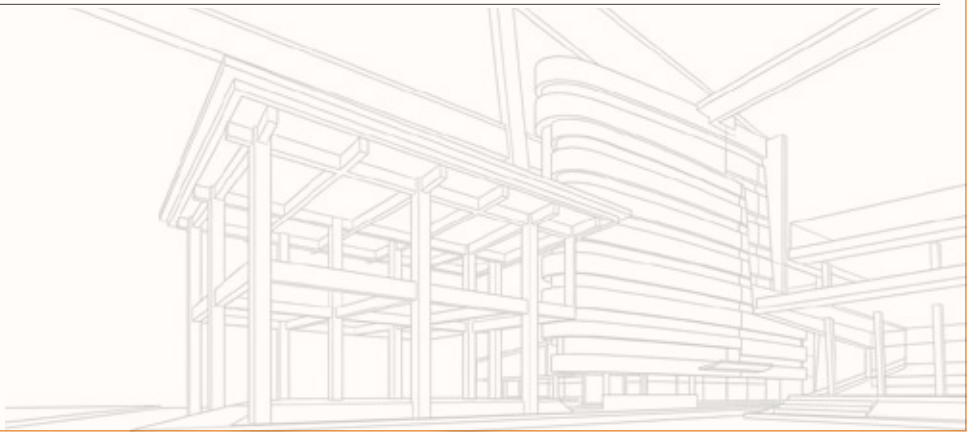
Further Information

Financial Capital - page 97-106

Corporate Governance Report - page 200-233

Risk Management Report - page 69-82

SDG's



STAKEHOLDER ENGAGEMENT

Banks and Prospective Lenders	Importance to the Group - CRITICAL
Key Commitments by AEL Maintaining financial discipline and safeguarding creditworthiness through effective risk management, and responsible stewardship of capital Providing timely and transparent updates on the Group's performance and activities	Strength of Relationship ★ ★ ★ ★

Method and Frequency of Engagement	Stakeholder Concerns and Expectations	Material Themes for AEL
» In-person meetings (as needed) » Annual Integrated Report » Interim Financial Statements (Quarterly) » Press releases (as needed) » Corporate website (continuous and ongoing) » Email and other forms of written correspondence (as needed)	» Timely settlement of dues » Access to accurate financial information » Prompt response to queries and clarifications	» Economic Performance » Anti-Corruption » Tax » Business resilience and diversification » Brand reputation and stakeholder trust

Value Creation Scorecard FY 2025/26	Further Information	SDG's
» LKR 74,270 Mn paid for repayment of loans and borrowings » LKR 7,250 Mn paid for material supplier	Financial Capital - page 97-106	

Employees	Importance to the Group - CRITICAL
Key Commitments by AEL Offering fair and competitive remuneration, performance-based rewards, and a comprehensive range of benefits that support the financial, physical, and emotional well-being of employees Providing a work environment that safeguards employee health, safety, and well-being while promoting diversity, equity, inclusion, and mutual respect Invest in capability and leadership development to equip employees with the skills and knowledge required to succeed in a dynamic business environment	Strength of Relationship ★ ★ ★ ★

Method and Frequency of Engagement	Stakeholder Concerns and Expectations	Material Themes for AEL
» Open Door approach (continuous and ongoing) » Meetings, team briefings (continuous and ongoing) » Induction and Orientation (as needed) » Exit interviews (as needed) » Performance Evaluation (Annual) » Learning and Development Initiatives (continuous and ongoing) » Engagement events (continuous and ongoing) » Community/societal initiatives (As needed)	» Employee well-being, health, and safety » Fair remuneration, benefits, and recognition » Learning, development, and career advancement » Job security and workforce stability » Diversity, equity, inclusion, and workplace culture » Leadership effectiveness and transparent communication » Employee engagement and opportunities for feedback » Ethical conduct, respect, and workplace rights » Work-life balance and flexible working arrangements	» Employment » Labour/Management Relations » Occupational Health and Safety » Child Labour » Forced or Compulsory Labour » Employee capability, productivity and well-being

Value Creation Scorecard FY 2025/26	Further Information	SDG's
» LKR 2,788 Mn paid as remunerations benefits to employees » 4,245 training hours	Human Capital - page 120-137	

STAKEHOLDER ENGAGEMENT

Government and Regulators	Importance to the Group - HIGH
Key Commitments by AEL Zero tolerance of non-compliance Timely compliance of all regulatory requirements Timely payment of monthly, quarterly and annual taxes Institutionalise robust governance frameworks, effective internal controls, and a strong culture of ethics and integrity to uphold the highest standards of corporate conduct across all its business activities Investments in infrastructure, job creation, innovation, and the delivery of essential products and services in line with national priorities	Strength of Relationship ★ ★ ★ ★

Method and Frequency of Engagement	Stakeholder Concerns and Expectations	Material Themes for AEL
» Regulatory compliance reporting, registration and renewal (as Mandated) » Consultations for licensing requirements and approvals (as Mandated) » Tax returns filings and payments (as mandated) and computation of tax compliance with the IRD act	» Regulatory compliance and governance » Ethical business conduct and transparency » Health, safety, and environmental stewardship » Economic contribution and national development » Labour practices and employee rights » Risk management and operational resilience » Responsible and sustainable business practices » Timely reporting, disclosures, and regulatory engagement	» Economic Performance » Market Presence » Indirect Economic Impacts » Anti-Corruption » Anti-Competitive Behaviour » Tax » Project execution and delivery excellence » Infrastructure quality, reliability and maintenance » Brand reputation and stakeholder trust » Strategic partnerships and collaboration » Climate resilience and adaptation » Environmental compliance and management systems

Value Creation Scorecard FY-2025/26	Further Information	SDG's
» LKR 3,798 Mn paid as taxes » ZERO incidents of non-compliance of regulations	Financial Capital - page 97-106 Corporate Governance Report - page 200-233	

Clients and Customers	Importance to the Group - CRITICAL
Key Commitments by AEL Conducting business responsibly and ethically while ensuring the safety, reliability, and sustainability of products, services, and operations Maintaining rigorous quality standards, investing in innovation, and continuously enhancing operational capabilities, to provide fully integrated and reliable solutions Understand customer needs to develop and deliver tailored solutions and exceptional service experiences	Strength of Relationship ★ ★ ★ ★ ★

Method and Frequency of Engagement	Stakeholder Concerns and Expectations	Material Themes for AEL
» Business development and promotion efforts (continuous and ongoing) » Progress review meetings (as needed). » Email and other forms of written correspondence (as needed) » Dedicated Relationship Managers (continuous and ongoing) » Press releases (as needed) » Corporate website (continuous and ongoing) » Social Media channels (continuous and ongoing)	» Product and service quality » Reliability, timeliness, and operational excellence » Customer experience and responsiveness » Value creation and competitive pricing » Innovation and continuous improvement » Data security and confidentiality » Sustainability and responsible business practices » Transparency, trust, and ethical conduct » Business continuity and risk management » ESG alignment	» Customer Health and Safety » Marketing and Labelling » Customer Privacy » Anti-Competitive Behaviour » Project execution and delivery excellence » Infrastructure quality, reliability and maintenance » Technology, automation and digital transformation » Innovation and R&D » Asset lifecycle management and operational efficiency » Brand reputation and stakeholder trust » Strategic partnerships and collaboration » Data security, IT resilience and business continuity » Employee capability, productivity and well-being » Climate resilience and adaptation » Environmental compliance and management systems

Value Creation Scorecard FY-2025/26	Further Information	SDG's
» 100% complaints resolved	Social and Relationship Capital - page 138-150 Manufactured Capital - page 107-112 Intellectual Capital - page 113-119	

STAKEHOLDER ENGAGEMENT

Suppliers and Business Partners	Importance to the Group - HIGH	
Key Commitments by AEL Create an equitable business environment that promotes collaboration, trust, and shared success	Strength of Relationship ★ ★ ★	
Method and Frequency of Engagement	**Stakeholder Concerns and Expectations**	**Material Themes for AEL**
» Supplier registration, onboarding, procurement communication and tender-related interactions through SAP Ariba platform, as required » Requests for Proposals (RFPs) (as needed) » In-person meetings (as needed) » Procurement Committee meetings (as needed) » Site visits (as needed) » Dedicated Relationship Managers (continuous and ongoing) » Progress review meetings (as needed) » Email and other forms of written correspondence (as needed) » Press releases (as needed) » Corporate website (continuous and ongoing) » Social Media channels (continuous and ongoing)	» Payment security and financial stability » Fair and transparent procurement practices » Contract clarity and commercial fairness » Operational coordination and project execution efficiency » Communication and responsiveness » Business continuity and demand predictability » Ethical conduct and relationship fairness » ESG compliance Requirements	» Supplier Environmental Assessment » Child Labour » Forced or Compulsory Labour » Procurement Practices » Anti-Corruption » Project execution and delivery excellence » Infrastructure quality, reliability and maintenance » Technology, automation and digital transformation » Innovation and R&D » Strategic partnerships and collaboration » Environmental compliance and management systems » Environmental stewardship
Value Creation Scorecard FY-2025/26	**Further Information**	**SDG's**
» 701 new suppliers / business partners on-boarded	Social and Relationship Capital - page 138-150	

Industry Peers and Competitors	Importance to the Group - MODERATE
Key Commitments by AEL Conducting business in a fair, transparent, and ethical manner, in full compliance with applicable competition laws and regulatory requirements Engaging constructively with industry peers to support the advancement of sector-wide standards, innovation, and capability development	Strength of Relationship ★ ★ ★

Method and Frequency of Engagement	Stakeholder Concerns and Expectations	Material Themes for AEL
» Membership in industry associations (as needed). » Joint execution of infrastructure projects (as needed). » Participation in industry forums (as needed) » Press releases (as needed) » IdeaNest Collaboration Platform (continuous and ongoing) » Annual Report » Corporate website (continuous and ongoing) » Social Media channels (continuous and ongoing)	» Competitive positioning and market dynamics » Innovation and technological advancement » Regulatory and policy environment » Sustainability and ESG performance benchmarking » Market access and growth opportunities » Industry collaboration and ecosystem development	» Economic Performance » Market Presence » Anti-Corruption » Anti-Competitive Behaviour » Technology, automation and digital transformation » Innovation and R&D » Brand reputation and stakeholder trust » Strategic partnerships and collaboration » Environmental stewardship

Value Creation Scorecard FY-2025/26	Further Information	SDG's
» New opportunities for industry expansion » Driving industry innovation	Social and Relationship Capital - page 138-150 Natural Capital - page 151-159	

STAKEHOLDER ENGAGEMENT

Society and Environment	Importance to the Group - MODERATE
Key Commitments by AEL Contribute to the socioeconomic development of communities by supporting inclusive economic growth, job creation, and local development initiatives Minimising the environmental footprint of operations through responsible resource management, energy efficiency, emissions reduction, and sustainable waste practices	Strength of Relationship ★ ★ ★

Method and Frequency of Engagement	Stakeholder Concerns and Expectations	Material Themes for AEL
» CSR projects (continuous and ongoing) » Press releases (as needed) » Corporate website (continuous and ongoing) » Social Media channels (continuous and ongoing)	» Climate change mitigation and adaptation » Pollution prevention and waste management » Natural resource conservation and biodiversity protection » Sustainable energy and water management » Community well-being and social equity » Responsible development and sustainable infrastructure » Public health and environmental safety » Sustainable consumption and production practices	» Water and Effluents » Energy » Emissions » Indirect Economic Impacts » Asset lifecycle management and operational efficiency » Brand reputation and stakeholder trust » Climate resilience and adaptation » Environmental compliance and management systems » Environmental stewardship

Value Creation Scorecard FY-2025/26	Further Information	SDG's
» LKR 24.8 Mn spent on CSR and Donation » 15.85 MW renewable energy infrastructure	Social and Relationship Capital - page 138-150 Natural Capital - page 151-159	

INVESTOR RELATIONS

At Access Engineering PLC, our commitment to robust and transparent investor relations continues to be a cornerstone of our corporate philosophy. We recognise that open, timely, and consistent communication with our shareholders is essential in fostering trust, ensuring accountability, and building long-term relationships.

Throughout the financial year 2025/26, we have continued to prioritise the delivery of clear, accurate, and meaningful disclosures, enabling investors to make well-informed decisions regarding their investment in the Company. Our investor relations approach is anchored on the principles of transparency, strong stewardship by the Board of Directors, and an unwavering commitment to sustainable value creation.

In an evolving and increasingly dynamic capital market environment, our engagement with the investment community extends beyond statutory reporting, reflecting a continuous two-way dialogue that aligns our strategic direction with shareholder expectations. We remain focused on strengthening investor confidence by communicating our financial performance, strategic initiatives, ESG commitments, and sound corporate governance practices.

As a listed entity, we remain mindful of the responsibility entrusted to us by our shareholders. Our objective is to deliver sustainable returns—through dividends, capital appreciation, and long-term value growth—supported by operational resilience, ethical leadership, and consistent performance. This section provides an overview of our shareholding structure, market performance, and the value delivered to shareholders during the year under review.

Performance of the AEL share

The Capital Goods sector maintained its positive momentum during the year, outperforming the broader market and reflecting continued investor confidence in the sector. The Company's share price closed the year at LKR 67.00, representing a significant appreciation of 74.0% from the closing price of LKR 38.50 recorded at the end of the previous financial year.

During the year under review, the share price reached a high of LKR 80.50 in February 2026 and a low of LKR 34.80 in April 2025, demonstrating strong price performance amidst evolving market conditions. The Company's market capitalisation increased substantially during the year, supported by improved financial performance and positive investor sentiment.

Trading activity remained robust, with the stock recording a total turnover of LKR 27.03 billion, compared to LKR 13.48 billion in the previous year. A total of 468.1 million shares were traded through 107,675 transactions, reflecting increased market participation and liquidity. The share was actively traded on 241 market days during the financial year, compared to 238 market days in 2024/25.

The Company continued to attract strong investor interest during the year, supported by its resilient operating performance, strategic growth initiatives, and sustained value creation for shareholders.

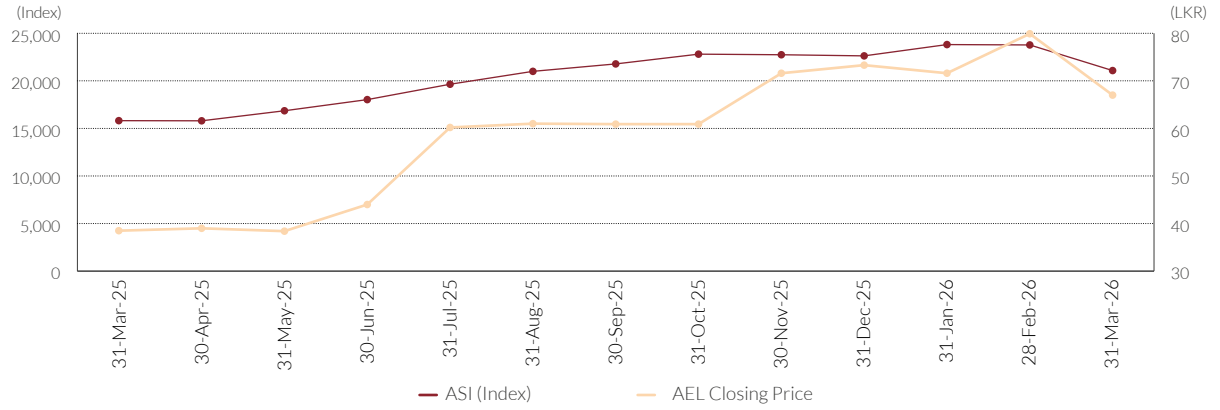
Structure of the Share Capital

The stated capital of Access Engineering PLC as at 31st March 2026 amounts to Rs.9,000,000,000 (Rs.9,000,000,000 - 2024/25) and is represented by 1,000,000,000 ordinary shares (1,000,000,000 -2024/2025). Each ordinary share carries the right to one vote on all matters requiring shareholder approval. The Company has only one class of ordinary shares and no other categories of shares were in issue during the year.

Company Information	
Security Type	Quoted Ordinary Shares
Listed Exchange	Colombo Stock Exchange (CSE) – Main Board
Featured stock indices	All Share Price Index (ASPI)
CSE Stock Symbol	AEL.N0000
GICS Industry Group	Capital Goods (SPCSECGP)
International Securities Identification Number (ISIN)	LK0409N00009

INVESTOR RELATIONS

AEL Share Performance in Comparison to Selected Local Indices



Director's Shareholding

Name of Director	As at 31st March 2026		As at 31st March 2025	
	Shares	%	Shares	%
Mr. Sumal J S Perera	250,000,000	25.00	250,000,000	25.00
Mr. J C Joshua	102,000,000	10.20	102,000,000	10.20
Mr. S H S Mendis	30,150,000	3.015	30,150,000	3.015
Mr. D A R Fernando	30,150,000	3.015	30,150,000	3.015
Mr. S D Munasinghe	30,150,000	3.015	30,150,000	3.015
Mr. S D Perera	2,000,000	0.20	2,000,000	0.20
Mr. Shamal J S Perera	51,159,365	5.12	51,159,365	5.12
Mr. C. V. Kulathilake	-	-	-	-
Mr. M. J. S. Rajakariar	-	-	-	-
Mr. R. P. Pathirana			500	0.00
	495,609,865	49.56	495,609,865	49.56

Shareholders of AEL

The Company's stated capital represents 14,726 ordinary shareholders as at 31st March 2026 (9,806 as at 31st March 2025).

Shareholder Composition

Shareholdings	As at 31st March 2026			As at 31st March 2025		
	No. of Shareholders	No.of Shares	Share holding %	No. of Shareholders	No.of Shares	Share holding %
1-1,000	9,600	2,812,342	0.28	5,688	1,761,914	0.17
1,001-10,000	3,764	13,579,193	1.35	2,757	11,171,882	1.11
10,001-100,000	1,048	32,968,859	3.29	1,015	34,215,319	3.42
100,001-1,000,000	253	83,877,409	8.38	270	81,307,432	8.13
Over 1,000,000	61	866,762,197	86.67	76	871,543,453	87.15
Total	14,726	1,000,000,000	100.00	9,806	1,000,000,000	100.00

Categories of Shareholders

Shareholdings	As at 31st March 2026			As at 31st March 2025		
	No. of Shareholders	No.of Shares	Share holding %	No. of Shareholders	No.of Shares	Share holding %
Local Individual	14,156	735,058,961	73.55	9,281	749,112,220	74.91
Local Institutions	492	254,879,279	25.49	466	237,527,534	23.75
Foreign Individual	70	3,103,140	0.31	50	2,454,692	0.25
Foreign Institutions	8	6,958,620	0.70	9	10,905,554	1.09
Total	14,726	1,000,000,000	100.00	9,806	1,000,000,000	100.00

The Names and the Number of Shares held by the Twenty Largest Shareholders of the Company

	Name	As at 31st March 2026		As at 31st March 2025	
		Shares	%	Shares	%
1	Mr. S.J.S. Perera	250,000,000	25.00	250,000,000	25.00
2	Mr. J.C. Joshua	102,000,000	10.20	102,000,000	10.20
3	Mrs. R.M.N. Joshua	70,000,000	7.00	70,000,000	7.00
4	Mr. Shamal J.S. Perera	51,159,365	5.12	51,159,365	5.12
5	Mrs D.R.S Malalasekera	45,000,000	4.50	45,000,000	4.50
6	Access International (Pvt) Limited	32,200,000	3.22	32,200,000	3.22
7	Employee'S Provident Fund	32,144,990	3.21	20,478,289	2.05
8	Mr. D.A.R. Fernando	30,150,000	3.02	30,150,000	3.02
9	Mr. S.D. Munasinghe	30,150,000	3.02	30,150,000	3.02
10	Mr. S.H.S. Mendis	30,150,000	3.02	30,150,000	3.02
11	J.B. Cocoshell (Pvt) Ltd	21,672,735	2.17	20,487,138	2.05
12	Access Medical (Pvt) Ltd	13,000,000	1.30	13,000,000	1.30
	Est.Of Lat M.J. Fernando	-	0.00	12,138,117	1.21
13	Union Assurance Plc-Universal Life Fund	12,970,531	1.30	8,940,469	0.89
	EMFI Capital Limited	-	0.00	7,941,344	0.79
14	Deutsche Bank Ag Trustee To Lynear Wealth Dynamic Opportunities Fund	12,173,394	1.22	-	0.00
	Mr. J.W. Nanayakkara & Mrs. H.D.Nanayakkara	-	0.00	6,653,848	0.67
15	Invenco Capital Private Limited	10,352,415	1.04	6,387,363	0.64
	DFCC Bank Plc A/C No .02	-	0.00	5,684,353	0.57
16	Mr. D.C. Fernando	7,282,870	0.73	-	0.00
17	Lynear Wealth Management/Mr. Hanif Yusoof	7,210,247	0.72	-	0.00
	Seylan Bank Plc/Jn Lanka Holdings Company (Pvt) Ltd	-	0.00	5,603,941	0.56
18	Mr. D.C. Joshua	5,180,000	0.52	5,507,835	0.55
19	Mr. D.J. Joshua	5,100,000	0.51	-	0.00
20	Miss D.M. Joshua	5,100,000	0.51	-	0.00
	Sub Total	772,996,547	77.30	753,632,062	75.36
	Other	227,003,453	22.70	246,367,938	24.64
	Total	1,000,000,000	100.00	1,000,000,000	100.00

* Comparative shareholdings as at 31st March 2025 of the twenty largest shareholders as at 31st March 2026

INVESTOR RELATIONS

MARKET CAPITALISATION

Market capitalisation of the Company has increased by 74% to LKR 67,000 million as at 31st March 2026. (LKR 38,500 million as at 31st March 2025).

Public Shareholding, Shareholder Funds and Market Capitalisation

Description	As at 31st March 2026	As at 31st March 2025
Shareholder Funds (AEL Group) (Rs. million)	41,148	40,127
Public Shareholding Percentage (%)	38.29	38.25
Number of Shareholders Representing above Percentage	14,726	9,806
Float Adjusted Market Capitalisation (Rs. million)	25,661	14,728
AEL Market Capitalisation (Rs. million)	67,000	38,500
CSE Market Capitalisation (Rs. million)	7,522,000	5,812,110
AEL's market capitalisation as a percentage of CSE Market Capitalisation	0.89%	0.66%

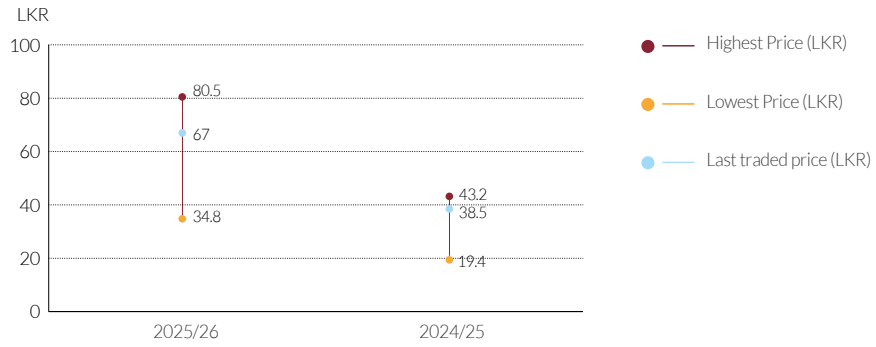
The Float adjusted market capitalisation of the Company falls under Option 1 of Rule 7.13.1.(i) (a) of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option

Share Prices for the Year

AEL's share price increased by 74% in 24/25 to close at LKR 67.00 indicating strong investor confidence and positive sentiment towards the Company.

Description	2025/26	Date	2024/25	Date
Highest Price (Rs.)	80.50	26th February 2026	43.20	18th February 2025
Lowest Price (Rs.)	34.80	7th April 2025	19.40	23rd September 2024
Closing (Rs.)	67.00	31st March 2026	38.50	28th March 2025
Last traded price (Rs.)	67.00	31st March 2026	38.50	28th March 2025

Share Price Movement



Share Trading Information

Description	2025/26	2024/25
Number of trades	107,675	65,221
Number of shares traded	468,078,645	440,788,849
Value of shares traded (Rs. Mn)	27,028	13,485
Number of Days Traded	241	238

Dividend Payment

Description	Dividend Per Share (LKR)	Date Announced	Date of Payment
First Interim Dividend for 2025/26	1.00	12th December 2025	13th January 2026
Second Interim Dividend for 2025/26*	1.00	17th June 2026	16th July 2026

*Final dividend was declared on 17th June 2026, after the financial year-end of 31st March 2026. This dividend has not been recognised as a liability in the financial statements for the year ended 31st March 2026 but is disclosed as a note to the financial statements.

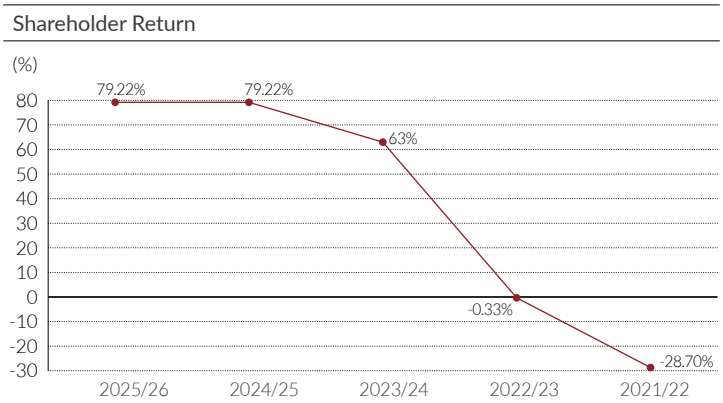
Value Creation for Shareholders

Description	2025/26		2024/25		2023/24		2022/23		2021/22	
	Group	Company	Group	Company	Group	Company	Group	Company	Group	Company
Net Assets Per Share (LKR)	41.15	29.14	40.13	27.99	35.83	25.46	29.56	24.49	24.28	24.44
Earnings Per Share (LKR)	7.17	3.13	6.31	4.55	6.86	1.54	2.48	1.44	5.11	2.58
Dividend Per Share (LKR)	2.00	2.00	2.00	2.00	0.50	0.50	0.75	0.75	0.75	0.75
Dividend payout (%)	25.82	63.89	31.79	43.98	7	32	30	52	15	29
Return on Equity (%)	18	15	14.73	16.24	17.92	6.07	7.62	5.90	16.74	10.61

Total Shareholder Return

Total Shareholder Return (TSR) for the AEL share was 79.2% for the period under review (2025/26), reflecting strong shareholder value creation driven by both capital appreciation and dividend returns. The TSR for the previous year (2024/25) was also 79.22%, indicating a stable performance in shareholder returns over the two periods.

Description	2025/26	2024/25	2023/24	2022/23	2021/22
TSR	79.22%	79.20%	63%	(0.33%)	(28.7%)



OPERATING ENVIRONMENT

GLOBAL ECONOMIC PERFORMANCE IN 2025

The global economy demonstrated resilience in 2025 amidst continuing geopolitical tensions, elevated policy uncertainty, and lingering structural weaknesses across several major economies. Global GDP growth is estimated to have reached approximately 2.7% in 2025, which, while exceeding earlier expectations, was nonetheless below the long-term average recorded prior to the pandemic. Economic activity was supported by robust household consumption in several major economies, improving financial conditions, and gradual normalisation of inflationary pressures.

Following the sharp price increases experienced during the post-pandemic recovery and subsequent geopolitical disruptions, inflation eased considerably across most economies in 2025. Lower energy prices, improved supply chain functionality, and the cumulative impact of restrictive monetary policies implemented over previous years contributed to the disinflationary trend, in turn helping to restore purchasing power, improve consumer confidence, and reduce cost pressures on businesses.

Global trade performance exhibited mixed trends throughout the year. Merchandise trade received a temporary boost as firms accelerated shipments in anticipation of potential tariff adjustments and trade policy changes, particularly among major economies. This phenomenon, often referred to as trade front-loading, provided short-term support to manufacturing output and export activity. However, underlying trade momentum remained subdued due to persistent geopolitical fragmentation, supply chain realignments, and weaker external demand in some regions. Consequently, global trade growth remained below historical averages despite the temporary uplift observed during the year.

Commodity markets played a crucial role in shaping economic outcomes during 2025. Energy prices moderated compared to the elevated levels recorded in previous years, easing inflationary pressures and reducing input costs for businesses. Industrial metals and agricultural commodity prices remained relatively stable, supported by balanced supply-demand conditions and improving global logistics networks. However, commodity markets continued to experience periodic volatility due to geopolitical tensions, climate-related disruptions, and uncertainty surrounding global trade policies, raising concerns for import-dependent economies and industries with significant exposure to commodity inputs.

PERFORMANCE OF ADVANCED ECONOMIES

Advanced economies recorded modest growth during 2025, reflecting the combined effects of restrictive monetary policies, subdued productivity growth, and lingering structural constraints.

The United States remained the principal driver of growth among advanced economies, supported by resilient consumer spending, a robust labour market, and sustained investment in technology and infrastructure. In contrast, growth across Europe remained comparatively weaker as manufacturing activity continued to face challenges arising from weaker global demand, elevated energy costs, and ongoing industrial restructuring. Japan experienced moderate growth supported by domestic demand and accommodative policy measures, although demographic challenges continued to constrain long-term growth prospects.

PERFORMANCE OF EMERGING MARKET AND DEVELOPING ECONOMIES (EMDES)

Emerging Market and Developing Economies (EMDEs) remained the principal drivers of global growth in 2025, recording growth of approximately 4.2%, significantly outperforming advanced economies. Their stronger performance was underpinned by resilient domestic demand, continued infrastructure investment, expanding services sectors, and relatively favourable demographic trends.

The easing of global inflation and stabilisation of commodity markets provided important support to many developing economies by reducing import costs and alleviating pressure on external balances. Improved financial conditions also enhanced access to international capital markets, supporting investment and economic activity. Commodity-exporting economies benefited from relatively stable commodity prices, while manufacturing and services-oriented economies gained from recovering trade flows and growing domestic consumption.

However, significant challenges remained. Many EMDEs continued to face elevated debt servicing costs, constrained fiscal space, and persistent development gaps. Several economies also remained vulnerable to external shocks arising from geopolitical tensions, financial market volatility, and climate-related events. Furthermore, income convergence with advanced economies remained slow, with many countries continuing to experience lower levels of productivity growth than required to achieve rapid development gains.

PERFORMANCE OF ASIAN ECONOMIES

Asia remained the world's most dynamic economic region during 2025 and continued to make the largest contribution to global growth. The region benefited from strong domestic demand, expanding middle-class consumption, ongoing infrastructure investment, increasing digitalisation, and deeper regional economic integration.

South Asia emerged as the fastest-growing region globally, with growth estimated at approximately 6.4% during 2025. India remained the primary growth engine, supported by strong domestic consumption, infrastructure development, public investment programmes, and a rapidly expanding services sector. Other South Asian economies also benefited from improving macroeconomic stability,

recovering tourism activity, and strengthening external demand.

In East Asia and the Pacific, growth remained relatively robust at around 4.5%, although regional performance continued to be influenced by developments in China. China's economy continued its structural transition away from property-driven growth toward consumption, advanced manufacturing, technology, and services. While this transition moderated overall growth, investments in high-value manufacturing, renewable energy, and digital industries provided important support to economic activity.

Across the broader Asian region, supply chain diversification and the reconfiguration of global production networks created new investment opportunities, particularly in manufacturing, logistics, and technology sectors. Strong intra-regional trade, expanding digital economies, and favourable demographic characteristics continued to underpin economic resilience. Consequently, Asia remained the largest contributor to global economic growth during 2025, reinforcing its position as the centre of global economic dynamism despite increasing external uncertainties.

This combination of resilient Asian growth, solid EMDE performance, easing inflation, moderating commodity prices, and gradual trade recovery defined the global economic landscape in 2025 and established the foundation for the more moderate growth outlook projected for 2026 and beyond.

SRI LANKA'S ECONOMIC PERFORMANCE

Sri Lanka's economic recovery strengthened further in 2025, marking the second consecutive year of positive growth following the severe economic contraction experienced during the crisis period. Real GDP growth accelerated to approximately 5.0% in 2025, supported by improved macroeconomic stability, lower inflation, strengthened external sector conditions, and the continued implementation of economic reforms. Compared with 2024, economic activity demonstrated greater resilience, with growth increasingly driven by private sector participation amidst improving business confidence, and the gradual revival in investment activity.

The easing of import restrictions and the availability of foreign exchange also contributed to higher production and consumption across many sectors of the economy. Growth was further supported by improved tourism earnings, stronger remittance inflows, and the stabilisation of energy and commodity supplies.

Economic growth during 2025 was supported by positive contributions from all three major sectors of the economy. The services sector remained the largest contributor to GDP and continued to drive overall economic expansion. Growth was supported by tourism-related activities, transportation, financial services, information and communication technology, wholesale and retail trade, and professional services.

Industrial activity recorded notable improvements during 2025. Manufacturing benefited from improved access to imported raw materials, lower financing costs, improved foreign exchange availability, and recovering export demand. Construction activity also showed gradual recovery marked by renewed interest in infrastructure projects and private sector investment following several years of contraction.

Agricultural output improved due to favourable weather conditions, fertiliser availability, and conducive policy measures aimed at supporting food production. Increased production of paddy, tea, rubber, coconut, and several export-oriented crops contributed positively to overall economic performance.

INFLATION

Inflation remained exceptionally subdued throughout 2025 in line with stabilisation measures implemented under the macroeconomic adjustment programme.

Headline inflation, as measured by the Colombo Consumer Price Index (CCPI), remained largely within low single-digit territory and periodically recorded negative readings during parts of the year due to favourable base effects, lower energy prices, stable food supplies, and subdued domestic demand conditions. The decline in inflation improved household purchasing power, supported consumption, and facilitated a gradual easing of monetary policy conditions.

INTEREST RATES

Interest rates continued their downward adjustment during 2025 as inflation remained subdued and macroeconomic stability strengthened.

The Central Bank maintained an accommodative monetary policy stance during much of the year, allowing market interest rates to decline further. Treasury bill yields, government bond yields, lending rates, and deposit rates all trended downward compared with 2024.

Lower interest rates improved credit affordability, supported private sector investment, and reduced borrowing costs for businesses and households. The decline in interest rates also reflected improving investor confidence, lower inflation expectations, and easing risk premiums associated with the Sri Lankan economy.

EXCHANGE RATE

The Sri Lankan Rupee remained broadly stable during 2025 compared with the significant volatility experienced during the crisis years and the appreciation observed during 2024.

OPERATING ENVIRONMENT

Improved foreign exchange inflows from tourism, workers' remittances, and export earnings strengthened market confidence and supported exchange rate stability. Continued progress under the IMF-supported reform programme, improved reserve accumulation, and stronger external sector fundamentals also contributed to maintaining exchange rate stability.

The notable stability of the exchange rate helped contain imported inflation and supported business planning and investment decisions.

EXTERNAL SECTOR PERFORMANCE

Sri Lanka's external sector recorded a strong performance during 2025 amidst continued improvements in foreign exchange earnings and external stability.

Merchandise exports showed moderate growth supported by industrial exports, agricultural products, and improved global demand conditions. Tea, apparel, rubber-based products, and ICT-related services continued to generate substantial foreign exchange earnings. Tourism remained one of the strongest contributors to external sector recovery.

Tourist arrivals and tourism earnings increased significantly during 2025, supported by improved international perceptions of Sri Lanka's economic stability and the continued recovery of global travel. Workers' remittances remained robust and continued to provide an important source of foreign exchange inflows. Formal remittance channels remained attractive due to improved exchange rate management and market confidence.

Impact to AEL			
Description	Nature of Impact	Access Group Sectors Impacted	
Moderating Global Inflation and Commodity Price Stability	Lower global inflation helped to reduce volatility and stabilise the cost of imported materials	Positive	Civil Engineering Construction Material Production Mechanical Engineering Automobile Renewable Energy Radiopharmaceutical
Global Trade Growth and Supply Chain Normalisation	Improved global trade volumes leading to higher cargo throughput opportunities	Positive	Mechanical Engineering Properties - Warehouses
Geopolitical Tensions and Trade Fragmentation	Potential disruptions to global shipping routes, procurement networks, and commodity markets	Negative	Civil Engineering Construction Material Production Mechanical Engineering Automobile Radiopharmaceutical
Robust Asian Economic Growth	Strong growth across South Asia and East Asia driving regional trade, investment, shipping demand, and supply chain integration	Positive	Civil Engineering Construction Material Production Mechanical Engineering Properties - Commercial Warehouses
Sri Lanka GDP Growth	Strong domestic economic recovery increased demand across almost all sectors.	Positive	All sectors
Services Sector Expansion	Growth in tourism, trade, ICT, and financial services leading to higher demand for infrastructure and other facilities .	Positive	Condominium Properties Properties - Commercial Warehouses Properties - Commercial Offices Automobile

Impact to AEL			
Description	Nature of Impact	Access Group Sectors Impacted	
Industrial Sector Recovery	Recovery in manufacturing and industrial activity contributing to investment in infrastructure and business expansion.	Positive	Civil Engineering Construction Material Production Mechanical Engineering Properties - Commercial Warehouses Properties - Commercial Offices Automobile
Construction Sector Recovery	Renewed infrastructure investments and private developments.	Positive	Civil Engineering Construction Material Production Condominium Properties
Low Inflation Environment	Improved consumer purchasing power and business confidence.	Positive	Civil Engineering Construction Material Production Condominium Properties Properties - Commercial Warehouses Properties - Commercial Offices Automobile
Declining Interest Rates	Lower financing costs improved project feasibility and affordability for large-scale investments.	Positive	All sectors
Exchange Rate Stability	Reduced pricing volatility for imported materials.	Positive	All sectors
Growth in Merchandise Exports	Increased export volumes across ports and driving the demand for integrated logistics .	Positive	Mechanical Engineering Properties - Commercial Warehouses
Healthcare Sector Modernisation and Improved Economic Conditions	Improved demand for specialised healthcare solutions.	Positive	Radiopharmaceutical

MATERIAL TOPICS GRI 3-1, 3-2, 3-3

Material topics provide the basis for understanding and managing matters that have the greatest significance to the Group and its stakeholders, and therefore form a fundamental component of AEL's approach to sustainable value creation. The Group has always followed a comprehensive process for identifying material topics involving a deep dive into the Group's operating context, strategic priorities, business activities, stakeholder expectations, and the broader economic, environmental, social, and governance landscape within which it operates.

In the year under review, this approach was further strengthened in line with leading sustainability reporting practices, whereby the identified material topics are subsequently subjected to a more robust analysis through the Double Materiality Assessment (DMA) framework. This enables each material topic to be evaluated from dual perspectives: (i) financial materiality, assessing the extent to which material matters impact the Group's ability to create and sustain value, and (ii) impact materiality, assessing the extent to which these matters affect the economy, environment, and society.

By clearly identifying the areas where the Group's activities and stakeholder expectations intersect most significantly, the assessment enables the prioritisation of issues that warrant the greatest management attention and strategic focus. This, in turn, facilitates the effective allocation of financial and non-financial resources towards initiatives that generate the greatest value and contribute most meaningfully to long-term business resilience and sustainable development outcomes. Based on this enhanced methodology, a set of 32 Material Topics was identified as relevant for AEL in FY 2025/26.

MATERIALITY DETERMINATION PROCESS

Understanding the Operating Context

Review the Group's strategic priorities, business model, operating environment, industry trends, regulatory developments, and sustainability landscape to establish the context for the materiality assessment.

Identifying Potential Material Matters

Compile a comprehensive list of potentially relevant environmental, social, governance, and economic topics through internal reviews, stakeholder feedback, industry benchmarking, peer analysis, sustainability frameworks, and regulatory requirements.

Stakeholder Identification and Engagement

Identify key stakeholder groups and engage them through appropriate channels to understand their expectations, concerns, and priorities relating to the Group's activities and performance.

Prioritising Material Topics

Prioritise identified topics using the Materiality Matrix to assess their significance to stakeholders and their potential impact on the Group's ability to create value over the short, medium, and long term.

Applying the Double Materiality Assessment (DMA)

Assess each topic from both a financial materiality perspective (impact on the Group's performance, strategy, and value creation) and an impact materiality perspective (the Group's impacts on the economy, environment, and society).

Validation of Material Topics

Validate the most significant topics through management review and stakeholder input to ensure that the assessment accurately reflects business realities and stakeholder expectations.

Board and Leadership Review

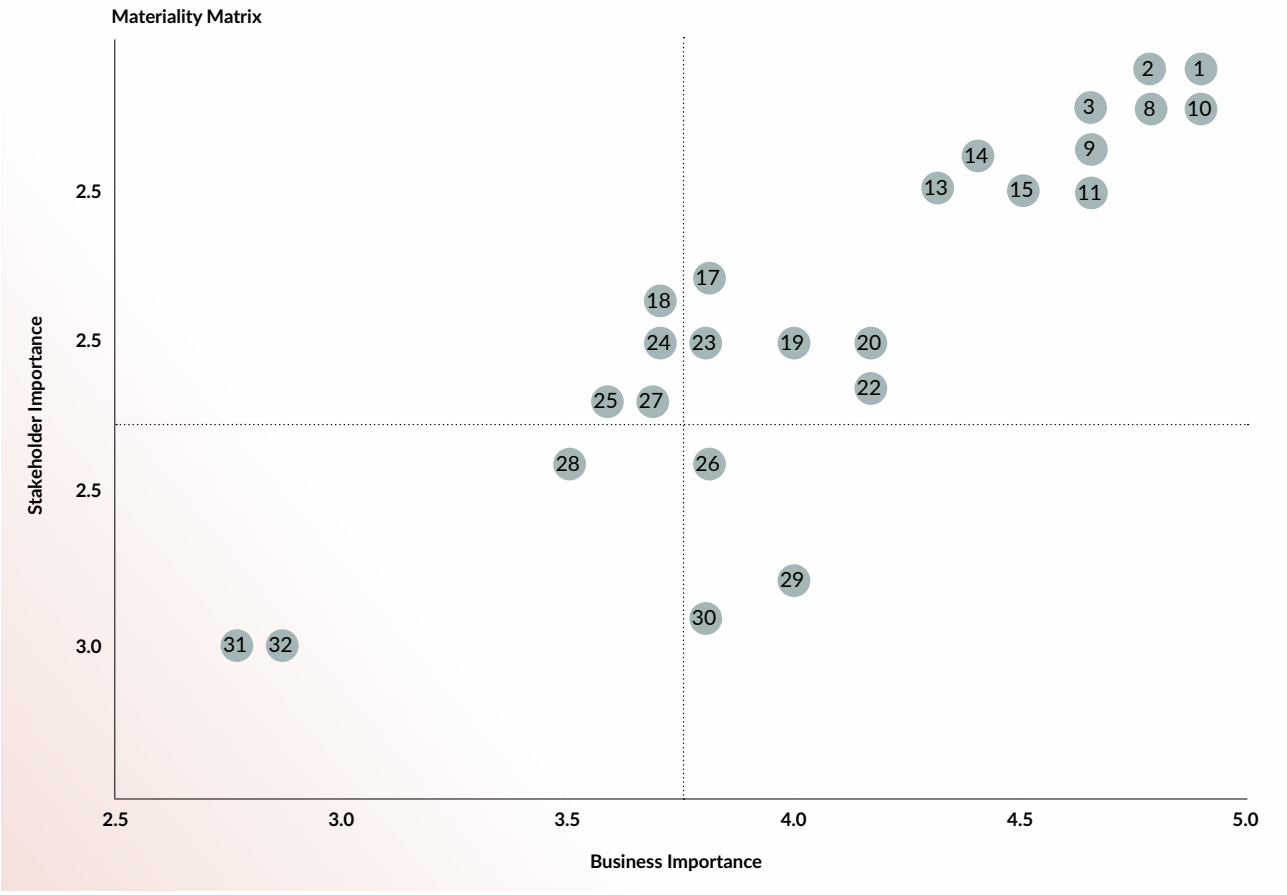
Present the proposed material topics to the relevant governance bodies and senior management for review, challenge, and endorsement.

Integration into Strategy and Decision-Making

Embed the approved material topics into the Group's strategy, risk management, sustainability programmes, performance monitoring, and reporting processes to guide resource allocation and management action.

Ongoing Monitoring and Periodic Review

Regularly monitor changes in stakeholder expectations, business operations, and the external environment to ensure that material topics remain relevant and continue to reflect the Group's most significant risks, opportunities, and impacts.



Material Topic			Topic Boundary	GRI Indicator	Double Materiality Approach (DMA)		Management Approach: integration with AEL Strategic Pillars and Resource Allocation through Capital				
					Financial Materiality	Impact Materiality	Financial Resilience	Operational Excellence	Workforce Management	Sustainable Operations	Capitals
Economic	1	Economic Performance	I – Financial performance and value creation	GRI 201			✓				FC
	2	Market Presence	I/E – Economic contribution, local employment and market access	GRI 202			✓		✓		FC HC
	3	Indirect Economic Impacts	I / E – Economic and community development	GRI 203			✓			✓	FC S&RC
	4	Procurement Practices	I/ E – Responsible sourcing and local procurement	GRI 204			✓	✓		✓	FC S&RC
	5	Business Resilience and Diversification	I – Portfolio diversification and long-term resilience	N/A			✓	✓			FC IC
	6	Project Execution and Delivery Excellence	I – Effective delivery of projects and contracts	N/A			✓	✓			FC HC IC
	7	Infrastructure Quality, Reliability and Maintenance	I – Reliability and availability of operational assets	N/A			✓	✓			MC FC

MATERIAL TOPICS

Material Topic			Topic Boundary	GRI Indicator	Double Materiality Approach (DMA)		Management Approach: integration with AEL Strategic Pillars and Resource Allocation through Capital				
					Financial Materiality	Impact Materiality	Financial Resilience	Operational Excellence	Workforce Management	Sustainable Operations	Capitals
	8	Technology, Automation and Digital Transformation	I – Digitalisation and process optimisation	N/A			✓	✓		✓	IC FC
	9	Innovation and R&D	I/ E– Development of new products, services and capabilities	N/A			✓	✓		✓	IC HC
	10	Asset Lifecycle Management and Operational Efficiency	I – Asset performance and resource optimisation	N/A			✓	✓		✓	MC FC
	11	Strategic Partnerships and Collaboration	I/E – Partnerships supporting growth and capability development	N/A			✓	✓			S&RC FC
Environment	12	Water and Effluents	I/E – Water consumption, discharge and wastewater management	GRI 303						✓	NC FC
	13	Energy	I – Energy consumption and efficiency	GRI 302			✓	✓		✓	FC NC
	14	Emissions	I/E – GHG emissions from operations and value chain	GRI 305			✓			✓	NC FC S&RC
	15	Supplier Environmental Assessment	E – Environmental performance of suppliers and contractors	GRI 308				✓		✓	NC S&RC
	16	Climate Resilience and Adaptation	I/E – Climate-related risks and adaptation measures	Custom			✓			✓	NC FC
	17	Environmental Compliance and Management Systems	I/E – Environmental governance, permits and compliance	GRI 307				✓		✓	NC S&RC
	18	Environmental Stewardship	I/E – Biodiversity, conservation and resource protection	N/A						✓	NC, S&RC

	Material Topic		Topic Boundary	GRI Indicator	Double Materiality Approach (DMA)		Management Approach: integration with AEL Strategic Pillars and Resource Allocation through Capital				
					Financial Materiality	Impact Materiality	Financial Resilience	Operational Excellence	Workforce Management	Sustainable Operations	Capitals
Social	19	Employment	I – Attraction, retention and engagement of employees	GRI 401					✓		FC HC
	20	Labour/ Management Relations	I – Employee engagement and industrial relations	GRI 402					✓		HC
	21	Occupational Health and Safety	I/E – Employee and contractor safety and well-being	GRI 403				✓	✓		HC
	22	Child Labour	I/E – Prevention of child labour in operations and supply chain	GRI 408					✓	✓	HC
	23	Forced or Compulsory Labour	I/E – Prevention of forced labour in operations and supply chain	GRI 409					✓	✓	HC
	24	Customer Health and Safety	I – Safety and quality of products and services	GRI 416			✓	✓			S&RC FC
	25	Marketing and Labelling	I – Responsible communication and product information	GRI 417						✓	S&RC
	26	Employee Capability, Productivity and Well-being	I – Skills development, engagement and workforce effectiveness	N/A				✓	✓		HC FC
	27	Brand Reputation and Stakeholder Trust	I/E – Stakeholder confidence and corporate reputation	N/A			✓			✓	IC S&RC
Governance	28	Anti-Corruption	I/E – Prevention of bribery and unethical conduct	GRI 205			✓			✓	IC
	29	Anti-Competitive Behaviour	I – Fair competition and market conduct	GRI 206			✓			✓	S&RC
	30	Tax	I – Responsible tax governance and compliance	GRI 207			✓				FC
	31	Customer Privacy	I – Protection of customer and stakeholder data	GRI 418			✓	✓			S&RC
	32	Data Security, IT Resilience and Business Continuity	I – Cybersecurity, digital resilience and continuity planning	Custom			✓	✓		✓	MC

I - Internal
E- External

High	
Medium	
Low	

STRATEGY AND RESOURCE ALLOCATION

GRI 2 - 22

AEL's strategic focus has evolved significantly from its early, silo-based operating model where the Group's priorities including business planning, execution, and resource allocation largely concentrated around its core operations in the construction sector.

Over time, the Group expanded its capabilities and strengthened its institutional capacity. Beyond its core competencies in civil engineering, AEL today is positioned as a diversified conglomerate with interests across several high-impact sectors from port services and logistics to condominium properties and commercial office space along with automobiles, renewable energy, radiopharmaceutical manufacture. This transition to a diversified conglomerate has necessitated a deliberate pivot toward a clear enterprise-wide strategic framework to drive cohesive action across all sectors. At the core of this framework are four strategic pillars: Financial Resilience, Operational Excellence, Workforce Management, and Sustainability and ESG Integration. Together, these four pillars act as the overarching mandate guiding all sectors forward, ensuring that every business within the Group operates within a unified strategic direction while contributing to a coherent, long-term vision that extends well beyond construction into a diversified and sustainable enterprise ecosystem.

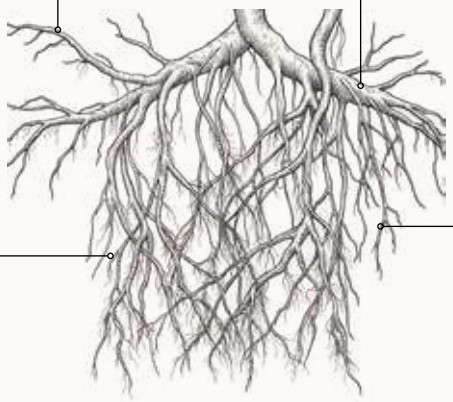
ACCESS GROUP STRATEGIC FRAMEWORK

Financial Resilience

Prioritises disciplined capital allocation, efficient balance sheet management, and sustainable growth funding across strategically important sectors.

Operational Excellence

Focuses on efficiency, productivity, and continuous improvement across all operating environments, enabling the Group to scale effectively while maintaining quality and competitiveness.

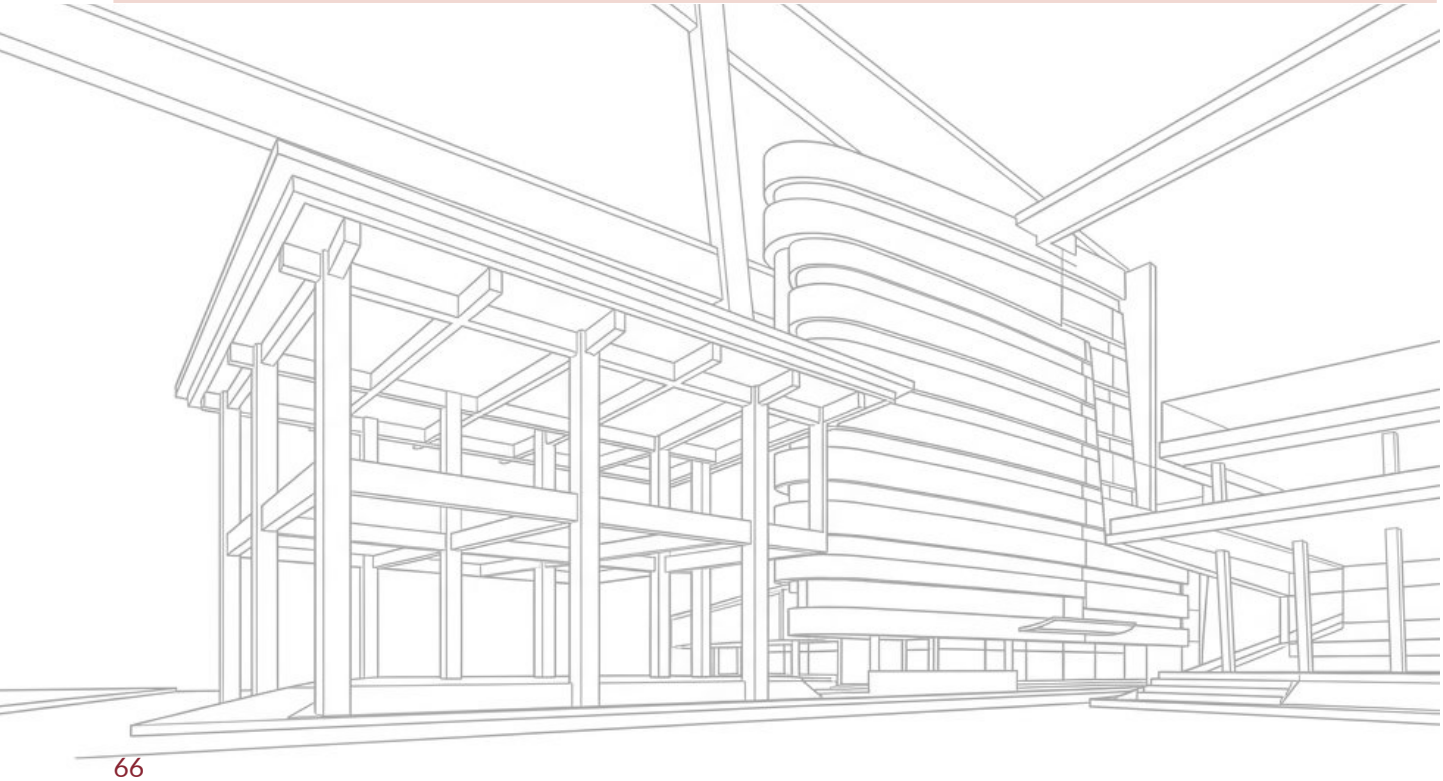


Workforce Management

Aims to build a capable, agile, and engaged talent base, recognising that human capital is central to delivering multi-sector growth ambitions.

Sustainability and ESG Integration

Embeds environmental, social, and governance considerations into core business processes, ensuring that growth is responsible, future-ready, and aligned with broader stakeholder expectations.



Financial Resilience

Material Matters	Economic Performance | Market Presence | Indirect Economic Impacts | Procurement Practices |Business Resilience and Diversification | Project Execution and Delivery Excellence | Infrastructure Quality, Reliability and Maintenance | Technology, Automation and Digital Transformation | Innovation and R&D | Asset Lifecycle Management and Operational Efficiency | Strategic Partnerships and Collaboration | Energy | Emissions | Climate Resilience and Adaptation | Customer Health and Safety | Brand Reputation and Stakeholder Trust | Anti-Corruption | Anti-Competitive Behaviour | Tax | Customer Privacy | Data Security, IT Resilience and Business Continuity
Associated Risks	All Risks

Focus for FY 2025/26	Link to Capitals	Outcomes	Stakeholders Impacted
» Revenue Expansion » Safeguarding Market share » Disciplined Cost Management » Safeguarding Operating Margins » Strengthening the Asset Base » Investing in Innovation » Strengthening Customer Loyalty and Satisfaction	FC MC IC S&RC	LKR 24,092 Revenue 20.8% GP Margin LKR 4,012 Mn PBT LKR 1,890 Mn paid as income tax 10.74% ROE 4.88% ROA LKR 3.13 EPS	Investors and Shareholders Banks and Respective Lenders Government and Regulators Customers and Clients

Operational Excellence

Material Matters	Procurement Practices |Business Resilience and Diversification | Project Execution and Delivery Excellence | Infrastructure Quality, Reliability and Maintenance | Technology, Automation and Digital Transformation | Innovation and R&D | Asset Lifecycle Management and Operational Efficiency | Strategic Partnerships and Collaboration | Energy | Supplier Environmental Assessment | Environmental Compliance and Management Systems | Occupational Health and Safety | Customer Health and Safety | Employee Capability, Productivity and Well-being | Customer Privacy | Data Security, IT Resilience and Business Continuity
Associated Risks	BR1 | OR1 | OR2 | OR3 | OR4 | OR5 | OR6 | OR7 | OR8 | CRR1 | CRO1

Focus for FY 2025/26	Link to Capitals	Outcomes	Stakeholders Impacted
» Infrastructure modernisation » Technology Integration » Business resilience » Enhancing institutional knowledge » Strengthening Supplier Relationships » Building Value Adding Partnerships	FC MC IC S&RC	100% on-time project completion ratio ZERO Incidents of non-compliance of regulations 701 new suppliers on-boarded	Government and Regulators Customers and Clients Employees Suppliers and Business Partners Industry Peers and Competitors

STRATEGY AND RESOURCE ALLOCATION

Workforce Management

Material Matters	Market Presence | Employment | Labour/Management Relations | Occupational Health and Safety | Child Labour | Forced or Compulsory Labour | Employee Capability, Productivity and Well-being
Associated Risks	BR1 | OR5 | OR6

Focus for FY 2025/26	Link to Capitals	Outcomes	Stakeholders Impacted
» Attracting and retaining top talent » Competency training » Career development opportunities » Workplace safety » Employee communication and engagement	FC HC	636 new recruits 91% employee retention rate (Staff Only) 10 minor incidents only	Employees

Sustainability Integration

Material Matters	Indirect Economic Impacts | Procurement Practices | Technology, Automation and Digital Transformation | Innovation and R&D | Asset Lifecycle Management and Operational Efficiency | Water and Effluents | Energy | Emissions | Supplier Environmental Assessment | Climate Resilience and Adaptation | Environmental Compliance and Management Systems | Environmental Stewardship | Child Labour | Forced or Compulsory Labour | Marketing and Labelling | Brand Reputation and Stakeholder Trust | Anti-Corruption | Anti-Competitive Behaviour | Data Security, IT Resilience and Business Continuity
Associated Risks	BR1 | BR4| OR2 | OR3 | OR7 | CRR1 | CRO1

Focus for FY 2025/26	Link to Capitals	Outcomes	Stakeholders Impacted
» ESG alignment across the value chain » Environmental Impact Management » Community Stewardship	FC S&RC NC	35% reduction in energy intensity 19392 tCO2e Carbon footprint (covering Scope 1 and Scope 2 emissions)	Government and Regulators Suppliers and Business Partners Community and Environment

RISKS AND OPPORTUNITIES

INTRODUCTION

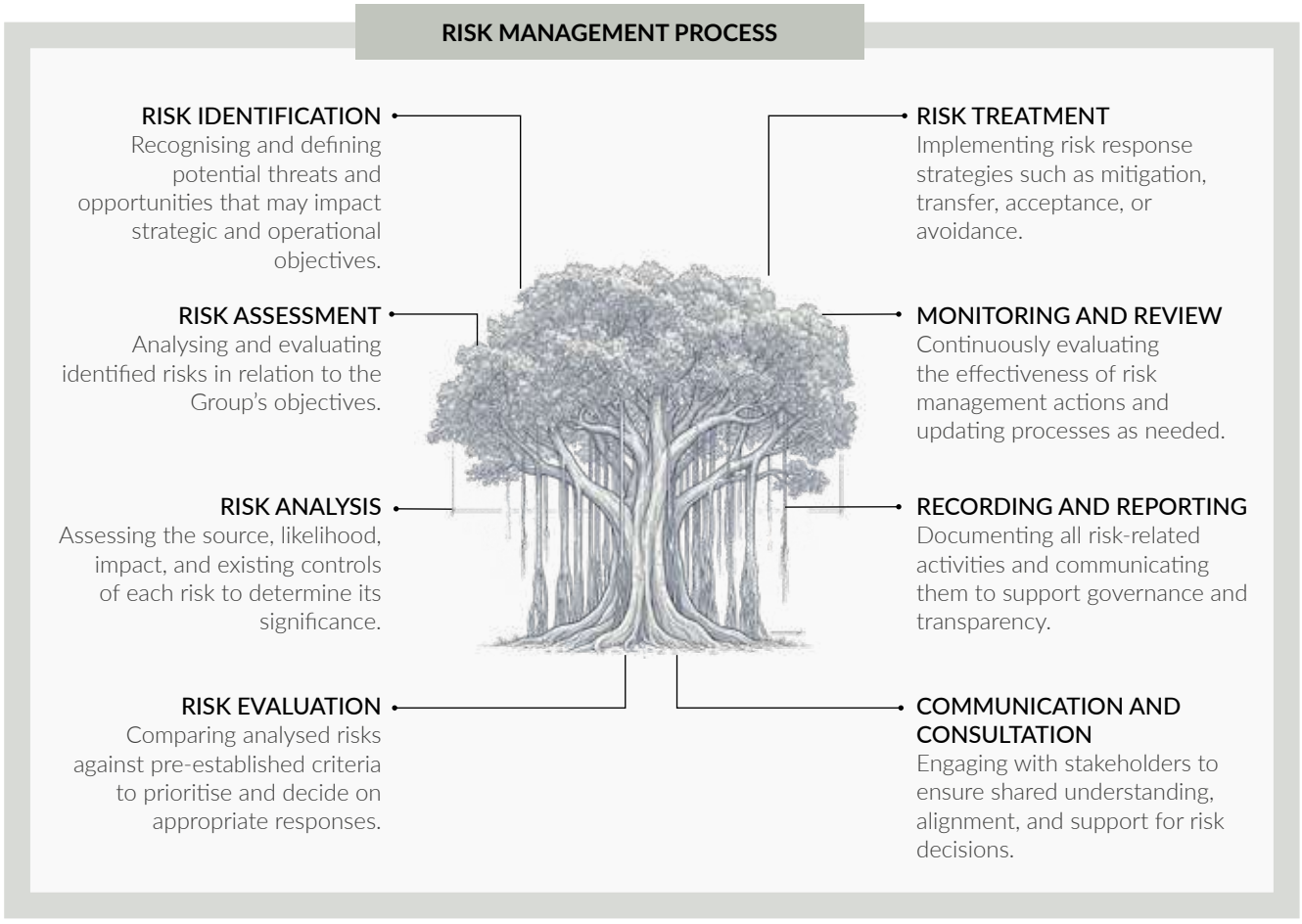
As a large Company present in multiple high impact economic sectors, the AEL continues to work proactively to identify and mitigate potential threats and actively respond to opportunities that may enhance resilience, efficiency, and long-term value creation. The focus on both risks and opportunities is particularly important given the evolving nature of the operating environment in which the Company functions. With economic uncertainty, regulatory developments, technological disruption, climate-related considerations, and shifting stakeholder expectations all contributing to a complex risk landscape, the effective management of both risks and opportunities enables the Company to navigate uncertainty with confidence, protect stakeholder value, and sustain business continuity while pursuing its strategic ambitions.

ENTERPRISE RISK AND OPPORTUNITY MANAGEMENT (EROM) FRAMEWORK

Taking an enterprise-wide approach, the Company has institutionalised the Enterprise Risk and Opportunity Management (EROM) Framework, which provides a consistent and structured methodology for identifying, assessing, managing, and monitoring risks and opportunities across the organisation. The primary objective of the EROM Framework is to ensure that risk considerations are fully embedded within strategic planning and day-to-day operations, thereby enabling informed and balanced decision-making at all levels of the business. As a forward-looking model, the EROM framework is also instrumental in the early identification of potential opportunities to enable the Company to respond proactively to evolving conditions.

RISK MANAGEMENT PROCESS

The risk management process provides the practical mechanism for implementing the Company's EROM Framework. By guiding the approach to identifying and evaluating risks, defining appropriate mitigation measures, and continuously monitoring their effectiveness, the risk management process is structured to support informed decision-making across all business units.



RISKS AND OPPORTUNITIES

Risk Governance

The effectiveness of the EROM Framework is underpinned by a robust Risk Governance Structure that establishes clear accountability for managing risk exposures in line with the Company's overall strategic direction.

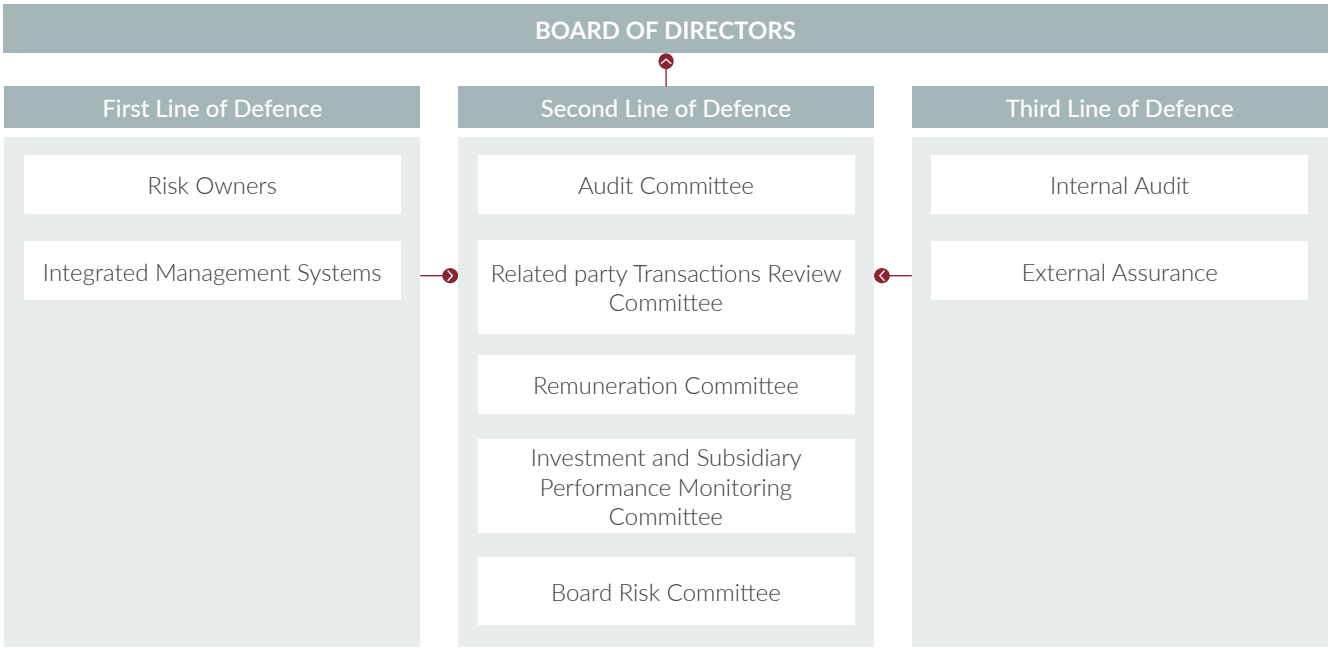
Board of Directors

The Access Board of Directors holds ultimate responsibility for overseeing the Company's risk governance framework. The Board defines the Company's risk appetite in line with the Company's strategic objectives. In addition, the Board provides oversight of key risk exposures, reviews emerging and strategic risks, and ensures that appropriate systems of internal controls are in place for the management of risks on a day to day basis within the defined Risk Appetite.

Three Lines of Defence

The Board has implemented the globally recognised Three Lines of Defence model to establish clear accountability for the management of risk across the Company.

RISK GOVERNANCE STRUCTURE



RISK OWNERS

Operational managers and business unit heads with direct responsibility for identifying, managing, and reporting risks within their respective areas of operation by ensuring established policies, procedures, quality controls, and best practices are followed in day-to-day activities.

INTEGRATED MANAGEMENT SYSTEMS

Integrates internationally recognised standards, including ISO 9001:2015 for Quality Management, ISO 14001:2015 for Environmental Management, and ISO 45001:2018 for Occupational Health and Safety across Company-wide operations.

BOARD AUDIT COMMITTEE (BAC)

The BAC supports the Board in its oversight of financial reporting integrity, internal controls, and audit processes, including monitoring adherence to established policies and ethical standards as well as reviewing the effectiveness of internal and external audits to ensure compliance with legal and regulatory requirements

RELATED PARTY TRANSACTION REVIEW COMMITTEE (RPTRC)

Provides oversight on behalf of the Board to safeguard shareholder interests in related party dealings by promoting transparency and accountability in transactions between the Group, its subsidiaries, and other related parties in compliance with the Colombo Stock Exchange Listing Rules and the Code of Best Practices on Related Party Transactions issued by the Securities and Exchange Commission of Sri Lanka.

REMUNERATION COMMITTEE

Assists the Board in overseeing the Company's remuneration policies and practices including making appropriate recommendations to the Board regarding remuneration of Executive Directors, senior executives, and other key personnel whose roles may impact the Company's financial soundness.

INVESTMENT AND SUBSIDIARY PERFORMANCE MONITORING COMMITTEE

The Committee is tasked with evaluating prospective investments and to monitoring the performance of Subsidiaries and Associates and presenting findings for Board review.

BOARD RISK COMMITTEE (BRC)

Supports the Board by reviewing the Company's risk profile, monitoring key risk exposures, and evaluating the effectiveness of mitigation strategies across strategic, operational, financial, and compliance risk areas

INTERNAL AUDIT FUNCTION

Conducts regular audits across all Business Units to provides independent assurance to the Board and Audit Committee on the effectiveness of processes and controls in mitigating key risks. ,

EXTERNAL ASSURANCE

Annual external audits carried out by Det Norske Veritas (DNV GL) as part of ISO management system compliance.

POLICIES AND PROCEDURES

Policies and procedures are to ensure risks are managed within the Company's defined risk appetite. They provide clear direction on expected behaviours, decision-making standards, and formal operational controls to support the consistent application of risk management principles across all business units.

RISK REGISTER

The Company maintains a Risk Register as a central tool for documenting and tracking key risks across the organisation. The Risk Register provides visibility of key risk exposures, assigned ownership, mitigation actions, and the status of ongoing risk management activities. In doing so, it serves as a living document that is continuously updated to reflect changes in the operating environment and the emergence of new risks, thereby driving informed decision-making to ensure risk management remains dynamic and responsive.

RISK AWARENESS CULTURE

A strong culture of risk awareness is essential for the effective implementation of the Company's EROM framework. To that end, the Board and senior leadership sets a clear tone of accountability, transparency, and responsibility to encourage proactive identification and management of risks at all levels.

MANAGING ACCESS COMPANY'S RISKS AND OPPORTUNITIES FOR FY 2025/26

Risk Assessment Methodology

The company adopts a structured risk assessment methodology to evaluate and monitor its principal risks. Each identified risk is assessed based on its potential impact and likelihood of occurrence, both before and after the implementation of mitigation measures and internal controls.

Initial Risk

Represent the level of risk exposure before the application of mitigation measures and internal controls.

Remaining Risk

Represent the level of risk exposure after the application of mitigation measures and internal controls.

Risk Trend

The trend indicator reflects the movement in the risk profile compared to the previous financial year.

Symbol	Description
↑	Increased
↓	Decreased
→	Unchanged
New	Newly identified risk

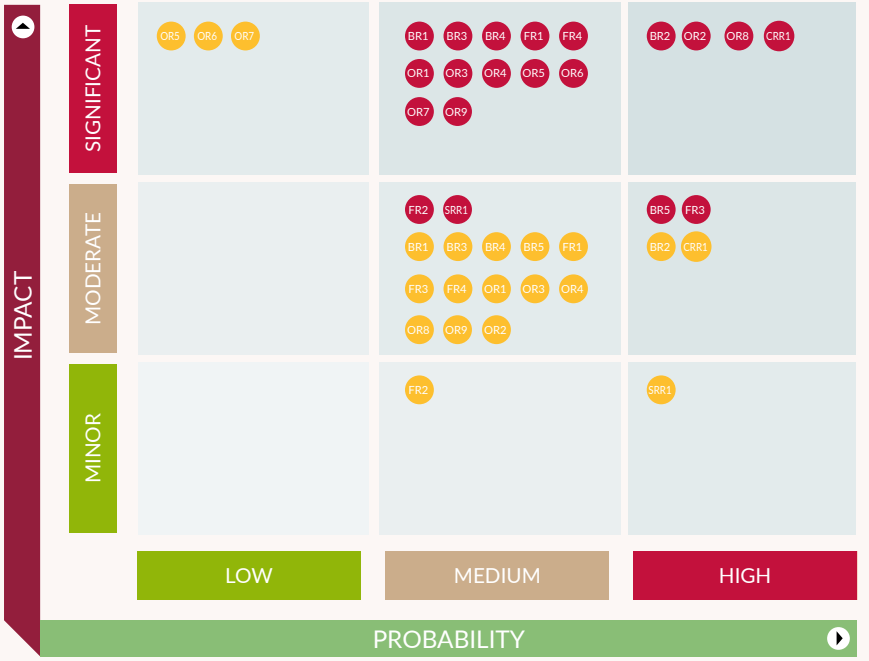
Risk Rating Scale

Rating	Description
High	Significant exposure requiring active management
Medium	Managed through established controls and continuous monitoring.
Low	Limited exposure with effective controls in place

The risk ratings presented in the following matrix and table represent management's assessment of the remaining risk after considering the effectiveness of existing controls and mitigation measures.

RISKS AND OPPORTUNITIES

AEL Risk Matrix



MANAGING RISKS AND OPPORTUNITIES

Risk Category		Initial Risk	Remaining Risk	Trend	Impact to AEL	Mitigation Strategies
BR1	Compliance Risks	High	Medium	→ Unchanged	» Project delays and cost overruns » Contractual disputes and claims » Increased compliance and legal costs » Risk of penalties and regulatory action » Reduced profitability and business uncertainty	» Regular review of applicable laws and regulations is carried out, compliance is tested using checklists » Monitor government policies and regulatory updates relating to company regularly. » Engage legal and relevant authorised officer to assess impacts of legislative changes.

MANAGING RISKS AND OPPORTUNITIES

Risk Category		Initial Risk	Remaining Risk	Trend	Impact to AEL	Mitigation Strategies
BR2	**Competition Risk**	High	High	↑ Increased	» Revenue and margin pressure » Loss of market share » Underutilisation of workforce and equipment » Reduced growth opportunities » Delays in securing new projects and contracts	» Monitor competitor activities, pricing, and market trends. » Strengthen cost control and operational efficiency to maintain competitiveness. » Differentiate through quality, safety, innovation, and timely project delivery. » Leverage backward integration and turnkey solutions to enhance value creation and operational efficiency. » Develop strategic partnerships and diversify project opportunities across key sectors. » Invest in technology and process improvements to improve productivity and reduce costs. » Strengthen customer relationships to secure repeat business and long-term growth.
BR3	**Reputation Risk**	High	Medium	→ Unchanged	» Impact on total revenue growth » Margin erosion » Adverse impact on EPS » Unfavourable stakeholder perceptions regarding the company	» Continuous use of a budgetary process and a budgetary control mechanism to ensure that company performance is in line with its targets » Adapt stringent quality assurance policies with regard to goods/ materials bought from third parties as well as the inputs, processes and outputs of own products » Ensure effective communication with various stakeholders including employees, customers, suppliers, other stakeholders and the community at large » The senior management consistently monitors contractors to ensure they follow proper operational and working practices

RISKS AND OPPORTUNITIES

MANAGING RISKS AND OPPORTUNITIES

Risk Category		Initial Risk	Remaining Risk	Trend	Impact to AEL	Mitigation Strategies
BR4	**Political Risk**	High	Medium	→ Unchanged	» Continuation of the suspension of funding for certain infrastructure development projects by multilateral and bilateral funding agencies and local banks » New regulations and fiscal policies intended to stimulate economic growth might raise costs or limit market access	» Monitor political developments and assess potential impact on operations. » Regularly review and update risk management strategies based on the political environment. » Maintain strong relationships with government authorities and industry associations. » Maintain financial flexibility and contingency plans to respond to policy changes and funding delays.
BR5	**High dependency on government sector contracts**	High	Medium	New	» Cash flow shortages due to payment delays » Revenue instability » High exposure to political and policy changes » Budgeting and forecasting difficulties » Increased financing and borrowing costs	» Increase the proportion of private-sector projects to reduce dependence on government-funded contracts and infrastructure spending. » Develop strategic partnerships with private developers and investors. » Diversify the project portfolio across public, private, industrial, and commercial sectors to reduce concentration risk. » Maintain strong cash flow reserves to manage delays in government payments. » Closely monitor tender pipelines to balance government and private sector exposure.
FR1	**Liquidity Risk**	High	Medium	→ Unchanged	» Increased cost of funding on the Short term loan » Increasing level of debtors negatively affecting cash flows » Unavailability of sufficient working capital, negatively affecting the smooth functioning of day-to-day operations of the Company » Impact on profitability	» Maintain minimum cash reserves and maintain healthy debt-service coverage ratios. » Secure diversified committed credit facilities. » Integrate rolling liquidity forecasts into investment and procurement decisions. » Optimise working-capital cycles through improved billing and supplier terms.

MANAGING RISKS AND OPPORTUNITIES

Risk Category		Initial Risk	Remaining Risk	Trend	Impact to AEL	Mitigation Strategies
FR2	Foreign Currency risk	Medium	Medium	→ Unchanged	» Increase in material and equipment costs » Reduction in project profit margins » Losses on foreign currency loans » Budget overruns » Pricing instability in tenders	» Utilise hedging strategies for major imports. » Incorporate exchange rate adjustment clauses and price variation mechanisms in contracts to mitigate the impact of foreign currency fluctuations. » Regularly monitor exchange rate movements and forecast trends. » Diversify supplier base to reduce reliance on foreign currency imports. » Maintain adequate foreign currency reserves where possible
FR3	Risk of Default	High	Medium	New	» Reduced cash flow » Working capital strain and potential bad debts.	» Hold regular debtor meetings to discuss payment plans and resolve disputes. » Perform thorough creditworthiness evaluations using financial statements, credit history, bank references, and industry risk analysis. » Set credit limits based on risk grading and customer repayment capacity. » Obtain guarantees, bank securities, post-dated cheques, or other collateral for higher-risk customers » Follow the steps in the Collection Process (e.g., reminder notices, phone calls, demand letters, escalation). » Ensure documentation complies with the Credit Management Policy requirements

RISKS AND OPPORTUNITIES

MANAGING RISKS AND OPPORTUNITIES

Risk Category		Initial Risk	Remaining Risk	Trend	Impact to AEL	Mitigation Strategies
FR4	**Investment Risk**	High	Medium	New	» Potential financial losses and reduced return on investments. » Strain on cash flow and reduced liquidity. » Negative impact on profitability and shareholder value. » Delays in project execution due to misallocated capital. » Increased exposure to market volatility and economic downturns	» Review evaluate, and approve major investments through Investment committee » Conduct thorough feasibility studies and financial evaluations before investing. » Diversify investments to reduce concentration risk. » Monitor market conditions, interest rates, and economic trends regularly. » Engage external experts or advisors for high-value or complex investments. » Review investment performance periodically and adjust strategies as required.
OR1	**Business Disruption Risk**	High	Medium	→ Unchanged	» Delays in road construction and infrastructure projects due to shortages of bitumen. » Operation cost overruns against budget » Unsatisfactory product performance » Quality specification requirement » Loss of profits, credibility and reputation » Depleting stocks » Missing regular maintenance of the machineries and equipment	» Diversification of bitumen suppliers across multiple geographic regions » Develop and maintain a comprehensive business continuity plan (BCP). » Identify critical operations and implement redundancy measures. » Maintain backup systems, data, and alternative supply sources. » Conduct regular disaster recovery and emergency response drills. » Monitor risks such as natural disasters, labour strikes, or IT failures and update mitigation plans regularly. » Compliance with Management System Standards (ISO 9001, ISO 14001, ISO 45001)

MANAGING RISKS AND OPPORTUNITIES

Risk Category		Initial Risk	Remaining Risk	Trend	Impact to AEL	Mitigation Strategies
OR2	**Quality, Environment, Health and Safety Performance Risk**	High	Medium	→ Unchanged	» Impact on achieving continual growth of the Company » Damage stakeholder relationships » Impairing Company reputation	» Implement and maintain QEHS management systems (ISO 9001, ISO 14001, ISO 45001). » Conduct regular site inspections, audits, and compliance checks. » Provide ongoing training for employees on quality, environmental, and safety standards. » Set clear KPIs and monitor QEHS performance continuously. » Enforce strict adherence to safety protocols, PPE usage, and environmental guidelines.
OR3	**Procurement**	High	Medium	→ Unchanged	» Reducing underlying operating margin » Inability to meet the completion targets » Potential delays expected in receiving materials and services leading to an overall decline in performances across various business activities » Potential risk of receiving materials / machineries that do not meet technical specifications	» Utilised the Central procurement system through the "SAP Ariba" e-procurement platform. » Established relationships with many global and local suppliers for raw materials and commodities in order to reduce over-dependency on a single supplier/brand » Conduct regular supplier evaluations to assess their performance and services » Consistently analyse market conditions and existing vendors to evaluate and strategise a path whereby, materials/ services were supplied without any disruptions » Follow up with the local and overseas parties to strategise a course of action in order to reduce the lead times

RISKS AND OPPORTUNITIES

MANAGING RISKS AND OPPORTUNITIES

Risk Category		Initial Risk	Remaining Risk	Trend	Impact to AEL	Mitigation Strategies
OR4	**Technology Risk**	High	Medium	↑ Increased	» Failure to compete in the market as a result of technological obsolescence in the technology and processes used for construction » Impact on regulatory reporting deadlines of SEC and CSE » Reduce underlying operating margin due to cost for time and data recovery » Loss of reputation due to loss of credibility	» Use of innovative construction technology for greater operational efficiency » Continuous upgrading of ERP (SAP), operational, and reporting systems. » Explore sustainable construction technologies to reduce the cost of construction and to maximise the use of scarce construction material and resources » Data backup, disaster recovery, and vendor support arrangements.
OR5	**Human Capital and Labour Risk**	High	Medium	→ Unchanged	» Project delays and quality issues » Higher recruitment and training costs » Loss of technical expertise » Reduced productivity » Lower employee morale	» Offer competitive remuneration and performance-based incentives. » Provide clear career development and training opportunities. » Promote a healthy working environment and work-life balance initiatives. » Strengthen succession planning and knowledge transfer practices.
OR6	**Fraud and Corruption Risk**	High	Medium	→ Unchanged	» Direct financial losses » Legal penalties and regulatory action » Loss of stakeholder trust » Reputational damage » Weakening of corporate governance	» Implement strong internal controls and segregation of duties. » Conduct regular internal and external audits. » Introduce whistleblower mechanisms with confidentiality protection. » Use system-based approvals and authorisation limits. » Conduct a supplier workshop to raise awareness regular basis and mitigate fraud and corruption risk. » Oversee all fraud and corruption matters through the six-member Disciplinary Board

MANAGING RISKS AND OPPORTUNITIES

Risk Category		Initial Risk	Remaining Risk	Trend	Impact to AEL	Mitigation Strategies
OR7	Cyber Security Risk	High	Medium	→ Unchanged	» IT system failures or cyber-attacks can delay project management, procurement, billing, and reporting activities. » Disruption to design systems, communication platforms, or site management tools can slow down project execution. » Sensitive information such as contracts, pricing, engineering designs, and client data may be exposed or stolen.	» Implementation of firewalls, antivirus software, and intrusion detection systems to protect IT infrastructure from external threats. » Multi-factor authentication » Regular updates and patch management of all systems to address known vulnerabilities. » Strict user access controls, including role-based access and password policies to prevent unauthorised access. » Periodic cyber security awareness training for employees to reduce risks from phishing and social engineering attacks. » Regular data backups and disaster recovery procedures to ensure business continuity in the event of system failure or cyber incidents. » Continuous monitoring of IT systems and logs to detect and respond to suspicious activities in a timely manner. » Engagement of external IT security experts for periodic vulnerability assessments and system audits. » Implementation of secure network architecture and encryption for sensitive data transmission and storage.

RISKS AND OPPORTUNITIES

MANAGING RISKS AND OPPORTUNITIES

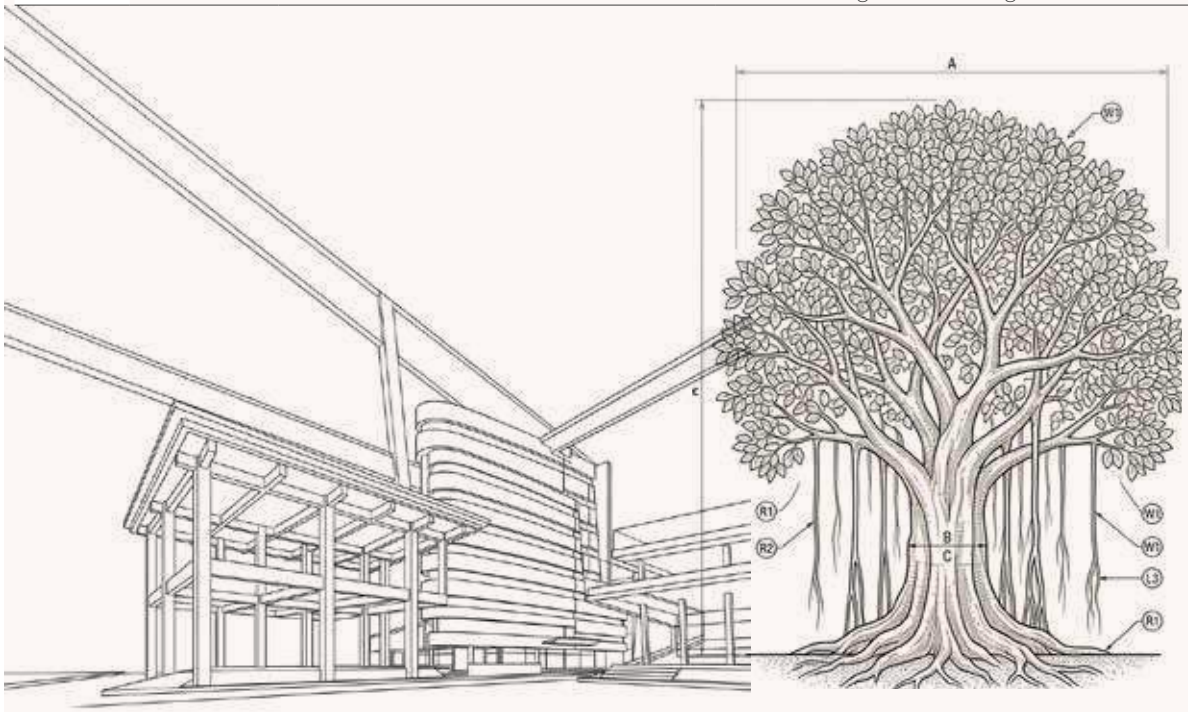
Risk Category		Initial Risk	Remaining Risk	Trend	Impact to AEL	Mitigation Strategies
OR8	Explosion/ Fire	High	Medium	New	» Loss of life and employee injuries » Damage to machinery, materials, and property » Project stoppages and delay penalties » Legal claims and compensation costs » Reputational damage and loss of client confidence	» Implement strict fire safety policies and emergency response procedures. » Install and regularly maintain fire detection, alarm, and suppression systems. » Conduct routine safety inspections and risk assessments at all sites. » Ensure safe storage and handling of flammable materials and explosives. » Provide regular fire safety training and emergency drills for employees.
OR9	Breakdown of internal controls	High	Medium	New	» Increased costs, losses, or reduced profitability » Delays in construction projects or inability to meet deadlines » Penalties or legal issues due to regulatory breaches	» Implementation of clear policies and procedures to ensure consistent execution of key processes. » Segregation of duties to prevent concentration of authority and reduce the risk of error or fraud. » Regular internal audits and management reviews to identify control weaknesses and recommend corrective actions. » System-based controls and approval workflows to ensure proper authorisation of transactions. » Periodic reconciliations (bank, supplier, and project accounts) to detect discrepancies in a timely manner. » Continuous monitoring by management to ensure compliance with established control frameworks. » Training and awareness programmes to strengthen employee understanding of control requirements and responsibilities.

MANAGING RISKS AND OPPORTUNITIES

Risk Category		Initial Risk	Remaining Risk	Trend	Impact to AEL	Mitigation Strategies
CRR1	Extreme Weather Events	High	High	↑ Increased	Higher costs resulting from the inability to achieve project deliverables owing to frequent business disruption	» Avoid establishing new production facilities or worker accommodations in flood- prone areas to minimise exposure to climate-related risks and ensure operational continuity. » Use of Polymer modified bitumen (PMB) and Geo- composite layer beneath asphalt to protect against extreme heat and enhance road durability. » Use Geosynthetic products to protect landslide, especially in areas with steep or sharp land cuts » Store materials in sheltered or enclosed areas either on-site or during transportation, using sheds, warehouses, or tarpaulin covers. » Incorporating time extension clauses in project agreements » Use stress testing to evaluate company would perform under different climate change scenarios focusing on supply chain disruption, market volatility and operational resilience in project execution » Secure appropriate insurance coverage to mitigate the financial impact of climate- related risks, such as extreme weather events and natural disasters.
SRR1	Material Sourcing Challenges	Medium	Medium	→ Unchanged	Price volatility or scarcity of essential materials increases project input costs, affecting profitability and margins	» Implement soil improvement measures, such as the application of quarry dust, to enhance unsuitable soil for construction purposes. » Promotion of waste circularity » Use of alternative energy sources » Use of Thin Asphalt Surfacing (TAS)

RISKS AND OPPORTUNITIES

Opportunity Category		Opportunity	Impact to AEL
BO1	Business Opportunity	Infrastructure projects, urban development, industrial construction, government projects	These opportunities support revenue growth, market expansion, and improved project pipeline visibility. Increased infrastructure investment enhances AEL's ability to secure large-scale projects, strengthen margins through diversified contracts, and reinforce its position as a leading engineering and construction company.
SRO1	Sustainability Related Opportunity	Green building solutions, resource efficiency, ESG leadership, sustainable supply chains	Sustainability-driven opportunities enable AEL to improve operational efficiency, reduce resource consumption, and enhance stakeholder confidence. Strong ESG performance supports better access to financing, improves corporate reputation, and increases competitiveness in securing projects with sustainability requirements.
CRO1	Climate Related Opportunity	Renewable energy projects, climate-resilient infrastructure, energy-efficient construction, low-carbon technologies	Climate-related opportunities position AEL to participate in the growing demand for resilient and low-carbon infrastructure. This includes renewable energy, climate-adaptive construction, and energy-efficient solutions, which can expand the company's service offerings and support long-term sustainable growth while aligning with national and global climate goals.



SLFRS S1 & S2 ADOPTION

PART 1- **BASIS OF PREPARATION**

REPORTING ENTITY, ORGANISATION BOUNDARY AND VALUE CHAIN

This sustainability report has been prepared for the Access Engineering Group, comprising Access Engineering PLC and its subsidiaries, representing the Group's diversified operations across civil engineering,construction material production, mechanical engineering, commercial office spaces, commercial warehouses, condominium properties and automobile segments.

The organisational boundary adopted for sustainability-related disclosures is aligned with the financial reporting boundary of the Group. Accordingly, the disclosures presented in this report cover the operations of Access Engineering PLC and its key subsidiaries, including Access Realities (Private) Limited, Access Logistics (Private) Limited, Access Logistics Park Ekala (Private) Limited, W U S Logistics (Private) Limited, Access Engineering Port Services, Harbour Village (Private) Limited and Sathosa Motors PLC.

Entities that were not operational during the reporting period reporting period with only marginal operations (Access Projects, Blue Star Realties) have been excluded from the scope of this report. Accordingly, Access Medical Tracers (Private) Limited has not been included, as commercial operations did not commence during the financial year under review.

The disclosures are presented at a Group level, with consideration given to the key business segments to ensure a comprehensive representation of sustainability-related risks and opportunities across the Group's operations.

The Group's value chain encompasses a wide range of upstream and downstream activities. Upstream activities primarily include the procurement of construction materials such as cement, steel, aggregates, fuel, and other inputs, as well as the use of contractors, logistics providers and utility services. Downstream activities relate to the delivery of infrastructure and construction projects, property development and management, logistics and warehousing services, and the provision of products and services to a diverse customer base including government entities, private sector clients, tenants and end-users

BASIS OF MATERIALITY

The Group has adopted a Double Materiality Assessment (DMA) approach to identify and prioritise sustainability-related risks and opportunities for disclosure. This approach considers both the financial materiality of sustainability matters, in terms of their potential impact on the Group's financial performance and position, as well as the impact materiality, reflecting the Group's effects on the environment and society.

The materiality assessment process was conducted during the reporting period with the support of an external ESG consultant, following a structured and systematic methodology. The process included the identification of key sustainability topics based on internationally recognised frameworks, followed by stakeholder mapping and prioritisation.

Stakeholder engagement formed a key component of the assessment. Feedback was obtained through structured stakeholder surveys covering a wide range of stakeholder groups, including employees, customers, suppliers, regulators, banks and community representatives. The results of these surveys were supplemented by internal workshops involving senior management and relevant functional teams to evaluate the financial implications of identified sustainability matters.

The assessment methodology incorporated both qualitative and quantitative elements, supported by analytical tools developed by the external consultant, to evaluate and score each topic based on its relative significance under both financial and impact dimensions. The GRI Standards were used as a primary reference framework in identifying and structuring sustainability topics.

The outcomes of the Double Materiality Assessment provide the basis for determining the disclosures included in this report and for guiding the Group's sustainability strategy and risk management processes. As at the reporting date, the results of the assessment are subject to formal review and approval by the Board of Directors.

Functional Currency

The financial information and sustainability-related disclosures presented in this report are expressed in Sri Lankan Rupees (LKR), which is the functional currency of the Group.

Sources of Guidance

This sustainability report has been prepared in accordance with the requirements of Sri Lanka Financial Reporting Standards (SLFRS) S1 – General Requirements for Disclosure of Sustainability-related Financial Information and SLFRS S2 – Climate-related Disclosures.

In addition to the SLFRS standards, the Group has considered internationally recognised sustainability frameworks and guidelines to support the identification, measurement and disclosure of sustainability-related information. These include the Global Reporting Initiative (GRI) Standards, which were primarily used in the identification and assessment of material sustainability topics, and the Sustainability Accounting Standards

SLFRS S1 & S2 ADOPTION

Board (SASB) Standards, which were referenced for industry-specific benchmarking and alignment.

Reporting Period

This report covers the financial year from 1 April 2025 to 31 March 2026 (FY 2025/26). All sustainability-related disclosures, including environmental, social and governance information, have been prepared for this reporting period, unless otherwise stated.

Time Horizons

- **Short-term: 1–5 years**

  Short-term risks relate to immediate operational impacts that may affect project execution and day-to-day business activities, including disruptions arising from extreme weather events and changes in operating conditions.

- **Medium-term: 5–12 years**

  Medium-term risks relate to evolving climate patterns, regulatory developments, and market expectations that may influence project planning, operational costs, and business strategy.

- **Long-term: over 12 years**

  Long-term risks relate to structural and systemic climate impacts that may affect the design, durability, and performance of infrastructure assets over their lifecycle, as well as long-term strategic positioning.

CONNECTED INFORMATION

The Group ensures that sustainability-related information disclosed in this report is connected with and integrated into its overall financial reporting and risk management processes, in line with the principles of SLFRS S1.

Sustainability-related risks and opportunities, including climate-related risks, are incorporated into the Group's Enterprise Risk Management (ERM) framework, enabling consistent identification, assessment, and monitoring alongside other strategic, operational, and financial risks. This integration supports the evaluation of how such risks and opportunities may affect the Group's financial performance, position, and future cash flows.

The Group recognises that sustainability-related factors may influence key financial metrics, including revenue, operating costs, asset values, and capital allocation decisions. Accordingly, sustainability considerations are progressively being embedded into business planning, investment decision-making, and risk management processes.

To support this integration, the Group has implemented an internally developed ESG data management system, designed and maintained by the Information Technology function, to collect, consolidate, and monitor sustainability-related data across its operations. This system enhances data accuracy, consistency, and traceability, supporting both internal decision-making and external reporting requirements.

The Group will continue to strengthen the connectivity between sustainability-related disclosures and financial reporting as part of its ongoing ESG implementation and reporting maturity journey.

TRANSITIONAL RELIEF

This reporting period represents the Group's first year of adopting SLFRS S1 and SLFRS S2 Sustainability and Climate-related disclosure standards. In line with the transitional provisions available under these standards, certain disclosures have been prepared based on currently available data, methodologies, and internal processes, which continue to be refined.

The Group has made significant progress in establishing the foundational elements required for sustainability reporting, including the completion of the Double Materiality Assessment, the development of the Scope 1 and Scope 2 Greenhouse Gas (GHG) inventory, and the establishment of governance and data collection processes.

However, certain aspects of sustainability-related disclosures, including the expansion of emissions coverage, enhancement of scenario analysis, and further development of metrics, targets, and methodologies, are in the process of ongoing development. The Group is committed to progressively enhancing the scope, quality, and depth of its disclosures in future reporting periods.

Statement of Compliance

This report has been prepared in alignment with the requirements of Sri Lanka Financial Reporting Standards (SLFRS) S1 – General Requirements for Disclosure of Sustainability-related Financial Information and SLFRS S2 – Climate-related Disclosures.

The Group has applied the principles and guidance of these standards in the preparation of its sustainability-related disclosures for the financial year 2025/26, while continuing to enhance its processes, data systems, and reporting capabilities to support full compliance in future reporting periods.

PART 2 – **GOVERNANCE**

Structure

BOARD OVERSIGHT

The Board of Directors has ultimate responsibility for overseeing sustainability-related risks and opportunities across the Group and ensuring that sustainability considerations are integrated into the Group's overall strategy, risk management framework, and long-term value creation objectives.

The Board has delegated primary oversight of Environmental, Social and Governance (ESG) matters to the Risk Committee, which is responsible for providing focused governance and monitoring of sustainability-related issues. The Risk Committee reviews ESG matters on a quarterly basis, ensuring regular evaluation of the Group's sustainability performance, risk exposure, and progress against key initiatives.

The responsibilities of the Risk Committee in relation to ESG include establishing Sustainability-Related Risks and Opportunities (SSROs) and Climate-Related Risks and Opportunities (CRROs) and developing the relevant strategies, policies, and targets for integrating SRROs and CRRO's into the Group's Enterprise Risk Management framework; and the review of annual sustainability disclosures. The Committee also ensures that the Group's sustainability practices and reporting are aligned with applicable national and international standards and frameworks.

The Board is kept informed of ESG-related developments, including SRROs and CRROs through updates and reports submitted by the Risk Committee and management. As at the reporting date, the Board is actively engaged in reviewing the Group's ESG initiatives, including the outcomes of the Double Materiality Assessment, the development of the Greenhouse Gas (GHG) inventory, and the broader ESG implementation roadmap.

ROLE OF MANAGEMENT

The day-to-day management and implementation of sustainability-related initiatives is the responsibility of the ESG Steering Committee. The Committee comprises a cross functional team of senior management representatives drawn from finance, administration, human resources, information technology, internal audit, and corporate reporting functions.

The ESG Steering Committee is tasked with the execution of the Group's sustainability strategy, policies, and key performance indicators. The Committee meets on a regular basis to monitor progress against the ESG implementation roadmap, review SRROs and CRROs, and oversee stakeholder engagement outcomes. It also plays a key role in ensuring the quality, consistency, and completeness of sustainability-related disclosures, including alignment with applicable reporting frameworks and preparation for external assurance.

At the operational level, ESG focal points have been designated across business units, subsidiaries, and project management divisions. These representatives are responsible for implementing ESG-related policies, collecting and validating data, and supporting the execution of sustainability initiatives within their respective areas.

Through this multi-level governance structure, management ensures effective coordination, accountability, and integration of sustainability considerations into the Group's operational and strategic activities.

POLICIES AND PROCEDURES

At present the Group reports only on Climate-Related Risks and Opportunities (CRROs) and has established a structured set of policies and procedures to support the identification, management, and disclosure of CRROs.

A key component of this framework is the Climate Risk Management Policy, which provides a formal approach to identifying, assessing, and managing CRROs across the Group's operations. The policy outlines governance responsibilities, risk assessment methodologies, time horizons, and the integration of climate-related considerations into the Group's Enterprise Risk Management processes. The policy has been developed in alignment with recognised sustainability frameworks and is in the process of being formally communicated across the organisation.

In addition, the Group is guided by its existing integrated Quality, Health, Safety and Environmental (QHSE) policy framework, which supports responsible operational practices, regulatory compliance, and risk mitigation across its activities. These policies collectively provide a foundation for managing environmental and social impacts, ensuring workplace safety, and maintaining operational standards.

The Group continues to strengthen its policy framework as part of its broader ESG implementation program, with a focus on enhancing alignment with sustainability reporting standards, improving internal controls, and supporting consistent application across all business units and subsidiaries.

SLFRS S1 & S2 ADOPTION

PART 2 – **STRATEGY**				
Climate-Related Risks and Opportunities		**CRRO 1** – changes in policy, regulation, technology and market dynamics as the economy transitions towards low-carbon and climate-resilient outcomes	**CRRO 2** - damage and operational disruption to projects, assets and supply chains due to acute and chronic climate hazards	**CRRO 3** - Sustainable and Climate-Resilient Infrastructure
Impact on Prospects	Description	Transition risk arising from policy, regulatory, technological, and market changes associated with the transition towards a low-carbon and climate-resilient economy. These risks include exposure to rising fuel and energy costs, potential carbon-related regulations, evolving environmental standards, changing customer preferences, and increasing sustainability expectations from regulators, investors, and other stakeholders. Such developments may impact the Group's operating model, cost structure, competitiveness, and long-term strategic positioning across its business segments.	Physical climate risk arising from both acute and chronic climate hazards that have the potential to impact the Group's operations, projects, assets, and supply chains. Acute risks include extreme weather events such as flooding, heavy rainfall, storms, and landslides, while chronic risks arise from long-term climatic shifts including rising temperatures, changing rainfall patterns, and water scarcity. These events can disrupt construction activities, damage infrastructure, and affect operational efficiency across the Group.	Opportunity arising from the increasing demand for sustainable, climate-resilient, and low-carbon infrastructure and construction solutions. This is driven by evolving regulatory frameworks, rising investor expectations, and a broader market transition towards sustainability and decarbonisation.
	Classification	Transition Risk	Physical Risk (Acute and Chronic)	Climate Opportunity
	Time Horizon	Short-term: Exposure to fuel price volatility, energy cost fluctuations, and emerging regulatory developments. Medium-term: Increasing regulatory requirements, greater adoption of low-carbon technologies, and heightened stakeholder expectations. Long-term: Structural economic transition towards low-carbon infrastructure, sustainable construction practices, and climate-resilient business models.	Short-term: Immediate operational disruptions resulting from extreme weather events. Medium-term: Increasing frequency and intensity of climate-related events and weather variability. Long-term: Structural climate changes affecting infrastructure resilience, project design, asset performance, and operational continuity.	Short-term: Growing awareness and early-stage demand for sustainable construction solutions. Medium-term: Expansion of green infrastructure, renewable energy, and climate-resilient construction projects. Long-term: Structural transformation towards low-carbon, sustainable, and climate-resilient development models across the built environment sector.

Climate-Related Risks and Opportunities		**CRRO 1** – changes in policy, regulation, technology and market dynamics as the economy transitions towards low-carbon and climate-resilient outcomes	**CRRO 2** - damage and operational disruption to projects, assets and supply chains due to acute and chronic climate hazards	**CRRO 3** - Sustainable and Climate-Resilient Infrastructure
Impact on Prospects	Current Effects	Exposure to fluctuations in fuel and energy costs across operations; increasing consideration of sustainability-related requirements in project execution, procurement, and stakeholder engagement processes.	Temporary work stoppages due to adverse weather conditions; minor delays in project execution; site accessibility challenges; and localised operational disruptions.	Limited direct financial impact at present; however, initial integration of sustainability considerations is emerging within project planning, design, and execution processes.
	Anticipated Effects	Increased operating costs resulting from fuel price volatility and potential carbon-related regulations; additional investments in energy-efficient equipment, machinery, and technologies; shifts in customer demand towards sustainable and low-carbon infrastructure solutions; evolving procurement and supply chain requirements; and increased scrutiny from regulators, investors, financiers, and other stakeholders regarding sustainability performance.	Increased project delays and cost overruns arising from climate-related disruptions; physical damage to construction sites, equipment, and materials; reduced workforce productivity due to heat stress and adverse working conditions; supply chain disruptions affecting material availability and logistics; and growing demand for climate-resilient infrastructure and adaptive construction solutions.	Increased demand for sustainable construction and infrastructure solutions; expansion into renewable energy, green buildings, and climate-resilient infrastructure; enhanced competitiveness and market differentiation; and potential diversification of revenue streams through sustainability-led projects and services.
	Areas of Concentration	Operations with significant dependence on fuel and energy consumption, including construction machinery, transport fleets, manufacturing activities, and production processes; supply chains involving carbon-intensive materials such as cement, steel, and aggregates; and business segments exposed to evolving sustainability-related regulations and market expectations.	Construction projects located in climate-vulnerable regions, including flood-prone, coastal, and high-rainfall areas; urban environments with inadequate drainage infrastructure; infrastructure and property developments exposed to long-term climate impacts; and projects reliant on stable weather conditions and uninterrupted supply chains.	Civil engineering and infrastructure development projects; renewable energy initiatives; property and real estate developments; and urban infrastructure projects focused on climate resilience and sustainability.
	Risk Management Approach	Transition risks are incorporated into the Group's Enterprise Risk Management (ERM) framework, with ongoing monitoring of regulatory developments, market trends, technological advancements, and stakeholder expectations to support informed decision-making.	Climate-related risks are incorporated into the Group's Enterprise Risk Management (ERM) framework and integrated into project-level risk assessments, planning, and decision-making processes.	Embedding sustainability principles into project design, engineering, and execution; prioritising climate-resilient and environmentally responsible construction practices; and positioning the Group to capitalise on emerging green infrastructure opportunities.

SLFRS S1 & S2 ADOPTION

Climate-Related Risks and Opportunities		**CRRO 1** – changes in policy, regulation, technology and market dynamics as the economy transitions towards low-carbon and climate-resilient outcomes	**CRRO 2** - damage and operational disruption to projects, assets and supply chains due to acute and chronic climate hazards	**CRRO 3** - Sustainable and Climate-Resilient Infrastructure
	Operational Actions	Improving energy efficiency across operational activities; optimising fuel consumption through enhanced planning and operational controls; and identifying opportunities to improve resource efficiency and reduce emissions intensity.	Implementation of site-specific mitigation measures such as improved drainage systems, project scheduling adjustments, weather monitoring mechanisms, and enhanced health and safety protocols to minimise disruption.	Exploration and pursuit of opportunities in renewable energy, sustainable infrastructure, and climate-adaptive development projects, aligned with evolving regulatory frameworks and market expectations.
	Strategic Actions	Gradual alignment of operations and project delivery with low-carbon and sustainable construction practices; integration of sustainability considerations into procurement decisions and project planning processes; and strengthening ESG integration across business segments to support long-term resilience and competitiveness.	Integration of climate resilience considerations into infrastructure design and engineering practices; strengthening project planning methodologies to account for long-term climate variability; and embedding climate-related risk considerations into project selection and execution decisions.	Strengthening ESG integration across all business segments; enhancing sustainability-related disclosures; and reinforcing transparency and accountability in reporting and decision-making.
	Resources and Planning	Leveraging internal operational, technical, and engineering expertise to evaluate transition-related risks and opportunities; ongoing development of ESG-related capabilities and awareness across the Group; and consideration of future investments in energy-efficient technologies, sustainable solutions, and emissions reduction initiatives.	Deployment of internal engineering, technical, and project management expertise to assess and manage climate-related risks; implementation of operational controls to minimise disruptions; and continued development of ESG and climate risk management capabilities across the Group.	Leveraging existing engineering, technical, and project management expertise; ongoing development of ESG and sustainability capabilities; and consideration of future investments in sustainable technologies and innovative construction solutions.
	Progress During the Year	Transition risks formally identified through the Group's climate risk assessment process; establishment of an ESG implementation roadmap; initiation of the Group's greenhouse gas (GHG) inventory development process; and increased internal awareness-building and capacity development relating to sustainability and climate-related risks.	Physical climate risks formally identified through the Group's risk assessment process; development of a Climate Risk Management Policy to guide risk identification and mitigation; and initial integration of climate-related considerations into project planning and decision-making processes.	ESG implementation roadmap established; Double Materiality Assessment completed; greenhouse gas (GHG) inventory development initiated; and Climate Risk Management Policy developed to support structured ESG integration.

Climate-Related Risks and Opportunities		**CRRO 1** – changes in policy, regulation, technology and market dynamics as the economy transitions towards low-carbon and climate-resilient outcomes	**CRRO 2** - damage and operational disruption to projects, assets and supply chains due to acute and chronic climate hazards	**CRRO 3** - Sustainable and Climate-Resilient Infrastructure
Financial Effects	Current Financial Effects	No material financial impacts from transition-related climate risks were identified at Group level during the reporting period.	No material financial impacts from physical climate risks were identified at Group level during the reporting period.	No material financial impact was identified during the current reporting period.
	Potential Future Financial Effects	Increased operating costs arising from fuel price volatility, compliance requirements, and evolving regulatory obligations; capital expenditure requirements for technology upgrades and efficiency improvements; potential pressure on margins if cost increases cannot be effectively managed; and opportunities to improve long-term cost efficiency through operational optimisation, innovation, and sustainable business practices.	Increased operational and project costs associated with delays, repairs, asset damage, and inefficiencies; potential pressure on project margins and delivery timelines; and additional capital expenditure requirements for climate adaptation and resilience measures.	Potential revenue growth from sustainable and climate-resilient projects; improved long-term profitability and business resilience; and enhanced access to new markets, clients, and sustainability-linked financing opportunities.
Climate Resilience	Scenario Analysis	Climate scenario analysis is currently under development and will be progressively enhanced as part of the Group's broader ESG implementation and climate risk management programme.	Climate scenario analysis is currently under development and will be progressively enhanced as part of the Group's ESG implementation roadmap and climate risk management programme.	Climate scenario analysis is currently under development and will be further strengthened as part of the Group's ESG maturity roadmap.
Judgements and Uncertainties	Judgements	Assessment is based on the current regulatory landscape, market developments, stakeholder expectations, and internal risk evaluations.	Assessment is based on historical climate data, observed climate trends, project experience, and internal risk evaluations. .	Outcomes are dependent on the pace of regulatory change, market adoption of sustainable solutions, and broader economic transition trends towards low-carbon infrastructure. .
	Uncertainties	Uncertainty remains regarding the pace of regulatory change, future carbon-pricing mechanisms, technology adoption rates, and the speed of the broader economic transition towards a low-carbon future	Significant uncertainty remains due to evolving climate patterns and the difficulty in predicting the frequency, severity, and location-specific impacts of future climate-related events	Uncertainty remains regarding timing and scale of market transformation

SLFRS S1 & S2 ADOPTION

PART 4 – **RISK MANAGEMENT**

PROCESS AND POLICIES RELATING TO CLIMATE-RELATED RISKS

IDENTIFICATION

Guided by the Group's Climate Risk Management Policy, which provides a framework for identifying climate-related risks across operations, projects, and business segments, the ESG Steering Committee undertakes to identify Climate-Related Risks and Opportunities (CRRO's).

The identification process involves:

- Internal research and analysis of climate-related trends and impacts relevant to the Group's operations
- Discussions and workshops conducted with the ESG team and key internal stakeholders
- Consideration of both physical risks (e.g. extreme weather events and long-term climate changes) and transition risks (e.g. regulatory, technological, and market shifts)

Assessment

Identified CRRO's are assessed using a structured risk evaluation methodology, based on:

- Likelihood of occurrence (rated on a scale of 1 to 5)
- Impact severity (rated on a scale of 1 to 5)

A risk score is derived by combining likelihood and impact, enabling a consistent and systematic evaluation of climate-related risks across the Group.

Both qualitative and quantitative considerations are taken into account, including operational impact, financial implications, and potential disruption to projects and assets.

Prioritisation

CRRO's are prioritised based on their overall risk score, allowing the Group to identify high, medium, and lower priority risks.

This prioritisation supports:

- Focus on material risks that could significantly affect operations and financial performance
- Alignment of risk management efforts with the Group's strategic priorities
- Identification of key risks for disclosure under SLFRS S1 and S2

Monitoring

As at the reporting date, the monitoring of climate-related risks is in the process of being formalised.

Initial identification and assessment of climate risks have been completed through internal discussions and analysis. The Group is in the process of establishing regular monitoring and review mechanisms through its governance structure, including oversight by the ESG Steering Committee and the Risk Committee.

These processes are expected to evolve to include periodic reviews, updates to risk assessments, and integration into routine management reporting.

Integration into Overall ERM

The Group has developed a Climate Risk Management Policy which outlines the approach to integrating climate-related risks into its broader risk management framework.

As part of its ongoing ESG implementation program, the Group is in the process of progressively integrating climate-related risks into its Enterprise Risk Management (ERM) framework. This includes:

- Incorporating climate risks into the Group's risk register
- Aligning climate risk assessment methodologies with existing risk management processes
- Strengthening governance and reporting structures to support consistent oversight

The Group will continue to enhance the integration of climate-related risks into its overall risk management processes in future reporting periods.

PART 5 – **METRICS AND TARGETS**

Key Priority Areas	Monitoring Metrics	Targeted Actions
Operational & Physical Climate Risk Exposure	» Frequency and severity of weather-related operational disruptions across projects and sites » Number of projects impacted by extreme weather events (flooding, storms, heavy rainfall, heat) » Exposure of assets and sites to climate-vulnerable geographies- Project delays and cost overruns attributable to climate-related disruptions	» Reduce unplanned disruptions through improved planning, forecasting, and site preparedness » Strengthen resilience of high-risk project sites through targeted mitigation measures » Minimise climate-related project delays through adaptive scheduling and controls- » Enhance overall operational continuity under varying climate conditions
Resource Efficiency & Carbon Intensity	» Fuel and energy consumption across operations and projects » Scope 1 and Scope 2 greenhouse gas emissions » Carbon intensity of construction activities and supporting operations » Reliance on carbon-intensive materials within the supply chain (e.g., cement, steel, aggregates) » Efficiency of equipment, machinery, and logistics operations	» Gradual reduction in energy and fuel intensity through efficiency improvements » Progressive optimisation of material usage and operational resource consumption » Improved efficiency of equipment and logistics to reduce emissions intensity » Increased adoption of low-carbon practices in operations and procurement
Sustainable Growth & Market Positioning	» Share of project portfolio incorporating sustainability or climate-resilient design elements » Pipeline of renewable energy, green infrastructure, and sustainable construction opportunities » Level of integration of ESG considerations in project selection and business development » Alignment with green financing and sustainability-linked funding opportunities	» Increase participation in sustainable, climate-resilient, and low-carbon projects- Expand presence in renewable energy and green infrastructure markets » Enhance alignment with evolving investor, client, and regulatory expectations
Governance, Risk & ESG Integration	» Level of integration of climate and ESG considerations into enterprise risk management- Coverage of projects assessed for climate-related risks during planning stage » Quality and completeness of ESG data collection and reporting processes- » Extent of ESG integration across business units and subsidiaries	» Embed climate risk assessment into standard project planning and decision-making- » Strengthen enterprise-wide ESG governance and accountability structures » Improve consistency, reliability, and assurance readiness of ESG disclosures » Enhance organisation-wide ESG awareness and capability development

SLFRS S1 & S2 ADOPTION

GREENHOUSE GAS (GHG) EMISSIONS REPORT

Organisational Boundary

Access Engineering PLC has established its organisational boundary based on the operational control approach, in accordance with the requirements of ISO 14064-1:2018. Under this approach, entities and facilities over which Access Engineering PLC exercises operational control are included within the reporting boundary.

Entities included in the organisational boundary

- Entity 1: Access Engineering PLC, including operationally controlled offices, project sites, asphalt plants, crusher plants, quarries, concrete batching plants, workshops, machinery divisions and other support facilities connected to civil engineering and construction material production.
- Entity 2: Access Realties (Private) Limited, Access Realties 2 (Private) Limited and ARL Elevate (Private) Limited, including operationally controlled Grade A office, retail, parking, fitness and dining facilities within the Access Towers complex, together with common areas, building services, tenant facilities and related property management operations.
- Entity 3: Access Logistics Park Ekala (Private) Limited, Access Logistics (Private) Limited and W U S Logistics (Private) Limited, including operationally controlled warehouse facilities, logistics park infrastructure and rooftop solar-related activities supporting institutional-grade warehousing infrastructure.
- Entity 4: Harbour Village (Private) Limited, including operationally controlled activities relating to Marina Square – Uptown Colombo, comprising condominium development, commercial and common areas, sales office operations, site facilities and related property development activities.
- Entity 5: Sathosa Motors PLC and Access Motors (Private) Limited, including operationally controlled offices, showrooms, service centres, workshops, spare parts facilities and related automobile sales and after-sales operations for Isuzu, Jaguar and Land Rover.
- Entity 6: Access Engineering Port Services and ZPMC Lanka Company (Private) Limited, including operationally controlled port, maritime and industrial engineering activities, equipment maintenance, commissioning, technical interventions, operational support, workshops, administrative offices and related facilities.

This boundary definition ensures that all entities and operations under the Group's operational control are consistently accounted for within the greenhouse gas (GHG) inventory. The above entities will collectively be referred to as the Access Engineering PLC.

Operational Boundary

The operational boundary encompasses all relevant direct and indirect greenhouse gas emissions arising from activities within the established organisational boundary. Emissions are categorised as Scope 1 (Direct Emissions) and Scope 2 (Indirect Emissions).

Scope 3 (Other Indirect Emissions)

This GHG Emissions Report currently quantifies and reports Scope 1 and Scope 2 emissions for the 2025/26 financial year (April 2025 to March 2026), with ongoing efforts to expand Scope 3 emissions reporting in future reporting periods.

Methodology used for the measurement and disclosure of GHG emissions

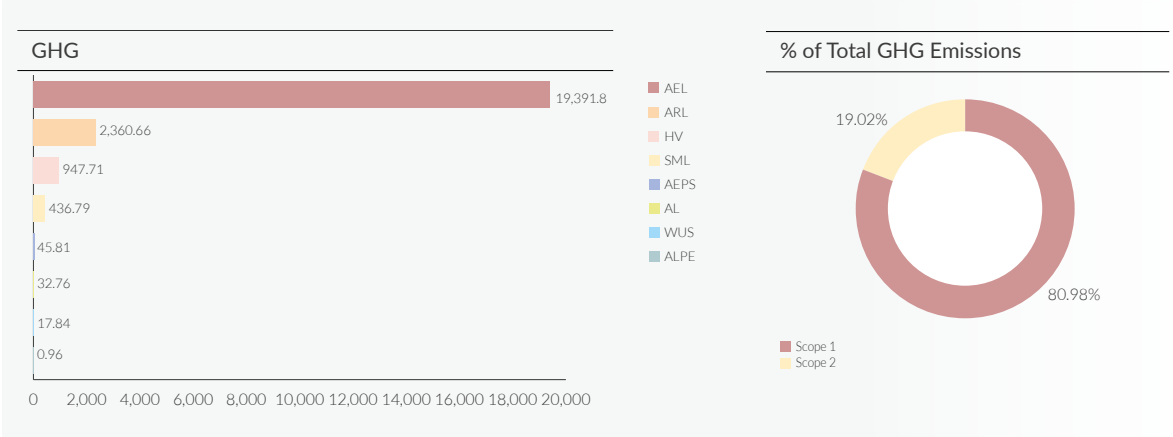
Access Engineering PLC quantifies its greenhouse gas (GHG) emissions in accordance with the requirements of ISO 14064-1:2018 – Specification with guidance at the organisational level for quantification and reporting of greenhouse gas emissions and removals, together with the GHG Protocol Corporate Accounting and Reporting Standard, to ensure consistency, transparency, and comparability.

Emissions are calculated based on guidelines and emission factors published by the Intergovernmental Panel on Climate Change (IPCC), applying activity-based calculations that multiply relevant activity data (e.g., fuel consumption, electricity usage, and refrigerant emissions) by appropriate emission factors. Where country-specific emission factors are available, such as for electricity consumption, these are applied; otherwise, default emission factors provided in the IPCC Guidelines and other recognised references such as DEFRA are used.

The measurement approach follows the principles of completeness, consistency, accuracy, relevance, and transparency. Activity data are collected from primary sources such as utility bills, fuel issue records, purchase invoices, and refrigerant refilling records, and are consolidated at the organisational level in line with the defined reporting boundary. Data verification procedures are carried out to minimise errors and avoid double counting, while assumptions and estimations are applied where necessary.

Emissions are categorised into Scope 1 (direct emissions) and Scope 2 (indirect emissions from purchased electricity) to ensure structured and comprehensive disclosure. All greenhouse gases are converted and reported as carbon dioxide equivalent (CO_2e) using the 100-year Global Warming Potential (GWP) values published in the IPCC Sixth Assessment Report (AR6). This GHG inventory supports AEL commitment to transparent climate-related reporting and informed decision-making toward long-term emissions reduction and sustainability objectives.

Scope	GHG (t CO2e)	% of GHG
Scope 1	18,815.14	80.98%
Scope 2	4,419.17	19.02%
Grand Total	**23,234.31**	**100.00%**



The carbon footprint assessment was carried out considering AEL, with 2025/2026 selected as the base year. The organisational boundary defined for this assessment is AEL. The total carbon footprint of the organisation for the year 2025/2026 is 23,234.31 tCO_2e. Emissions from Scope 1 and Scope 2 are 18815.14 tCO_2e and 4,419.17 tCO_2e, respectively, representing 80.98% and 19.02% of the total emissions.

The accuracy of the data is ensured through verification in accordance with ISO 14064-1:2018 by the National Cleaner Production Centre,Sri Lanka.

The results highlight that AEL's emissions profile is predominantly driven by fuel-intensive operational processes, emphasising the importance of targeted carbon reduction initiatives. Key opportunities for improvement include enhancing fuel efficiency, optimising operational and production processes, increasing energy efficiency and strengthening data management systems. This inventory provides a credible and transparent baseline for future GHG monitoring, target setting, and climate-related decision-making. It also demonstrates Access Group's commitment to environmental responsibility, sustainability reporting, and alignment with national and international climate action goals. Moving forward, the organisation can leverage these findings to develop and implement strategic emission reduction measures, supporting its broader ESG objectives

SLFRS S1 & S2 ADOPTION

KEY ASSUMPTIONS AND SOURCES OF GHG MEASUREMENT

Scope	Emission Sub-Category	Activity	Data Source	Emission Factor (Source)	Source of GWP Values
Scope 1	Stationary Combustion	Furnace Oil, Generators - Diesel, Bitumen Oxidation, Furnace oil heating-Diesel, LPG, Bitumen heating - Diesel, Fabrications - Oxy acetylene	The fuel top up records maintained by the Head Office, Divisions and construction sites.	IPCC 2006 / DEFRA 2024	IPCC Sixth Assessment Report
Scope 1	Mobile Combustion	Fuel usage (petrol and diesel) in vehicles, industrial vehicles and machinery, mobile generators, fogging works, and grass cutters.	Supplier invoices and internal fuel expense records.	IPCC 2006	IPCC Sixth Assessment Report
Scope 1	Fugitive emission	Fire extinguishers, A/C refrigerant leakages,	Supplier invoices and payment records.	DEFRA 2024	IPCC Sixth Assessment Report
Scope 2	Electricity Consumption	Electricity Consumption and Transmission and Distribution Loss	Utility bills issued by Ceylon Electricity Board (CEB) / Lanka Electricity Company (LECO	Average grid emission factor obtained from Sri Lanka Energy Balance Report - 2022 and Statistical Digest Report - 2024	IPCC Sixth Assessment Report

Climate-related Physical Risks

As of 31 March 2026, the Group has not yet conducted a formal assessment to quantify the amount and percentage of assets or business activities vulnerable to climate-related physical risks.

Climate-related Transition Risks

As of 31 March 2026, the Group has not yet conducted a formal assessment to quantify the amount and percentage of assets or business activities vulnerable to climate-related transition risks.

Climate-related Opportunities

As of 31 March 2026, the Group has not yet quantified the amount and percentage of assets or business activities aligned with climate-related opportunities.

Capital Expenditure

As of 31 March 2026, no specific capital expenditure has been incurred or planned in relation to climate-related mitigation, adaptation, or resilience initiatives.

Internal Carbon Pricing

The Group has not yet adopted an internal carbon pricing mechanism as part of its climate risk management or decision-making processes.

Remuneration

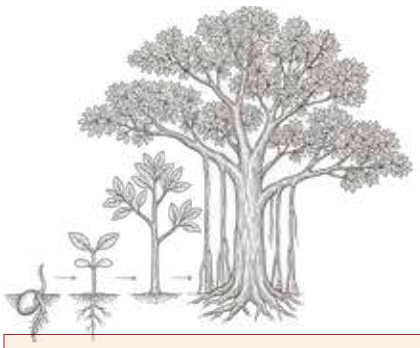
The remuneration of key management personnel has not yet been linked to climate-related performance metrics or climate risk management objectives.

EXPANDING WITH PURPOSE

The branching structure of the banyan tree extends outward with strength and intent, adapting seamlessly to changing environments while remaining deeply connected to the central trunk. Each branch contributes to the tree's scale, balance, and resilience, enabling continuous expansion without compromising structural harmony.

At Access Engineering, our strategic growth across diverse sectors and markets is driven by operational momentum, forward-thinking investments, and evolving capabilities, each business segment strengthens the Group's broader growth journey while remaining interconnected through a unified vision, shared expertise, and a common purpose.

CAPITAL OVERVIEW



Financial Capital

Financial resources sourced through equity, borrowings, retained earnings and strategic investments that underpin our operations and drive future growth.

Establishes the basis for sustained investment, uninterrupted operations, and returns to shareholders. Reinforces our competitive position through resource efficiency, innovation and financial resilience.

Manufactured Capital

Physical assets including heavy machinery, plant, fleet and construction equipment that power the efficient delivery of our projects.

Expands project execution capacity, enables delivery of quality infrastructure, and generates tangible value for clients and stakeholders.

Intellectual Capital

Institutional knowledge, internal systems, proprietary methodologies and brand strength that distinguish us in the market and fuel continuous improvement.

Stimulates innovation, drives operational effectiveness and builds stakeholder confidence contributing to sustained competitive advantage and superior customer outcomes.

Human Capital

A skilled and dedicated workforce guided by the company's vision, values and high performance standards.

Powers operational excellence, innovation and sustainable project delivery. Builds stakeholder value while fostering capacity growth and organisational knowledge retention.

Social Capital

Enduring relationships built with clients, regulators, suppliers, communities and strategic partners over years of consistent engagement.

Enables collaborative growth, preserves social license to operate and strengthens trust, brand loyalty and community impact.

Natural Capital

The natural resources we utilise and impact across our operations, including energy, water, raw materials and biodiversity.

Encourages responsible and sustainable practices, mitigates environmental risk and supports long term ecological balance while contributing to operational cost efficiency.

FINANCIAL CAPITAL

MANAGEMENT APPROACH

At Access Engineering PLC (AEL), financial capital is managed with a strong emphasis on sustainability, stability, and long-term value creation. The Group adopts disciplined financial planning, prudent cost management, and effective capital allocation to support sustainable business growth and deliver consistent returns to shareholders.

By maintaining a strong balance sheet, optimising working capital, and securing diversified funding sources, the Group continues to enhance financial resilience and strengthen its capacity to invest in strategic opportunities.

MATERIAL MATTERS

- Revenue stability and growth
- Cost management
- Liquidity and cash flow management
- Competitive positioning

INPUTS

- Total equity: **LKR 42.9 billion**
- Debt financing: **LKR 42.5 billion**

FINANCIAL HIGHLIGHTS – FY 2025/26

- Achieved Group revenue of LKR 49.7 billion, representing 44% year-on-year growth
- Reported Group profit after tax of LKR 7.7 billion, reflecting strong earnings growth and improved operational performance.
- Improved Group Return on Capital Employed (ROCE) to 17.5%, demonstrating enhanced capital efficiency and stronger returns from invested funds.
- Total assets increased to LKR 133.6 billion, driven by strategic investments and expansion across key business sectors.
- Diversified the investment portfolio with LKR 10.5 billion further invested in Harbour Village (Private) Limited, (NCI acquiring cost LKR 4.8 billion) supporting long-term value creation recurring income generation.
- Declared a dividend of LKR 2.0 billion, reinforcing commitment to shareholder value creation
- Secured debt financing of LKR 42.5 billion to support strategic investments, infrastructure development projects, property developments, business diversification initiatives and working capital requirements.
- Increased interest-bearing borrowings while maintaining an interest coverage ratio of 5.85 times, demonstrating the Group's continued ability to service debt obligations comfortably.
- Strengthened liquidity with cash and cash equivalents increasing to LKR 3.1 billion, supported by positive operating cash flows and financing inflows.
- Expanded revenue streams through significant growth in the Automobile segment, which contributed 49.7% of Group revenue and recorded its highest-ever profitability.
- Continued investment in future growth sectors, including renewable energy and healthcare infrastructure, enhancing long-term earnings potential and business resilience.

FINANCIAL CAPITAL

OVERVIEW

- Access Engineering PLC relies on financial capital as a key enabler of value creation across its diversified operations. The Group actively manages its financial resources through disciplined capital allocation, prudent treasury management, and effective risk mitigation practices to support sustainable growth, operational resilience, and long-term shareholder value creation. This approach enables the Group to fund strategic investments, capitalise on emerging opportunities, and maintain financial flexibility across varying economic conditions.
- During the year under review, the Group maintained a strong and stable financial position by securing adequate funding to support business expansion, strategic investments, and working capital requirements. Total debt financing increased to LKR 42.5 billion, reflecting investments in infrastructure development, property-related projects, and business diversification initiatives. Despite the increased leverage, the Group preserved healthy liquidity levels, strengthened its cash position, and maintained adequate debt servicing capacity, supported by strong operating performance and an interest coverage ratio of 5.85 times. These measures enhanced the Group's ability to navigate a challenging macroeconomic environment while positioning the business for future growth.
- Supported by a balanced mix of equity and debt capital, the Group continued to invest in long-term value-generating assets, including property development, renewable energy, healthcare infrastructure, and other strategic growth sectors. This investment-led approach contributed to a 44% increase in revenue, growth in profitability, and an expansion of total assets to LKR 133.6 billion, reinforcing the Group's financial strength and long-term value creation potential.

REVENUE PERFORMANCE

Despite continued macroeconomic challenges, the Group delivered strong performance, recording revenue of LKR 49,661 million, while Company revenue amounted to LKR 24,092 million, representing a 44% growth at Group level.

This growth was supported by improved market conditions following the lifting of vehicle import restrictions, alongside sustained execution of key national infrastructure projects. The Group continued to focus on core construction activities while enhancing operational efficiency and protecting margins through internal process improvements rather than reactive cost reductions.

In addition, the Group expanded into new growth areas, including renewable energy and healthcare infrastructure, aligning with evolving market demand and ESG-driven strategic priorities. These initiatives are expected to further diversify revenue streams and strengthen long-term resilience.

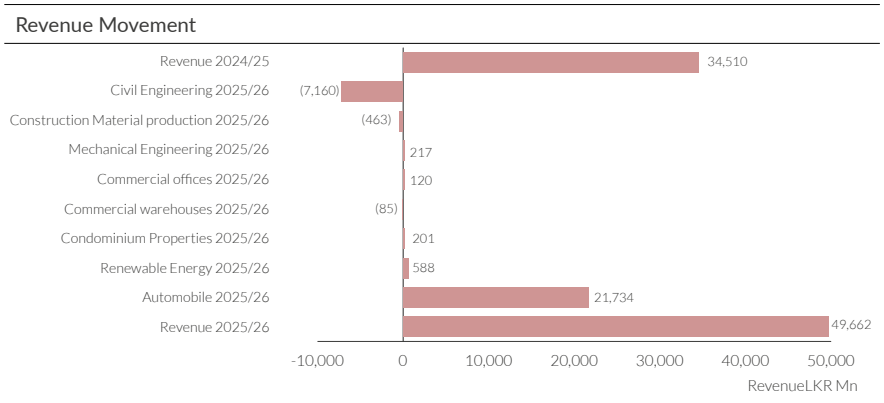
A significant contributor to revenue growth was the Automobile segment, which recorded a year-on-year increase of 737%, contributing 49.7% of total Group revenue in FY 2025/26.

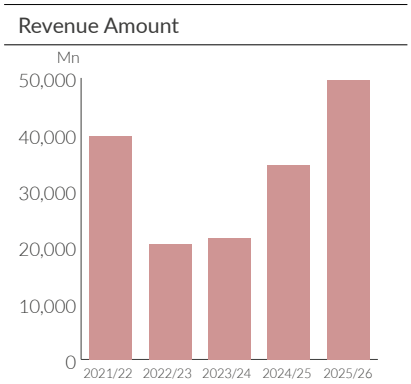
Financial Performance Overview

26.1%
Civil Engineering:

14.8%
Construction Materials

9.4%
Other segments (Mechanical Engineering, Property, Renewable Energy)





OTHER KEY CONTRIBUTOR TO TURNOVER:

The Group recorded a gross profit of LKR 12,850 million, reflecting an increase of 8% compared to LKR 11,896 million in the previous year.

The gross profit margin improved to 26% at Group level and 21% at Company level, supported by:

- Lower direct costs through vertical integration
- Operational efficiency improvements
- Optimised project mix and disciplined contract execution
- Strategic investments in value-accretive business areas

These factors collectively strengthened profitability and operational resilience.

SEGMENTAL FINANCIAL PERFORMANCE

Civil Engineering

The Civil engineering segment generated revenue of LKR 12,966 million, contributing 26.1% of Group revenue.

The segment's performance was supported by key projects, notably the West Container Terminal Development Phases I & II, contributing LKR 2,084 million, and the Marina Square Mixed Development Project, contributing LKR 3,534 million. Roads & Highways contributed LKR 2,111 million, driven by the Central Expressway Section III, the Nittambuwa–Pasyala Road, and related road development projects.

Bridge Construction contributed LKR 1,225 million, supported by the completion of the Baladaksha Mawatha Flyover.

Piling works contributed LKR 1,096 million, reflecting steady demand for foundation and structural support services.

Construction Materials

The segment recorded revenue of LKR 7,363 million, contributing 14.8% of Group revenue. Performance was driven by sales of asphalt, crusher products, quarry materials, and ready-mix concrete to both internal and external customers.

Operational efficiency improvements contributed to reduced energy consumption and enhanced sustainability performance over the long term.

MECHANICAL ENGINEERING

The Mechanical Engineering segment supports the maritime sector through advanced engineering services, including equipment handling and maintenance operations at the Colombo West International Terminal (CWIT) and Colombo International Container Terminal (CICT) ports. In line with its strategic expansion in the port services sector, the Group established Access Engineering Port Services (Pvt) Ltd (AEPS) in 2024 as a fully owned subsidiary of Access Engineering PLC, strengthening its capabilities in maritime support services.

AEPS provides end-to-end maintenance services at the CWIT and is also emerging as a key supplier of critical spare parts to multiple terminals in Sri Lanka, with planned expansion into regional markets.

During the financial year, the segment recorded revenue growth, increasing significantly to LKR 259 million, reflecting a strong growth of 516%. This performance was primarily driven by the expansion of port-related engineering services, including operations at the CWIT and CICT terminals, and increased demand for critical spare parts. In addition, the segment benefited from a dividend income of LKR 85.6 million received from ZPMC Lanka Company (Private) Limited, further enhancing its overall financial performance during the year.

Property Segment

The Property segment recorded revenue contributions from commercial leasing and property development activities, strengthening the Group's recurring income base and asset utilisation strategy.

Commercial Offices: LKR 1,295 million (2.6%), supported by high occupancy levels at Access Towers I & II and improved operational efficiency at Multi-Tower II. The performance reflects sustained demand for Grade-A office space within Colombo's commercial property market. The segment also contributed to shareholder value creation during the year, with dividends amounting to Rs. 727 million declared to the Group by Access Realties (Private) Limited

Commercial Warehouses: LKR 2,134 million (4.3%), driven by large-scale logistics and warehousing facilities in Kimbulapitiya and Ekala, which continue to serve a significant share of the country's industrial and logistics requirements.

Condominium Properties: LKR 201 million (0.4%), generated from project completion activities undertaken through the Group's subsidiary, Harbour Village (Private) Limited, reflecting the successful completion and handover of residential units during the year.

Harbour Village (Private) Limited is a 100% owned subsidiary of Access Engineering PLC. The subsidiary is engaged in the development of Marina Square Uptown Colombo, a large-scale residential condominium project comprising 1,088 units.

Strategically located in close proximity to Colombo's emerging Port City and the Inner-City Elevated Expressway network, the development benefits from strong urban connectivity and long-term infrastructure development within the surrounding area.

FINANCIAL CAPITAL

The Property segment continues to play a strategic role in diversifying the Group's revenue streams and enhancing long-term asset-backed income generation through both direct ownership and subsidiary-led development initiatives.

Automobile

From a financial capital perspective, the Automobile segment continued to be a key contributor to the Group's performance during the year. The segment generated revenue of LKR 24,681 million, accounting for 49.7% of Group revenue, reflecting its strong strategic importance within the Group's revenue base.

The segment recorded a profit after tax of LKR 2,378 million, after incurring a tax charge of LKR 1,047 million, demonstrating sustained earnings capability. In addition, total assets increased to LKR 12,844 million, indicating an expanded capital base and improved capacity to support future growth initiatives.

Overall, the segment strengthened the Group's financial capital through its significant revenue contribution, stable profitability, and enhanced asset base, thereby supporting the Group's financial resilience and long-term value creation. During the year, dividends amounting to Rs. 241 million were declared by Sathosa Motors PLC.

Renewable Energy

Revenue increased to LKR 761 million, supported by 15.8 MW of installed solar capacity and continued ESG-driven investments in clean energy infrastructure.

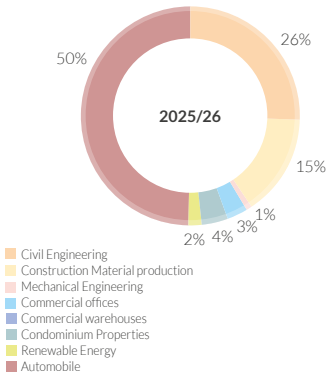
Radiopharmaceutical

The radiopharmaceutical business represents a strategic diversification into the healthcare and life sciences sector through Access Medical Tracers (Private) Limited, a subsidiary of Access Engineering PLC. The total asset value of the company summed up to LKR 2,110 Mn, reflecting its commitment to expanding into high-value, knowledge-driven industries.

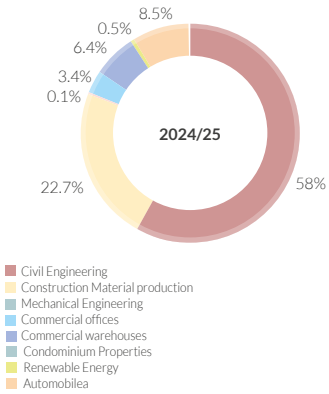
Although the segment is not yet revenue-generating, it positions the Group in a high-growth healthcare market aligned with national priorities in nuclear medicine and advanced diagnostics. The Group is currently developing and commissioning Sri Lanka's first cyclotron-based radiopharmaceutical production facility.

Once operational, the facility will enable the local production of Fluorodeoxyglucose (FDG) for Positron Emission Tomography (PET) scans, significantly improving early cancer detection capabilities and enhancing the affordability and accessibility of advanced diagnostic services in Sri Lanka.

Segmental Revenue Composition



Segmental Revenue Composition



FINANCIAL COSTS AND FUNDING STRUCTURE

Finance costs as a percentage of revenue improved at Group level to 6.2% (2024/25: 6.77%), reflecting better cost absorption driven by stronger revenue growth and improved operating performance. At Company level, finance costs remained broadly stable at 8.2% (2024/25: 7.95%), indicating continued pressure from funding requirements at the standalone level.

Net finance costs were influenced by interest rate volatility during the year, with the Average Weighted Prime Lending Rate (AWPLR) fluctuating between 7.88% and 9.35%, impacting borrowing costs across the Group's debt portfolio.

The Group's financing structure included total interest-bearing borrowings of approximately LKR 42.5 billion, primarily supporting working capital requirements and investments in ongoing infrastructure, property development, and strategic diversification initiatives.

Despite the interest rate environment, the Group maintained a strong interest coverage position, reflecting its ability to service debt obligations through operating earnings. The interest coverage ratio stood at 5.85 times at Group level and 3.34 times at Company level, demonstrating adequate debt servicing capacity and overall financial resilience.

PROFITABILITY

Group profit before tax increased to LKR 11,544 million, representing a strong growth of 48% compared to the previous year, driven by improved performance across the Group's core business segments, enhanced operational efficiencies, and stronger revenue generation.

Group profit after tax amounted to LKR 7,746 million, while Company profit after tax stood at LKR 3,130 million, reflecting the successful execution of business strategies and disciplined cost management initiatives.

Despite increased operating costs and finance-related expenses, the Group maintained healthy profitability levels, supported by improved gross margins and stronger operating earnings. Consequently, the Group continued to generate sustainable returns while strengthening its financial position.

Net profit margins stood at:

Group ▶ 15.60%

Company ▶ 12.99%

These margins demonstrate the Group's ability to convert revenue into earnings effectively while maintaining resilience in a dynamic operating environment. The strong profitability performance further enhanced retained earnings, strengthened shareholders' equity, and reinforced the Group's capacity to fund future growth and strategic investments.

TAXATION

GRI 207 - 1 , 207 - 2, 207 - 3

The Group recorded an income tax expense of LKR 3,798 million during the year, while the Company recorded an income tax expense of LKR 882 million, reflecting the increased profitability achieved across the business.

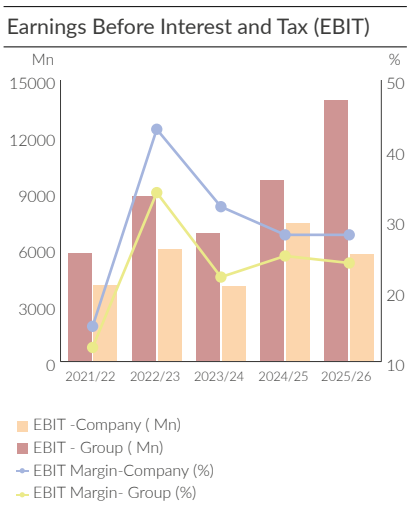
The Group recorded an effective tax rate of 32.64%, while the Company's effective tax rate was 21.98%. The higher Group rate is attributable to the differing tax treatments and profitability profiles of subsidiary entities across various business segments. The Company's lower effective tax rate compared to the statutory rate of 30% is mainly driven by tax-exempt dividend income, timing differences arising from IFRS adjustments and capital allowances, and the exclusion of unrealised gains and certain accounting adjustments from taxable income, resulting in a reduced taxable base.

The effective tax rates were:

Group ▶ 32.9% (2024/25:19.2%)

Company ▶ 22.0% (2024/25:25.8%)

The Group remains committed to maintaining the highest standards of tax governance and compliance, ensuring adherence to all applicable tax laws and regulatory requirements. In addition to income taxes, the Group contributes significantly to government revenue through a range of direct and indirect taxes, including Value Added Tax (VAT), Social Security Contribution Levy (SSCL), Withholding Tax (WHT), Ports and Airports Development Levy (PAL), CESS, and customs duties. Through these contributions, the Group continues to support national economic development while upholding its responsibilities as a responsible corporate citizen.



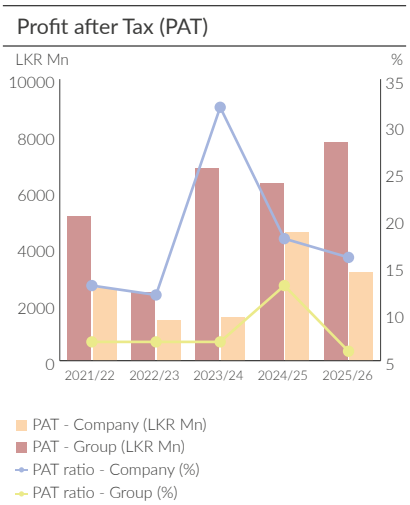
FINANCIAL CAPITAL

EARNINGS PER SHARE & DIVIDEND

The Group recorded an earnings per share (EPS) of LKR 7.17 for the year, compared to LKR 6.31 in the previous year, reflecting the strong growth in profitability and enhanced value creation for shareholders. At Company level, EPS amounted to LKR 3.13 compared to LKR 4.55 in 2024/25, primarily reflecting the cyclical impact on project profitability inherent to the constructions industry.

Earning per share stood at ;

Group EPS ▶	Company EPS ▶
LKR 7.17 (2024/25: LKR 6.31)	LKR 3.13 (2024/25: LKR 4.55)



In line with its commitment to delivering sustainable shareholder returns while maintaining adequate resources for future growth, the Board of Directors approved a final dividend of LKR 1.00 per share subsequent to the FY End 31st March 2026. This resulted in a total dividend distribution of LKR 2,000 million for the financial year.

The dividend declaration reflects the Board's confidence in the Group's financial strength, cash flow generation capacity, and long-term growth prospects, while balancing the funding requirements of ongoing operations and strategic investments.

RETURN ON CAPITAL EMPLOYED (ROCE)

The Group's Return on Capital Employed (ROCE) improved to 17.5% in 2025/26 from 14.5% in the previous year, reflecting stronger operating performance and more efficient utilisation of capital invested across the Group's business segments. The improvement was primarily driven by higher earnings generated from core operations, demonstrating the Group's ability to create greater value from its capital base.

At Company level, ROCE declined to 11.5% from 17.8% in 2024/25. This was mainly attributable to lower operating profit despite an increase in capital employed, reflecting the impact of strategic investments and the timing of returns from ongoing projects and business expansion initiatives.

The Group's improved ROCE highlights its continued focus on capital discipline, operational efficiency, and value creation, ensuring that investments generate sustainable returns and contribute to long-term shareholder value.

OTHER COMPREHENSIVE INCOME

During the financial year 2025/26, Access Engineering PLC and its Group recorded a significant improvement in other comprehensive income compared to the previous year. At Group level, other comprehensive income amounted to a net gain of LKR 150.2 Mn (2024/25: loss of LKR 16.5 Mn), while at Company level it recorded a net gain of LKR 17.5 Mn (2024/25: loss of LKR 14.1 Mn).

The improvement in both Group and Company results was primarily driven by the revaluation of land and buildings, which contributed gains of LKR 253.2 Mn at Group level and LKR 67.7 Mn at Company level during the year. No revaluation gains were recognised in the previous year.

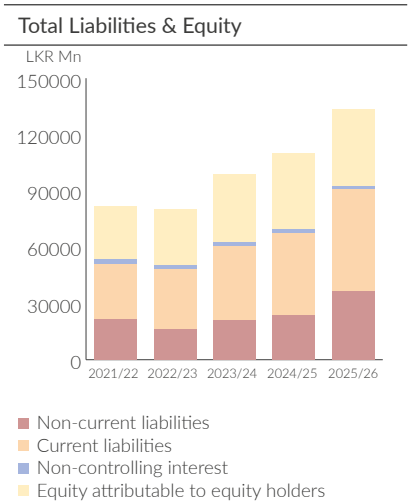
This was partially offset at Group and Company level by actuarial losses arising from the re measurement of defined benefit obligations amounting to LKR 48.0 Mn and LKR 42.5 Mn, respectively. In addition, the Group recorded a foreign currency translation loss of LKR 6.7 Mn, while no material foreign currency impact was recorded at Company level. A minor fair value loss on unquoted equity investments was also recognised in both Group and Company results. The related tax effect resulted in expense of LKR 61.5 Mn for the Group and LKR 7.6 Mn for the Company.

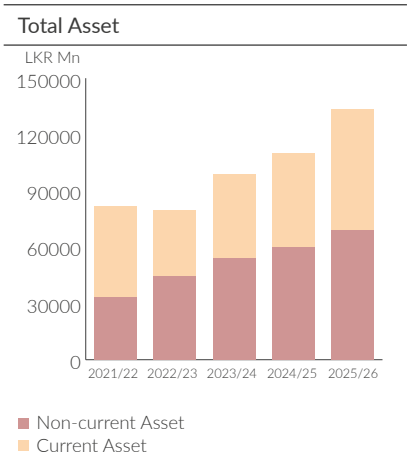
LIQUIDITY AND WORKING CAPITAL MANAGEMENT

Overall, both the Group and the Company reported a turnaround in other comprehensive income in 2025/26, mainly due to property revaluation gains, partially offset by actuarial losses and minor fair value adjustments.

F/Y	25/26	24/25	Change %
Group			
Inventory	**43,393,952,483**	25,193,767,102	72%
Trade and other Receivable	**14,933,570,775**	18,807,497,447	(21%)
Trade and other Payable	**42,142,960,093**	32,015,164,690	32%
Company			
Inventory	**2,628,399,966**	2,735,111,351	(4%)
Trade and other Receivable	**8,768,551,375**	11,822,381,264	(26%)
Trade and other Payable	**8,910,442,508**	10,010,153,368	(11%)

Effective liquidity management remains central to preserving financial capital. As at 31 March 2026, the Group recorded a current ratio of 1.20 times and a quick ratio of 0.40 times, while the Company recorded corresponding ratios of 1.43 times and 1.25 times. These indicators demonstrate the Group's and Company's focus on maintaining adequate liquidity and supporting operational and financial stability.





FINANCIAL POSITION

Total assets increased to LKR 133,576 million, while total liabilities rose to LKR 90,679 million, reflecting continued investment in growth assets and working capital expansion.

FINANCIAL CAPITAL

SHARE HOLDERS VALUE CREATION

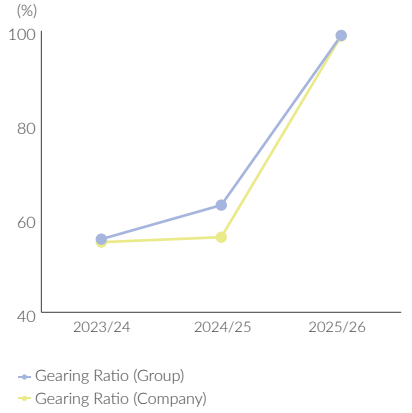
The market performance of Access Engineering PLC's share demonstrated strong growth during the financial year ended 31 March 2026. The share price reached a high of LKR 80.50 on 26th February 2026 and traded within a range of LKR 34.80 to LKR 80.50 during the year. The share closed at LKR 67.00 as at 31 March 2026, representing a significant increase from LKR 38.50 recorded at the end of the previous financial year. Consequently, the Company's market capitalisation increased to LKR 67 billion as at 31 March 2026, reflecting enhanced shareholder value and positive investor confidence in the Company's long-term growth prospects.

CAPITAL STRUCTURE

The Group's financial capital structure reflects a notable increase in leverage during the year under review. The gearing ratio increased to 99.0% for the Group and 85.89 for the Company, compared to the previous year, indicating a higher reliance on interest-bearing borrowings to finance business operations and expansion initiatives.

This increase in gearing is primarily attributable to increased borrowings raised to support strategic investments in infrastructure development, property-related projects, and subsidiary-level expansion activities. The Group continues to deploy debt capital to fund long-term growth opportunities, aligning with its strategic focus on capacity expansion and diversification of revenue streams.

Gearing Ratio

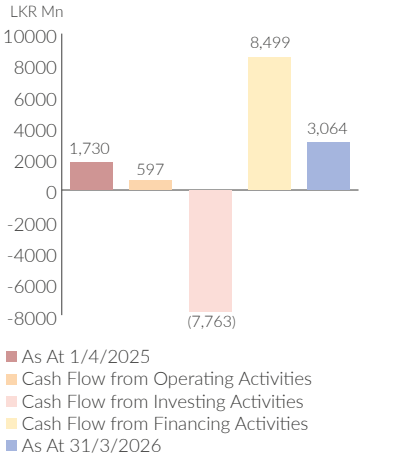


CASH FLOW PERFORMANCE

As at 31 March 2026, the Group reported cash and cash equivalents of LKR 3,064 million, an increase of LKR 1,334 million from LKR 1,730 million as at 1 April 2025. During the year, the Group generated a net cash inflow of LKR 597 million from operating activities, reflecting its ability to convert operating performance into cash flows.

Net cash used in investing activities amounted to LKR 7,763 million, primarily attributable to investments in investment properties under development and property, plant and equipment, supporting the Group's long-term growth objectives. Financing activities generated a net cash inflow of LKR 8,499 million, which more than offset investing cash outflows and strengthened the Group's liquidity position. As a result, the Group closed the year with a healthy cash balance, reinforcing its financial flexibility and capacity to pursue future growth opportunities.

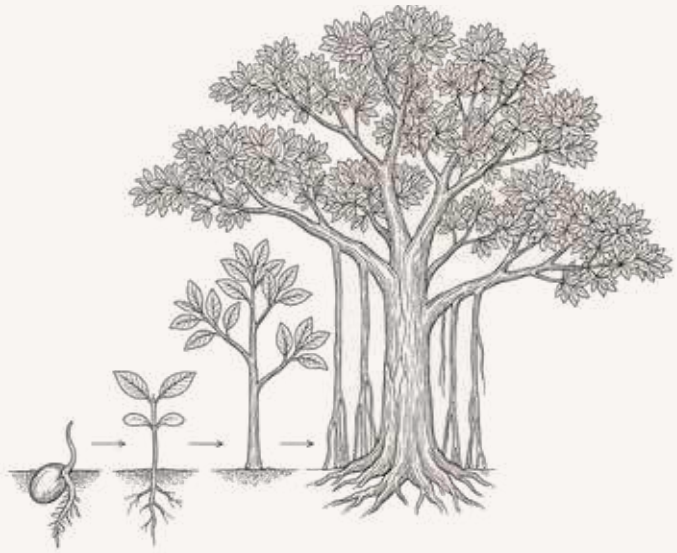
Statement of Cash flows

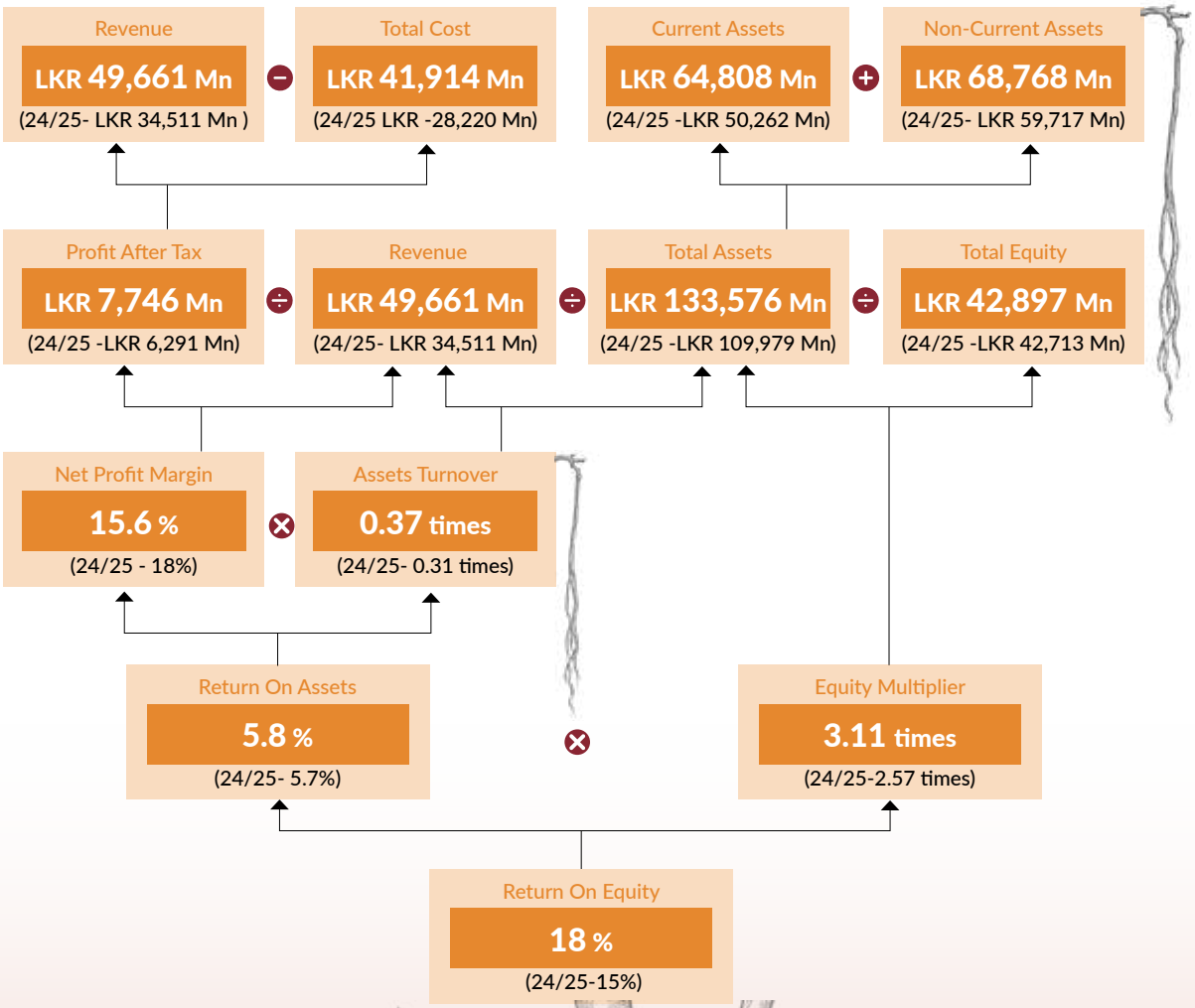


AEL GROUP DUPONT ANALYSIS

DuPont analysis breaks down Return on Equity (ROE) into three components, net profit margin, asset turnover, and equity multiplier providing a clearer understanding of a company's profitability, operational efficiency, and financial leverage.

The Group's Return on Equity (ROE) improved to 18% in 2025/26 from 15.0% in the previous year. Although the Net Profit Margin declined to 15.6% (2024/25: 18.0%) due to a significant increase in costs, Asset Turnover improved to 0.37 times (2024/25: 0.31vtimes), reflecting more efficient utilisation of assets. In addition, the Equity Multiplier increased to 3.13 times from 2.57 times, indicating a greater contribution from financial leverage. Collectively, these factors contributed to the improvement in shareholder returns during the year.




Revenue
LKR 49,661 Mn
(24/25- LKR 34,511 Mn)
Total Cost
LKR 41,914 Mn
(24/25 LKR -28,220 Mn)
Current Assets
LKR 64,808 Mn
(24/25 -LKR 50,262 Mn)
Non-Current Assets
LKR 68,768 Mn
(24/25- LKR 59,717 Mn)
Profit After Tax
LKR 7,746 Mn
(24/25 -LKR 6,291 Mn)
Revenue
LKR 49,661 Mn
(24/25- LKR 34,511 Mn)
Total Assets
LKR 133,576 Mn
(24/25 -LKR 109,979 Mn)
Total Equity
LKR 42,897 Mn
(24/25 -LKR 42,713 Mn)
Net Profit Margin
15.6 %
(24/25 - 18%)
Assets Turnover
0.37 times
(24/25- 0.31 times)
Return On Assets
5.8 %
(24/25- 5.7%)
Equity Multiplier
3.11 times
(24/25-2.57 times)
Return On Equity
18 %
(24/25-15%)

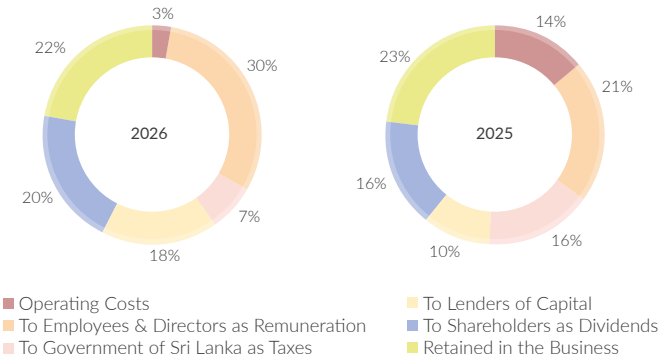
FINANCIAL CAPITAL

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED [LA] GRI 201-1

We contribute significantly to the national economy through tax payments, job creation, community development, and environmental stewardship.

	2026 (LKR Mn)	2025 (LKR Mn)
Value Delivered		
Operating Costs	**311**	1,811
To Employees & Directors as Remuneration	**2,954**	2,756
To Government of Sri Lanka as Taxes	**709**	2,081
To Lenders of Capital	**1,716**	1,265
To Shareholders as Dividends	**2,000**	2,000
Retained in the Business	**2,205**	2,910
Value Created	**9,895**	12,823

Economic Value Added Statement



Short Term - Medium Term Plans

- Strengthen the Group's presence in high-impact infrastructure, engineering, and diversified business sectors to reinforce Access Engineering PLC's position as a leading integrated solutions provider.
- Optimise capital allocation by prioritising strategic investments and projects that generate strong cash flows, sustainable returns, and enhanced shareholder value.
- Enhance working capital efficiency through disciplined receivables management, effective project cash flow planning, and improved treasury practices to support business growth and financial resilience.
- Improve operational excellence by leveraging technology, innovation, and process optimisation to increase productivity, cost efficiency, and project execution capabilities.

Long Term Plans

- Expand the Group's regional presence by pursuing strategic collaborations and investment opportunities in infrastructure, marine, port, and urban development sectors, diversifying revenue streams and strengthening its footprint across South Asia and other selected markets.
- Invest in talent development and future-ready capabilities to enhance operational excellence, drive innovation, and support sustainable long-term value creation across the Group.
- Strengthen long-term financial resilience through disciplined capital management and strategic investments, enabling the Group to capitalise on emerging opportunities while maintaining a robust financial position.

MANUFACTURED CAPITAL

OVERVIEW

Manufactured Capital represents the physical infrastructure, operational assets and digital systems that support Access Group's capacity to deliver complex engineering, construction and diversified business solutions.

MANAGEMENT APPROACH

The Group manages Manufactured Capital through strategic investments on the acquisition, maintenance, upgrade and optimisation of physical and digital assets, with a view to scaling existing operating models and supporting business diversification over time.

MATERIAL MATTERS

- Economic Performance
- Infrastructure Quality, Reliability and Maintenance
- Technology, Automation and Digital Transformation
- Asset Lifecycle Management and Operational Efficiency
- Data Security, IT Resilience and Business Continuity
- Environmental Compliance and Management Systems

SWOT

S Strengths

- Integrated asset base comprising production plants, piling, specialised road machinery, tipper fleets, workshops and digital systems that support project execution across multiple business lines.
- Established maintenance, audit and governance processes that support asset reliability, utilisation and operational continuity.

W Weaknesses

- Continued dependence on domestic market conditions leaves asset utilisation exposed to local economic, policy and project cycle fluctuations.

O Opportunities

- Expansion into specialised and future ready sectors, including radiopharmaceutical production, to diversify the Group's asset base and value creation pathways.
- Greater adoption of smart equipment, digital monitoring and process automation to improve productivity, maintenance planning and decision making.

T Threats

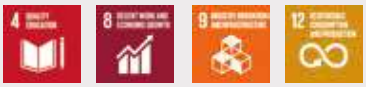
- Intense competition in construction and materials related sectors may place pressure on pricing, asset utilisation and returns on investment.
- Extreme weather events and operational disruptions may affect site activity, asset deployment and project execution timelines.

HIGHLIGHTS FOR FY 2025/26

- Investment in PPE and Intangible Asset during the year (Company) - LKR 249 Mn
- Investment in PPE and Intangible Asset during the year (Group) – LKR 3,158 Mn
- LKR 1,890 Mn investment in specialised building infrastructure and machinery to support local radiopharmaceutical production
- Implemented SAP Ariba to strengthen procurement efficiency, transparency and supplier integration
- Migrated from on premises ESET protection to ESET Protect Cloud to improve security management, accessibility and system protection.

MANUFACTURED CAPITAL

SDGS



FUTURE PLANS

Property, Plant and Equipment	Expand existing plants/ establish new production facilities to meet growing market demand across core sectors. Assess the acquisition of higher capacity piling machinery to support larger and deeper piling works for technically demanding projects.
Greening of Assets	Transition to energy efficient machinery and adopt green technologies within plants to support environmental compliance and resource efficiency.
IT Core and Back-end Systems	Implement an employee Contract Management System to digitise and automate contract lifecycle processes and ensure timely renewals. Upgrade the current WiFi infrastructure by replacing the existing access system across all four corporate floors to improve performance and coverage. Incorporate Internet of Things enabled equipment for real time monitoring, predictive maintenance and operational optimisation across plants.

ACCESS GROUP MANUFACTURED CAPITAL FOOTPRINT

32
Production Plants

1,130,000 sqft
Warehousing Space

15.85 Mw
Renewable Energy Infrastructure

LKR 22,550 Mn
Invested in Property, Plant & Equipment (Cost)

PROPERTY, PLANT AND EQUIPMENT (PPE)

Property, Plant and Equipment (PPE) provide the strategic backbone for Access Engineering PLC's Manufactured Capital. Comprising production plants, administrative and warehouse facilities, specialised machinery, operational equipment, technology infrastructure, and other workplace assets, the Group's asset base provides the foundational ecosystem for execution of current operations as well as supporting future growth and business expansion.

As an asset-heavy organisation, investments in Property, Plant and Equipment are undertaken through a Board approved CAPEX framework that aims to ensure timely and effective resource allocation to build and strengthen the Group's physical asset base in line with the Group's strategic priorities, operational requirements, and long-term value creation objectives. More recently, the Group has also started leveraging its SAP Ariba to support more effective planning, monitoring and control of asset investments across the Group

CAPEX FRAMEWORK

Planning
Assessment of the existing asset base and future project pipeline to identify operational requirements, asset gaps and investment priorities.

Forecasting
Capital allocations forecasted based on projected workloads, emerging market trends and technological developments.

Budgeting
Proposed investments evaluated based on operational efficiency, resource optimisation and strategic relevance, with annual budgets allocated across profit centres.

Approval
Project Managers approve capital expenditure requests below Rs. 1,000,000, while requests exceeding this threshold require approval from the Managing Director and the respective Project Manager.

Board Endorsement
Final CAPEX plan and budget reviewed and endorsed by the Board of Directors.

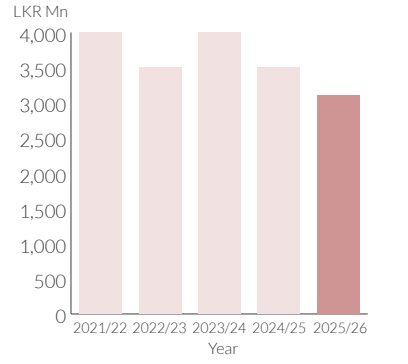
Procurement
Approved investments procured in accordance with operational requirements and approved budget allocations.

Supplier Evaluation
Suppliers assessed based on quality, pricing, delivery reliability, after sales support and compliance with social and environmental standards.

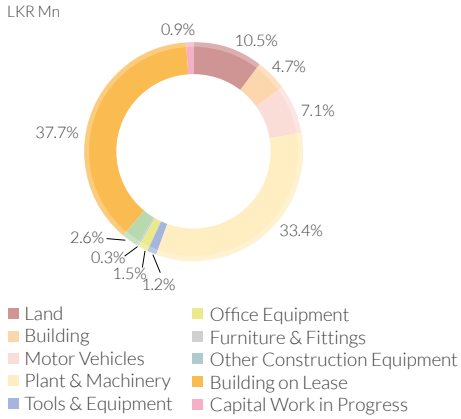
Technical Evaluation
Equipment specifications reviewed to assess suitability, performance requirements and compatibility with operational and technological needs.

Deployment and Commissioning
Assets installed, commissioned and deployed across operations in accordance with approved specifications and operational requirements.

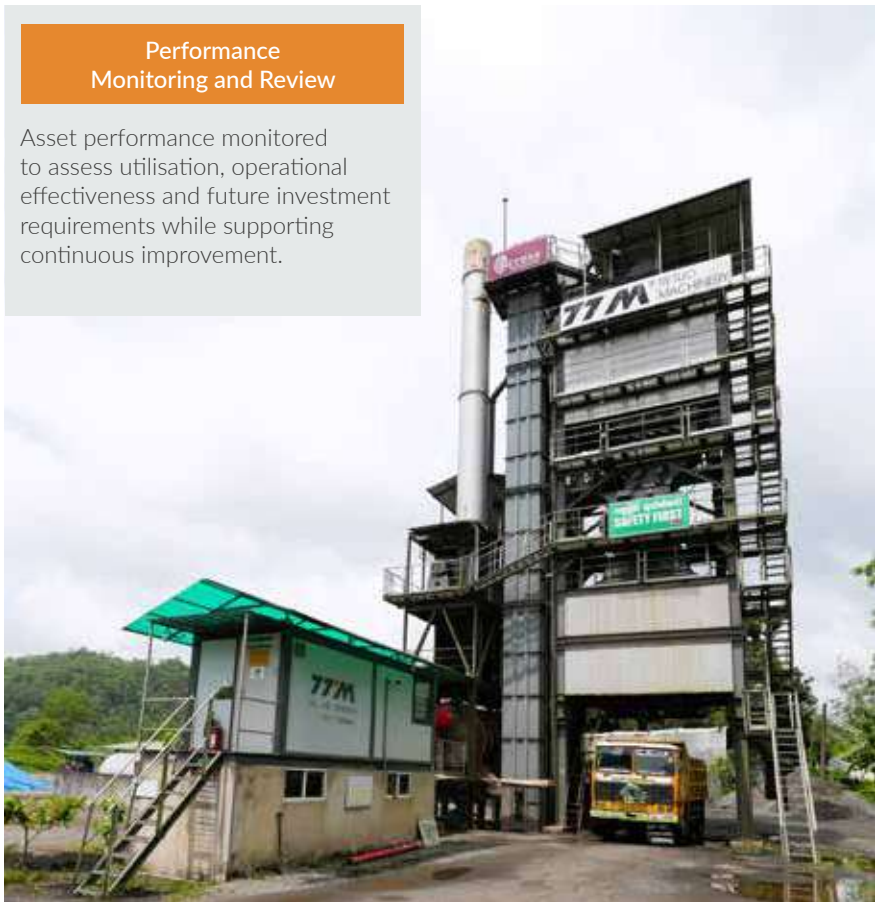
Net book value of PPE



Composition of Property,Plant & Equipment



Performance Monitoring and Review
Asset performance monitored to assess utilisation, operational effectiveness and future investment requirements while supporting continuous improvement.



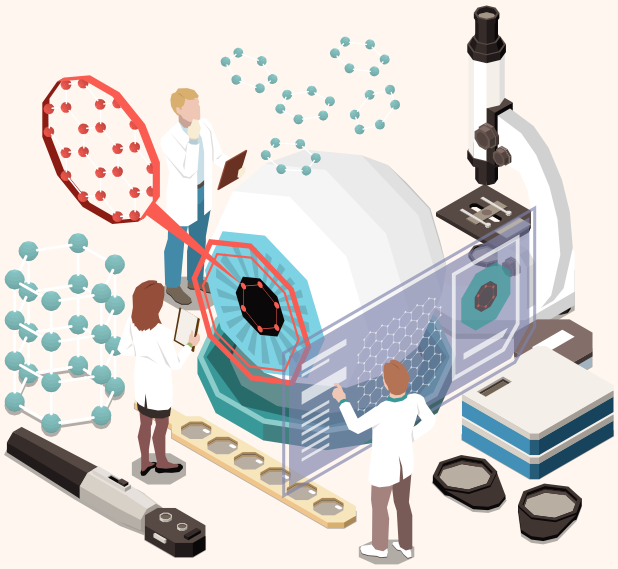
MANUFACTURED CAPITAL

Access Group Establishes its footprint in Sri Lanka's Radiopharmaceutical Sector

As part of its strategy to diversify into high-growth sectors beyond its traditional engineering and construction operations, Access Engineering PLC invested approximately USD 6.9 million in the establishment of a cyclotron-based radiopharmaceutical production facility under a Build, Own and Operate (BOO) model. The investment is being undertaken through Access Medical Tracers Ltd., in which the Group holds a 60% equity stake. The investment represents a strategic expansion of the Group's asset base into the healthcare sector, creating a new platform for growth while supporting the development of specialised medical infrastructure within the country.

The facility will be equipped with advanced cyclotron technology and supporting radiochemistry, quality control, and distribution infrastructure required for the production of radiopharmaceuticals used in nuclear medicine. These specialised compounds are critical for Positron Emission Tomography (PET) scans and other diagnostic imaging procedures, particularly in the detection, diagnosis, and monitoring of cancer and other complex medical conditions.

Given the short half-life of many medical isotopes, local production capability is essential to ensure timely and reliable access for hospitals and diagnostic centres. Accordingly, the facility is expected to strengthen Sri Lanka's healthcare infrastructure by improving the availability of advanced diagnostic solutions while reducing reliance on imported radiopharmaceuticals.



PPE Investments in FY 2025/26

PPE Category	Key Investments and Purpose	Investment Value (LKR)
Buildings	Establishment of specialised radiopharmaceutical production infrastructure for Access Medical Tracers.	9,715,984
	Construction of a dedicated workshop building to strengthen internal maintenance capacity	
Plant and Machinery	Acquisition of compound cone crushers and a weigh bridge system to strengthen material production capability.	146,397,556
	Equipment for the Radiopharmaceutical facility	
Construction Equipment	Procurement of plate compactors, vibrating rammers, asphalt cutters, chipping hammers, air compressors, bar bending machines and poker vibrators to enhance project execution capability across operational sites.	641,698
Computer and Office Equipment	Investment in laptops, desktop computers, external hard disks, tabs, printers, photocopy machines, CCTV cameras, fingerprint machines, multimedia projectors and scanners to support operational efficiency and workplace connectivity.	16,376,905
Tools and Equipment	Investments in grinding machines, drill machines, welding plants, jack hammers, submersible pumps, hand blowers and power saw machines for workshop operations	12,895,788
Furniture and Fittings	Installation of office furniture, air conditioners, filing racks, lightning protection systems and soundproof partitions to enhance workplace functionality, safety and environmental conditions.	5,425,050
Motor Vehicles	Procurement of motor vehicles to support operational mobility, site supervision and logistics coordination across project locations, enabling timely execution of construction activities and enhancing overall operational efficiency.	9,500,000
Capital work -in-progress	Construction and modification to expand the parking capacity	28,613,372
Total PPE Investment		229,566,353

ASSET LIFECYCLE OPTIMISATION

Asset Lifecycle Optimisation focuses on extending asset longevity by enhancing the integrity, reliability, and performance of assets throughout their operational life. To achieve this, Access Engineering adopts a structured asset management approach that integrates planning, utilisation, maintenance, monitoring, and continuous improvement practices across its operations.

Effective asset lifecycle management begins with asset planning and utilisation management, whereby asset deployment and utilisation requirements are aligned with operational priorities and project demands to ensure right assets are available at the right time and location. Complementing these efforts is a robust condition monitoring framework, which includes routine inspections, performance evaluations, and condition assessments designed to identify maintenance requirements at an early stage and provide timely insights into asset health and performance. Preventive maintenance activities are implemented under the supervision of Unit Heads, who oversee maintenance schedules, service agreements, and the performance of critical assets. These proactive measures help reduce unplanned downtime and preserve asset functionality over the long term. The effectiveness of maintenance and asset management practices is further supported through periodic audits, calibration reviews, and system assessments conducted in compliance with ISO 9001 Quality Management System requirements with findings used to strengthen asset management processes and improve asset safety.

Asset Rationalisation forms a key component of the Access Group's approach to optimising the performance of the overall asset base. Periodic reviews of asset utilisation are conducted across operational locations to identify underutilised, obsolete, or non-performing assets and evaluate opportunities for redeployment, replacement, refurbishment in line with operational priorities, or disposal, as appropriate, collectively enabling the Group to maximise asset utilisation, improve capital efficiency, and reduce maintenance and holding costs associated with underperforming assets.

GREENING OF ASSETS

Greening of Assets forms an important component of AEL's broader approach to sustainable asset management. In this regard, the Group seeks to progressively integrate lower-emission and more efficient technologies into its asset base, thereby systematically reducing energy intensity of its operations.

In line with this approach, Magnetic Bearing Chillers were installed at the Group Corporate Office complex in the current year. The technology which utilises low-friction magnetic bearing systems, enables more efficient energy consumption while supporting the Group's broader efforts to enhance resource efficiency and reduce environmental impact.

At the same time, the Group continues to incorporate sustainable technologies and environmentally responsible practices into the management and development of its Property, Plant and Equipment in line with the ISO 14001:2015 Environmental Management System standard to focus on continuous improvement of environmental performance across its asset base.

Another key pillar of the Group's greening strategy is the continued expansion of renewable energy investments, particularly through solar power generation. Recognising the growing importance of energy security, cost optimisation, and decarbonisation, the Group continues to evaluate opportunities to increase the integration of solar energy to reduce dependence on conventional grid electricity as well as to meaningfully reduce greenhouse gas emissions associated with the Group's asset base.

IT CORE AND BACK-END SYSTEMS

As a diversified Group a robust and scalable technology environment that supports seamless communication, collaboration and information management across its business operations.

The Board of Directors assumes overall responsibility for setting the technology strategy, while the Manager IT is responsible for implementation and recommending initiatives to strengthen digital infrastructure and enhance operational efficiency across the organisation. Investments are evaluated in consultation with senior management and undertaken in accordance with the Board approved Hardware and Software Procurement Policy.

The Group's server based IT environment supports a range of specialised applications critical to business operations. Employees are connected through a centralised intranet and email network that facilitates efficient communication and collaboration across departments. Core operational systems include SAP ERP, CADMATE and the Leave Management System, supported by Microsoft productivity applications. Reliable connectivity is maintained through dual internet service providers.

During FY 2025/26, the Leave Management System was integrated with SAP ERP to reduce duplication of information, improve data accuracy and enabled more efficient management of employee leave related activities through a centralised platform.

In addition, a Budget Monitoring System was also implemented within the Project Management function to provide real time visibility of project costs to support more informed operational decision making across project activities.

MANUFACTURED CAPITAL

IT Governance Framework

- Datacenter Policy
- Data Classification and Handling Policy
- IT Disaster Recovery Policy
- IT General Policy
- Hardware and Software Procurement Policy
- IT Incident Management Policy
- IT User Management Policy

HELP DESK TICKETING SYSTEM

To ensure the proactive resolution of technology-related issues, the Group introduced a Help Desk Ticketing System that enables employees to remotely log and track IT-related requests. The system, which is built around a closed-loop resolution framework that enhances transparency and accountability by providing visibility over ticket status and support performance, while enabling the IT team to identify recurring issues, monitor service trends, and implement continuous improvements to minimise operational disruptions. By improving response and resolution times, the system also helps minimise disruptions to employee productivity and supports the reliable delivery of IT services across the Group

DISASTER RECOVERY (DR) AND BUSINESS CONTINUITY PLANNING (BCP) SYSTEMS

The ability to respond effectively to unexpected disruptions is critical to safeguarding business operations, protecting key assets and maintaining service continuity. To support operational resilience and minimise the potential impact of unforeseen events, the Group safeguards its key assets and ensures the continuity of critical business operations through a fully established Disaster Recovery (DR) and Business Continuity Planning (BCP) framework.

The Disaster Recovery framework is governed by the IT Disaster Recovery Policy, which establishes structured recovery procedures and protocols to support the timely restoration of critical systems and minimise operational disruption in the event of an incident.

Complementing this framework is a robust Business Continuity Planning framework designed to sustain critical business functions and operational activities during periods of disruption.

To maintain a high level of preparedness, the Group conducts periodic testing of its recovery capabilities and continuity arrangements. During FY 2025/26, a Disaster Recovery drill was conducted involving the restoration of data from backup files within a controlled environment. The exercise successfully validated the functionality of key systems and confirmed the effectiveness of established recovery procedures and protocols.

INFORMATION SECURITY SYSTEM

As Access Engineering PLC continues to expand the use of digital technologies and integrated business systems across its operations, maintaining the security, integrity, and availability of information assets remains critical to ensuring operational continuity and safeguarding business activities. Accordingly, the Group has established a robust information security architecture aligned with the Information and Communication Technology Act, No. 27 of 2003, supported by a combination of technology controls, governance processes, and continuous monitoring mechanisms.

Network security solutions such as the ESET Antivirus and FortiGate Firewall provide endpoint protection and support traffic monitoring, threat detection, and safeguards against unauthorised access across the Group's IT environment. These controls are complemented by formally documented user access management procedures, authorisation protocols, data classification practices, and incident response guidelines to protect sensitive information and maintain system integrity.

During the year, several targeted enhancements were implemented to further strengthen the Group's cybersecurity posture. These included a firmware upgrade to the FortiGate Firewall platform and the migration of endpoint protection services from an on-premises environment to ESET Protect Cloud. The transition to a cloud-based platform provides a secure web-based management console, enables automatic security updates, improves system accessibility, and reduces infrastructure maintenance requirements, thereby enhancing both security and operational efficiency.

The effectiveness of the information security framework is supported through ongoing due diligence activities, including periodic reviews of user access rights, system controls, security configurations, and system logs. These assessments help identify potential vulnerabilities, validate the effectiveness of existing controls, and support the continuous strengthening of the Group's cybersecurity environment. As a result of these measures, no major information security incidents or disruptions were recorded during the year.

INTELLECTUAL CAPITAL

OVERVIEW

Intellectual Capital represents the collective knowledge, technical expertise, proprietary processes, systems, organisational capabilities and brand equity built over decades of excellence that together form an intangible ecosystem underpinning the Group's long-term competitiveness and value creation over time.

MANAGEMENT APPROACH

The Group manages its Intellectual Capital through an integrated approach that focuses on developing, protecting and leveraging intangible assets to reinforce the Group's competitive positioning of all business verticals

MATERIAL MATTERS

- Innovation and Research and Development
- Anti-Corruption and Anti-Competitive Behaviour
- Brand and Reputation

SWOT

S Strengths

- Recognised brand supported by a proven track record
- Fully integrated business model that enhances quality control, operational consistency, and execution capability
- Extensive repository of technical, operational, and market knowledge
- Strong network of strategic partnerships spanning infrastructure, healthcare technology, renewable energy, research, and academia.

W Weaknesses

- Concentration of operations within Sri Lanka increases exposure to domestic economic, regulatory, and political developments.

O Opportunities

- Economic recovery and improving business confidence supporting increased infrastructure and development activity.
- Enhanced brand differentiation through stronger ESG governance and sustainability reporting capabilities.

T Threats

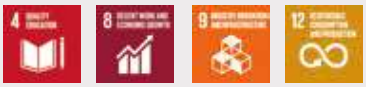
- Loss of institutional knowledge due to talent attrition and skills leakage, especially in technical areas
- Over-reliance on tacit knowledge can limit the effective recording and retention of key processes and lessons learned

HIGHLIGHTS FOR FY 2025/26

- Continued execution and promotion of major infrastructure and property developments, including Marina Square Uptown.
- Strengthened the Group's innovation ecosystem through IdeaNest by fostering collaboration between industry, academia, research institutions, and technology partners.
- Commissioning of Access Medical Tracers, Sri Lanka's first cyclotron-based radiopharmaceutical production facility
- Smart Drain project, a strategic partnership with Urban Inventors Australia, recognised as a Top 30 Finalist at the 2025 WIPO Global Awards.
- Continued its partnership with the National Academy of Sciences of Sri Lanka and the Sri Lanka Association for the Advancement of Science under the national initiative Rebuilding Trust in Science in Sri Lanka.
- Expanded strategic partnerships across port infrastructure, renewable energy, healthcare technology, and international construction projects to support capability enhancement and long term growth.

INTELLECTUAL CAPITAL

SDGS



BRAND STRENGTH

The Access brand reputation is one of the Group's most valuable intellectual assets. Known for its significant role in Sri Lanka's public and private infrastructure development over the years, particularly in the construction of highways, bridges, buildings, and telecommunications infrastructure, the Access brand has established itself as a leading engineering and infrastructure solutions provider in the country.

Access is also one of the few fully integrated construction brands in Sri Lanka, offering an end-to-end proposition combining engineering, procurement, construction, and project management expertise. Moreover, investments in backward integration allow greater control over base construction materials, including asphalt and concrete production, quarry and crusher operations, AAC block manufacturing, and M-sand production, further reinforcing the Group's credibility as a trusted and reliable partner for large-scale and complex infrastructure development projects.

Backed by its established presence in the local construction sector, AEL has continued to evolve in step with Sri Lanka's development. Deliberate diversification into systemically important sectors that support the country's long-term economic development agenda has seen the Access brand establish its presence in logistics infrastructure, commercial real estate, residential developments, renewable energy, mobility solutions, mechanical engineering, and most recently, healthcare-related infrastructure.

The evolution of the Group reflects its broader value engineering philosophy, which focuses on leveraging existing expertise, capabilities, and infrastructure to create value in adjacent sectors, an approach that has enabled the Group to transition from a construction-focused organisation into a diversified infrastructure and solutions group.

Continuing efforts to strengthen the Access brand reputation in the current year, the Group made strong progress across several major infrastructure and property developments, including Marina Square Uptown Colombo, Sri Lanka's largest single-phase oceanfront mixed-use development comprising 1,088 residential condominium units.

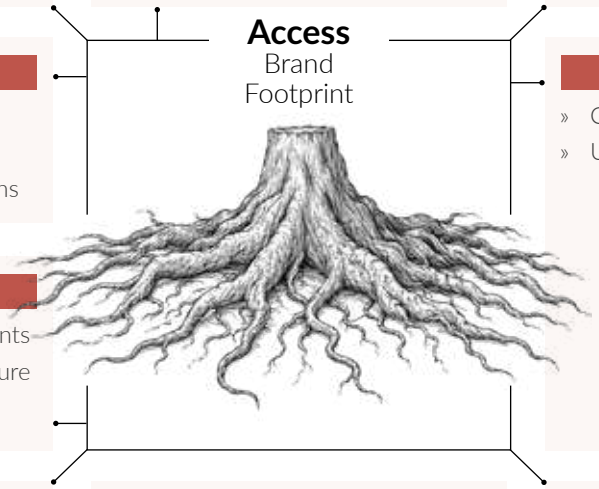
In parallel, the commissioning of Access Medical Tracers, Sri Lanka's first cyclotron-based radiopharmaceutical production facility, marks the Group's entry into healthcare infrastructure. This milestone not only expands the Access brand into a high-impact sector but also reflects its strategic intent to participate in transformative initiatives that support Sri Lanka's socio-economic development.

Civil Engineering
- Infrastructure Projects
- Roads and Highways
- Bridges
- Buildings
- Water and Wastewater Infrastructure

Construction Materials
- Asphalt Production
- Concrete Production
- Quarry and Crusher Operations
- AAC Blocks
- Manufactured Sand

Mechanical Engineering
- Port Machinery Solutions
- Industrial Engineering Services
- Maintenance and Repair Services

Logistics and Warehousing
- Industrial Logistics Parks
- Commercial Warehousing
- Logistics Infrastructure Solutions



Residential Development
- Condominium Developments
- Urban Living Solutions

Commercial Real Estate
- Commercial Office Developments
- Corporate Business Infrastructure

Renewable Energy
- 15.85 MW solar installation at the warehouses in Ekala and Kimbulapitiya

Automobile
- New Vehicle Sales
- Sale of Spare Parts
- Workshop Operations
- Marine engine sales

Radiopharmarceutical
- Production of FDGs

BUSINESS CONDUCT

GRI 2-23, 2-24, 2-25, 2-26, 205-1, 205-2, 205-3, 206-1

In today's fast-paced operating environment, good business conduct is essential to ensuring compliance, safeguarding reputation, and upholding stakeholder trust.

Business conduct at AEL is firmly grounded in the Group's core values, which define the principles of integrity, accountability, transparency, and respect that guide all aspects of operations and decision-making. These values shape the way employees engage with colleagues, clients, partners, regulators, and wider stakeholders, ensuring that business is conducted in a responsible, ethical, and compliant manner across all levels of the organisation.

These principles are formally embedded in the Group's Code of Business Conduct and Ethics, establishing clear standards of behaviour to guide employees in making responsible and informed decisions in their day-to-day activities. The Code serves as a foundational framework for ethical conduct, reinforcing expectations around integrity, compliance with laws and regulations, and adherence to the highest professional standards.

Likewise, the Anti-Bribery and Corruption Policy reinforces the Group's zero-tolerance approach towards unethical practices and ensures strict compliance with applicable legal and regulatory requirements. In addition, the whistleblowing mechanism provides employees and external stakeholders with a secure and confidential channel to report concerns related to misconduct, unethical behaviour, or regulatory breaches without fear of retaliation.

All reported concerns are treated with the utmost seriousness and are investigated promptly and thoroughly in accordance with established internal procedures. This integrated governance framework ensures accountability, promotes ethical decision-making, and reinforces a culture of integrity across AEL.

Core Values
- Equality
- Self Regulation
- Honesty
- Integrity
- Discipline
- Cooperativeness

INTELLECTUAL CAPITAL

GRI 205-3

During the reporting period, there were no confirmed incidents of corruption. No employees were dismissed or disciplined, no business partner contracts were terminated and no public legal cases regarding corruption were brought against the organisation or its employees.[LA]

KNOWLEDGE BASE

The Group's ability to deliver complex projects and adapt to changing market conditions is underpinned by a deep and evolving repository of technical, operational, commercial, and industry knowledge. Developed through decades of experience, the Group's knowledge base serves as a key differentiator that sets Access apart from peers.

The preservation and enhancement of organisational knowledge remain a key priority, promoting ongoing investments in professional development and capability building initiatives knowledge coupled with knowledge sharing and mentoring to strengthen technical expertise, facilitate the transfer of institutional knowledge, and ensure the continued availability of specialised skills required to support sustainable growth.

Strengthening the Knowledge Base

During FY2025/26, capability development initiatives focused on enhancing technical expertise, digital readiness, regulatory awareness, and operational excellence to support evolving business requirements and future growth opportunities.

Knowledge Planning

- Comprehensive Training Needs Analysis (TNA) to identify capability gaps and prioritise workforce development requirements.

Technical Excellence

- ISO 9001 Lead Auditor training programmes.
- SAP module training to strengthen operational efficiency and system utilisation.

Digital Readiness

- Awareness programmes on Artificial Intelligence and Machine Learning for construction professionals.
- Training programmes on data protection and cybersecurity.

Regulatory Compliance

- Workshops on the Value Added Tax Amendment Act No. 04 of 2025.
- Compliance awareness through targeted regulatory training initiatives.

Sustainability and Operational Capability

- Training programmes on asphalt waste management.
- Technical training on Solar PV system design and implementation.

R&D LED INNOVATION

Innovation remains an important driver of Access Engineering PLC's ability to create long term value, strengthen competitiveness, and respond to emerging challenges. As such, the Group's dedicated R&D vertical IdeaNest, as a fully fledged platform to promote ideation, experimentation, and the practical application of emerging technologies. Serving as a catalyst for innovation across the organisation, the platform provides a structured environment where engineering expertise, technical knowledge, academic research, and industry collaboration converge to transform innovative concepts into scalable and commercially viable solutions.

Ongoing collaboration with universities, research institutions, industry specialists, and technology partners, help to further strengthen the Group's innovation ecosystem particularly in regard to knowledge exchange and the exploration of emerging technologies relevant to infrastructure development, sustainability, and climate resilience.

As part of its broader efforts to strengthen collaboration between industry, academia, and the scientific community, Access continued its partnership with the National Academy of Sciences of Sri Lanka and the Sri Lanka Association for the Advancement of Science under the national initiative Rebuilding Trust in Science in Sri Lanka. As the exclusive strategic partner for the theme How Research and Development Scientists Generate Wealth for the People, the Group supports a three year programme aimed at improving public understanding of science, research, innovation, and technology as drivers of economic and social progress. Beyond public awareness, the initiative provides an important platform for fostering stronger engagement between industry, researchers, academics, policymakers, and future innovators.

Advancing Climate Resilient Urban Infrastructure Through Innovation

As part of ongoing efforts to develop practical solutions for urban infrastructure challenges, IdeaNest continued to advance the Smart Drain Project through a strategic partnership with Urban Inventors Australia to localise and implement its WIPO award winning Smart Drain technology in Sri Lanka.

The project focuses on the development of an optimised retrofit solution designed to address sediment accumulation and debris build up in existing storm water drainage systems. By adapting the technology to local operating conditions, the initiative seeks to improve drainage efficiency and support more effective stormwater management without the need for large scale infrastructure replacement.

Progress During FY2025/26

- Established a strategic partnership with Urban Inventors Australia to support the implementation of Smart Drain technology in Sri Lanka.
- Initiated research and development activities to adapt and optimise the technology for local drainage conditions.
- Selected pilot locations in Colombo and Kandy to support testing, validation, and further refinement of the solution.
- Advanced the development of a retrofit design capable of integrating with existing stormwater drainage infrastructure.
- Continued technical assessments aimed at improving debris management, maintaining water flow capacity, and enhancing long term drainage performance.
- Generated insights to support the future scalability and wider adoption of Smart Drain technology across urban environments in Sri Lanka.

STRATEGIC PARTNERSHIPS

Strategic partnerships provide access to specialised expertise, advanced technologies, industry knowledge, and new market opportunities that would otherwise require significant time and investment to develop independently. By leveraging the strengths of trusted partners, AEL is able to enhance technical capabilities, strengthen innovation, facilitate knowledge transfer, and pursue opportunities aligned with its long term growth strategy.

The Group's approach to forging new partnerships is based on trust, transparency, and shared value creation. Partnerships are cultivated as long term relationships that create mutual value while supporting business growth, operational excellence, and national development objectives.

Partner	Nature of Collaboration
Colombo West International Terminal (CWIT) Consortium comprising Adani Ports and SEZ Ltd., Sri Lanka Ports Authority, and John Keells Holdings PLC	The development of the Colombo West International Terminal under a 35 year Build Operate Transfer arrangement.
China Harbour Engineering Company	Joint venture partner for the East Container Terminal project undertaken for the Sri Lanka Ports Authority, with Access Engineering holding a 51% stake.
Sri Lanka Atomic Energy Board and Ministry of Health	The development of Sri Lanka's first cyclotron based radiopharmaceutical production facility through Access Medical Tracers (Private) Limited.
Ceylon Electricity Board	Twenty year Power Purchase Agreement for the development of a 16MW solar photovoltaic project.
Betonutepito PLC, Hungary	Collaboration on the Gatambe and Kohuwala Flyover projects funded by the Government of Sri Lanka.

INTELLECTUAL CAPITAL

GROUP SYNERGIES

AEL's progressive diversification over the years has created opportunities to leverage shared capabilities, including technical expertise, operational knowledge, infrastructure, and support functions across business units, thereby capitalising on economies of scale and reducing costs.

Key synergies include the "One Team, Two Towers" shared facilities management team oversight of multiple commercial office properties, ensuring the consistent application of maintenance, safety, and sustainability standards across the portfolio. At the same time, a unified procurement strategy enables the Group to leverage its combined purchasing power across commercial office operations, facilitating the negotiation of more favourable commercial terms for maintenance services, cleaning contracts, security services, and energy-efficient equipment. This integrated approach contributes to improved cost efficiency and enhanced operational effectiveness across the portfolio.

STANDARDS AND CERTIFICATIONS

Recognised industry accreditations, technical registrations, and internationally accepted management system certifications provide a strong foundation for ensuring regulatory compliance, effective risk management, operational excellence, and continuous improvement across all areas of the business.

CIDA Registrations and Technical Gradings		
Discipline	Grade	Status
Building	CS 2	Highest Grade
Highway	CS 2	Highest Grade
Bridge	CS 2	Highest Grade
Water Supply and Sewerage	CS 2	Highest Grade
Irrigation and Drainage	C 1	Third Highest Grade
Maritime Construction	C 1	Third Highest Grade
Heavy Construction	C 1	Third Highest Grade
Storm Water Disposal and Land Drainage	C 1	Third Highest Grade
Dredging and Reclamation	C 7	Registered

Specialised Field Registrations		
Discipline	Grade	Status
Mechanical Ventilation and Air Conditioning	EM 1	Highest Grade
Electrical Installations (Low and Medium Voltage)	EM 1	Highest Grade
Extra Low Voltage Installations	EM 1	Highest Grade
Plumbing and Drainage	EM 1	Highest Grade
Elevators, Escalators and Travellators	EM 1	Highest Grade
Generators	EM 1	Highest Grade
Fire Detection, Protection and Suppression	EM 1	Highest Grade
LP Gas Systems	EM 1	Highest Grade
Heavy Steel Fabrication	EM 1	Highest Grade
Soil Nailing and Stabilisation	SP 1	Highest Grade
Piling (Bored Cast In Situ)	GP B1	Highest Grade

MEMBERSHIPS AND AFFILIATIONS

GRI 2 -28

Active participation in professional bodies, industry associations, and business chambers enables the Group to remain closely connected to developments shaping the construction, engineering, and business landscape. These affiliations provide valuable opportunities to exchange knowledge, contribute to industry dialogue, strengthen professional standards, and engage with key stakeholders across both the public and private sectors.

The Group maintains memberships with organisations that support technical excellence, policy advocacy, sustainability, professional development, and business growth portfolio.

Memberships and Affiliations [LA]	*Membership/ Recognition* [LA]
National Construction Association of Sri Lanka (NCASL)	Member
The Employers Federation of Ceylon (EFC)	Member
Chamber of Construction Industry Sri Lanka (CCI)	Member
International Chamber of Commerce (ICC)	Member
Sri Lanka Business and Biodiversity Platform (SLBBP)	Patron Member
Institution of Engineers, Sri Lanka (IESL)	Recognition for training corporate engineers
The Ceylon Chamber of Commerce (CCC)	Members
The National Chamber of Commerce of Sri Lanka (NCCSL)	Members
Condominium Developers Association of Sri Lanka (CDASL)	Members

HUMAN CAPITAL

OVERVIEW

Human Capital is at the heart of Access Group's sustained success. The collective expertise, capabilities, and commitment of our employees empower the Group to respond effectively to changing market dynamics, maintain operational excellence, and drive sustainable growth and long-term value creation.

MANAGEMENT APPROACH

The Group's Human Capital management approach is centred on attracting, developing, and retaining talented individuals through a comprehensive employee value proposition and a workplace culture that promotes engagement, well-being, diversity, and opportunities for both personal and professional advancement.

MATERIAL MATTERS

- Employment
- Employee Capability, Productivity and Well-being
- Labour/Management Relations
- Occupational Health and Safety
- Child Labour
- Forced or Compulsory Labour
- Anti- Corruption
- Technology, Automation and Digital Transformation

SWOT

S Strengths

- Strong employee relations culture driven by open communication, mutual respect, and inclusive engagement,contributing to a stable and harmonious workplace with minimal industrial relations challenges
- Well-established HR systems and governance frameworks, including structured performance management, training and development processes, and ISO 45001-aligned health and safety practices employee well-being and organizational effectiveness.

W Weaknesses

- Limited adoption of advanced HR analytics and workforce automation tools, which may restrict predictive workforce planning and data-driven decision-making capabilities.

O Opportunities

- Strengthen talent retention and organisational resilience through enhanced career development programmes, succession planning initiatives, leadership pipelines, and cross-functional mobility opportunities.
- Leverage advanced HR technologies including integrated HRIS platforms, to improve recruitment effectiveness, employee development, performance management, and workforce planning.

T Threats

- Increasing competition for skilled engineering, technical and professional talent, resulting in heightened recruitment challenges, rising labour costs, and potential turnover risks.
- Macroeconomic volatility can impact workforce stability, project continuity, and long-term talent management strategies.
- Climate-related risks and extreme weather events may disrupt operations, impact project delivery timelines, and affect employee health, safety, and well-being.

HIGHLIGHTS FOR FY 2025/26

- LKR 2,788 Mn paid as remuneration and benefits to employees
- Conducted a formal and comprehensive Training Needs Analysis (TNA) to identify workforce capability gaps and prioritise development requirements across the organisation
- 4,245 training hours delivered
- Introduced digital safety monitoring tools to strengthen incident reporting and corrective action management.
- Achieved Integrated Management System (IMS) Certification
- LKR 2.7 Mn allocated as premium on workmen's compensation insurance
- LKR 26 Mn incurred on employee welfare

SDGS

FUTURE PLANS

Focus Area	Planned Initiative
Employee Recognition	Reintroduce employee recognition programmes, including the Access Star initiative, to strengthen employee engagement and motivation.
Performance Management	Revise the performance appraisal framework to incorporate both quantitative and qualitative factors relevant to each role. This will enable a more accurate and balanced assessment of employee performance.
Digital Transformation	Restructure the document management system to ensure efficient file organisation, easy retrieval, and secure storage.

TEAM PROFILE GRI 2 -7, 405 -1

All employees of Access Engineering PLC are engaged on a full time basis. The Group does not employ part-time or non-guaranteed hours employees. Employee numbers are reported using the headcount method, reflecting the number of employees as at the end of the reporting period. [LA]

Staff [LA]		*Labour* [LA]		*Total* [LA]
FEMALE		FEMALE		
Permanent	6	Permanent	-	6
Contract	87	Contract	3	90
MALE		MALE		
Permanent	40	Permanent	-	40
Contract	646	Contract	698	1344
Total Employees	779	Total Employees	701	*1480* [LA]

HUMAN CAPITAL

Employee breakdown by Type

Employee Statistics		FY 2025/26		
Employees by Type	Status	Male	Female	Total
	Managerial	100	11	**111** (2024/25 - 160)
	Operational/Technical	257	25	**282** (2024/25 - 240)
	Clerical and Supportive	153	55	**208** (2024/25 - 227)
	Skilled / Unskilled	874	5	**879** (2024/25 - 947)

Employee breakdown by Age

Employees by Age and Gender	Age Group	Male	Female	Total
	18 - 30 Years	352	34	**386** (2024/25 - 388)
	31 - 55 years	956	60	**1016** (2024/25 - 977)
	56 and above	76	2	**78** (2024/25 - 209)

Employee breakdown by region [LA]

Employee Statistics		FY 2025/26			FY 2024/25		
Employees by Region and Gender	Region	Male	Female	*Total* [LA]	Male	Female	Total
	Western Province	1217	93	1310	1361	99	1460
	Southern Province	22	-	22	14	-	14
	Central Province	46	1	47	13	-	13
	Northwestern Province	-	-	-	-	-	-
	Northcentral Province	10	-	10	10	-	10
	Eastern Province	1	-	1	-	-	-
	Northern Province	37	1	38	21	1	22
	Uva Province	-	-	-	-	-	-
	Sabaragamuwa Province	51	1	52	53	2	55

HUMAN CAPITAL GOVERNANCE FRAMEWORK GRI 2 -23, 2- 24, 2 - 27

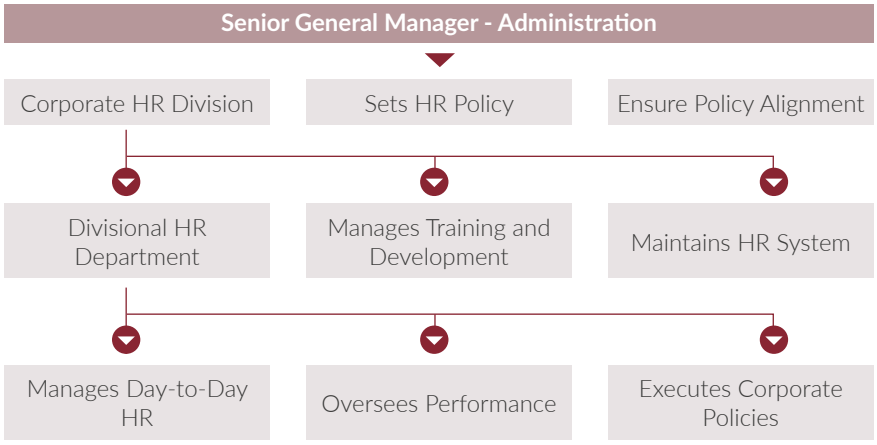
Given AEL's ongoing business diversification strategy, effective Human Capital governance remains fundamental for ensuring compliance with applicable regulatory frameworks and the consistent application of best practices across the organisation, while cultivating a high-performing, engaged, and future-ready workforce capable of supporting the Group's long-term strategic objectives.

During the year, the Group reviewed and enhanced several aspects of its Human Capital governance framework with the introduction of governance tools designed to improve consistency, transparency, and accountability and also ensure closer integration between strategic and operational HR function, while compliance tracking was enhanced with the introduction of audits and statutory monitoring processes, including TIN compliance requirements.

The Group's workforce is predominantly male, particularly within operational, technical and skilled/unskilled roles, consistent with general trends in the construction and engineering sector. The majority of employees fall within the 31–55 years age group, reflecting an experienced workforce.

Geographically, employees are concentrated in the Western Province, where the Group's head office and key project sites are located, with smaller numbers across other provinces based on active project locations during the year.

Employee numbers are reported on a headcount basis as at 31st March 2026, covering directly employed permanent and contract staff and labour. All employees are engaged on a full-time basis; the Group does not employ part-time or non-guaranteed hours employees. [LA]



Regulatory Compliance

- Shop and Office Employees Act No. 19 of 1954
- Wages Board ordinance
- Employees Provident Fund
- Payment of Gratuity Act
- Tax Identification Number (TIN) Compliance Requirements
- Management Systems and ISO Requirements

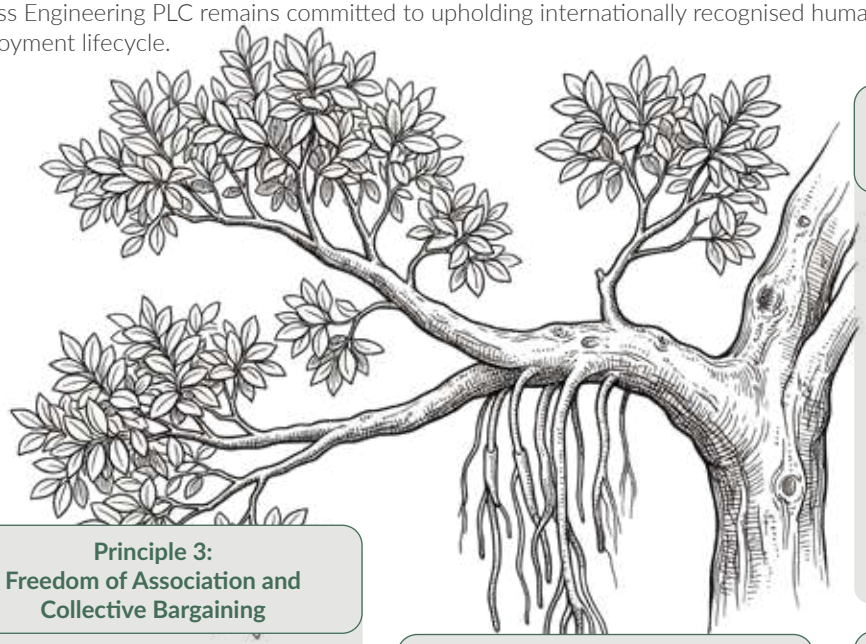
HR Policies and Practices

- Policy on Staff recruitment, Selection and Placement
- Employee Interview and Selection guideline (New)
- Policy on Employee Salaries and Overtime
- Employees Leave Policy
- Company ID Policy
- Learning Development Policy
- Policy on Staff training and Development
- Traineeship Guideline (New)
- Mobile Phone usage Administration Policy
- Guideline on Working on Time-Off Days
- Guideline on Providing transport Facilities and travelling Expenses to Employees
- Disciplinary Policy
- Anti – Bribery and Anti – Corruption Policy (New)
- Whistleblowing Policy
- Selection and Placement
- Guideline on Employee Induction
- Facilities & Travelling Expenses to Employees

HUMAN CAPITAL

HUMAN RIGHTS GRI 2 -30, 406 -1, 407 -1, 408 - 1, 409 -1

Access Engineering PLC remains committed to upholding internationally recognised human rights practices throughout the employment lifecycle.



Principle 3: Freedom of Association and Collective Bargaining

The Group is committed to upholding the employees right to freedom of association and collective representation in accordance with applicable labour laws and regulations. At the same time, Group is committed to foster a workplace culture built on mutual respect, open communication, and constructive engagement, enabling employees to freely express their views, raise concerns, and participate in workplace discussions without fear of discrimination, intimidation, or retaliation.

In this regard, the Group has established both formal and informal channels to encourage ongoing dialogue between employees and management to ensure matters relating to workplace conditions, employee well-being, career development, and organisational performance are addressed in a timely and transparent manner. These strong engagement practices have supported positive employee-management relationships across the Group's operations. Consequently, no collective bargaining agreements are currently in place, and the Group does not consider its operations to be at risk with respect to freedom of association or collective bargaining rights.

Principle 4: Forced and Compulsory Labour

Forced or compulsory labour is strictly prohibited across Access Group operations. The Group seeks to build employment relationships based on voluntary engagement with employees free to leave employment in accordance with applicable contractual terms and statutory requirements. As such the Group's operations are not at risk for forced or compulsory labour, *hence there is zero incidents of forced or compulsory labour reported during the year* [LA]

Principle 5: Prevention of Child Labour [LA]

The Group remains firmly committed to preventing child labour in compliance with all applicable labour regulations governing minimum employment age requirements. This commitment is reinforced through strict age verification protocols at the time of recruitment to ensure that all new recruits meet legal employment criteria. Hence, the Group's operations are not at risk for Child labour, in addition there is zero incidents of child labour. [LA]

Principle 6: Non-Discrimination and Equal Opportunity

Creating a workplace environment that is free from discrimination, harassment and unfair treatment remains a top priority for AEL. In keeping with the commitment, the Group does not discriminate based on age gender relies beliefs, marital status or any other status protected by law, with all employment-related decisions are based solely on merit, capability, qualifications, and performance. Additionally, managers and leaders at all levels are expected to embody these principles and lead by example in preventing any form of discrimination, harassment, bullying, victimisation, or unfair treatment.

Grievance reporting mechanisms are in place to enable employees to raise concerns confidentially and without fear of retaliation, with all reports subject to formal investigation timely resolution, and appropriate corrective action where necessary, while upholding strict confidentiality throughout the process. *During the year under review, no incidents relating to discrimination were reported.* [LA]

DIVERSITY, EQUALITY AND INCLUSION (DEI)

AEL remains firmly committed to promote Diversity, Equality and Inclusion (DEI) by ensuring equal access to recruitment, career progression, learning opportunities and remuneration irrespective of gender, ethnicity, religion or other personal characteristics. Recruitment, promotion and employee development decisions remained aligned with individual capabilities, qualifications and performance. The Group also continued to uphold equitable remuneration

ONGOING COMMITMENTS

- Improve female participation at all levels of the workforce
- Equal opportunity and non-discriminatory employment practices
- Fair and equitable remuneration and benefits
- Prevention of sexual harassment through established disciplinary procedures
- Awareness and training programmes promoting gender sensitivity and inclusion
- Monitoring and reporting of gender-related performance indicators

IMPLEMENTATION OF THE ANTI – BRIBERY AND ANTI- CORRUPTION POLICY

Maintaining high standards of integrity and ethical conduct remains an important component of the Group's Human Capital framework. During the year, Access Group PLC introduced an Anti-Bribery and Anti-Corruption Policy reinforcing its commitment to transparency, accountability and responsible business conduct. The policy outlines prohibited practices including bribery, facilitation payments and conflicts of interest, while also providing guidance on reporting mechanisms and disciplinary actions.

To support effective implementation, the policy was communicated to employees in both English and Sinhala to improve accessibility and organisation-wide awareness. The Group also appointed a dedicated Compliance Officer during the year to oversee adherence to the policy and strengthen governance oversight across its operations.

GENDER PARITY SCORECARD

Indicator	FY 2025/26	FY 2024/25
Sexual harassment incidents reported	-	-
Average training hours per employee (Staff Only)	*5.45* [LA]	1.75
Gender ratio in senior management	92% : 8%	92% : 8%
Female representation in leadership positions	8%	8%
Return-to-work rate following parental leave	100%	100%
Remuneration (Ratio of basic salary between men and women at entry level)	1 : 1	1 : 1

GENDER PARITY SCORECARD [LA]

GRI 405-2

Employee Category	Basic Salary (Ratio) (Male : Female)	Remuneration (Ratio) (Male : Female)
Senior Management (C3 and C4)	1 : 1	1 : 1
Middle Management (C5)	1 : 1	1 : 1
Junior Management (C6 & C7)	1 : 1	1 : 1
Junior Executive (C8)	1 : 1	1 : 1
Clerical and Supportive (C9)	1 : 1	1 : 1
Minor Staff (C10)	1 : 1	1 : 1

- *No female employees are present at grade levels C1 and C2 during the reporting period* [LA]
- Labours have not been considered when calculating the above ratio

HUMAN CAPITAL

RECRUITMENT AND SELECTION

GRI 2 -8, 202 -2, 401 -1

Securing the right talent remains critical to supporting the Group's operational requirements and long-term growth ambitions. AEL follows a disciplined, merit-based recruitment and selection framework designed to attract and engage individuals with the competencies, experience, and potential required to drive business success.

Vacancies are advertised both internally and externally to ensure access to a diverse talent pool of potential candidates, while the Group's Industrial Placement Programme also serves as a key pipeline for attracting specialised talent. All new recruits are subject to a strict age verification process to ensure compliance with the legally mandated minimum employment age.

As a policy, AEL recruits employees on a full-time basis. In addition, the Group engages reputed labour service providers to source project-based skilled and unskilled labour requirements. As these individuals are not directly employed by AEL, they are not included within internal workforce tracking systems.

In line with the Group's workforce structure, all employees are engaged on a full-time basis, and the organisation does not employ temporary, part-time, or non guaranteed hours employees during the reporting period. [LA]

In AEL 'senior management' is defined as employees holding grade C4 and above within AEL's organisational structure, comprising grades C1, C2, C3 and C4. [LA]

100% of the Group's senior management is recruited locally from Sri Lanka, reflecting the strength of the domestic talent pipeline. [LA]

The term 'local' is defined as Sri Lankan nationals, reflecting the Group's domestic talent base. The Group considers Sri Lanka as its significant location of operation, as all primary business activities and workforce are concentrated within the country. [LA]

During the year, the Group encountered challenges in attracting suitably qualified candidates for specialised technical roles, Particularly amidst the highly competitive labour market. Recruitment activities were also impacted by external disruptions, including Cyclone Ditwah and fuel shortages linked to geopolitical developments in the Middle East. In response, the Group proactively expanded its sourcing channels to access a broader talent pool and introduced online candidate screening processes to reduce turnaround time and ensure continuity of hiring activities despite constraints.

During the reporting period, the Group engaged a total of 102 workers who are not employees, primarily through labour service providers. These individuals predominantly perform construction site based activities, including both skilled and unskilled work. The number of such workers is reported on a headcount basis. In the previous reporting period, the Group did not monitor and report on outsourced workers. [LA]

ANNUAL JOB ANALYSIS

Identification of role responsibilities, workforce requirements and required competencies

WORKFORCE ANALYTICS

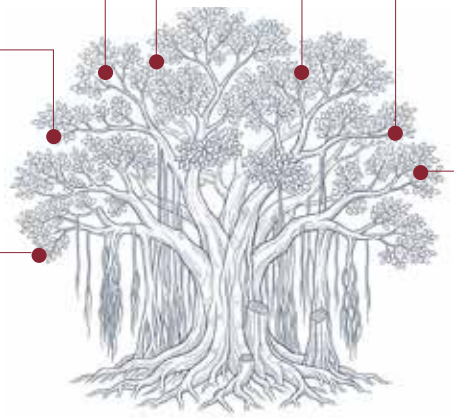
Forecasting workforce demand and assessing capability gaps across business units

BOARD APPROVAL

Finalised workforce plan submitted for Board approval

TALENT SOURCING

Vacancies advertised internally and externally to attract a diverse pool of candidates



CANDIDATE SCREENING

Screening of candidates to identify and short list best-fit candidates

INTERVIEWS

Interviewing shortlisted candidates and finalising selections. In the current year, the HR Endorsement Authority Matrix was introduced to improve approval efficiency, reduce delays and strengthen consistency in workforce-related decision-making

REFERENCE VERIFICATION

Mandatory reference checks and previous employment confirmations conducted prior to appointment

Reviewed and strengthened the Recruitment Policy to improve fairness, transparency and consistency across recruitment activities.

Introduced a standardised end-to-end recruitment workflow to improve efficiency, objectivity and consistency in hiring decisions.

Key Initiatives taken in FY 2025/26 to enhance the Recruitment Process

Enhanced the quality and presentation of recruitment advertisements across print and digital platforms to improve employer attractiveness and candidate engagement.

Developed a recruitment analytics framework to support workforce planning, recruitment monitoring and data-driven decision-making.

New Hires

Employee Movement [LA]		FY 2025/26						
New Hires by Gender		Staff			Labour			
		Male	Female	Total	Male	Female	Total	Rate
% of New Hires		116	14	130 (9%)	504	2	506 (34%)	43%
		Total – 636						

Employee Movement [LA]		FY 2025/26						
New hires by age and gender	Age Group	Staff			Labour			
		Male	Female	Total	Male	Female	Total	Rate
	18 – 30 Years old	55	11	66 (4.5%)	259	2	261 (17.5%)	22%
	31 – 55 Years Old	59	3	62 (4.3%)	232	-	232 (15.7%)	20%
	56 Years and above	2	-	2 (0.1%)	13	-	13 (0.9%)	1%
	Total						**636**	

Employee Movement [LA]		FY 2025/26						
New Hires by Region and Gender	Region	Staff			Labour			
		Male	Female	Total	Male	Female	Total	Rate
	Western Province	88	13	101 (7%)	408	2	410 (28%)	35%
	Southern Province	-	-	-	6	-	6 (0.4%)	0.4%
	Central Province	11	1	12 (0.8%)	34	-	34 (2.2%)	3%
	Northcentral Province	2	-	2 (0.2%)	9	-	9 (0.8%)	1%
	Eastern Province	1	-	1 (0.1%)	-	-	-	0.1%
	Northern Province	9	-	9 (0.6%)	21	-	21 (1.4%)	2%
	Sabaragamuwa Province	5	-	5 (0.3%)	26	-	26 (1,7%)	2%
	Total						**636**	

HUMAN CAPITAL

Employee Turnover

Employee Movement [LA]	FY 2025/26						
Employee Turnover by Gender	Staff			Labour			
	Male	Female	Total	Male	Female	Total	Rate
% of Employee Turnover	128	16	144 (9%)	584	2	586 (40%)	49%
	Total - 730						

Employee Movement [LA]		FY 2025/26						
Employee turnover by age and gender	Age Group	Staff			Labour			
		Male	Female	Total	Male	Female	Total	Rate
	18 – 30 Years old	31	8	39 (2.6%)	280	1	281 (19.4%)	22%
	31 – 55 Years Old	85	8	93 (6.3%)	280	1	281 (18.7%)	25%
	56 Years and above	12	-	12 (0.8%)	24	-	24 (1.2%)	2%
	Total						730	

Employee Movement [LA]		FY 2025/26						
Employee Turnover by region and gender	Region	Staff			Labour			
		Male	Female	Total	Male	Female	Total	Rate
	Western Province	112	16	128 (8.6%)	495	2	497 (33.4%)	42%
	Southern Province	-	-	- (0%)	4	-	4 (0.3%)	0.3%
	Central Province	2	-	2 (0.1%)	20	-	20 (0.9%)	1%
	Northcentral Province	1	-	1 (0.1%)	9	-	9 (0.9%)	1%
	Northern Province	8	-	8 (0.5%)	18	-	18 (1.5%)	2%
	Sabaragamuwa Province	5	-	5 (0.4%)	38	-	38 (2.6%)	3%
	Total						730	

9%
Employee Turnover (Staff)

40%
Employee Turnover (Labour)

The higher labour turnover rate was mainly attributable to the completion of project activities and the resulting cessation of employment for daily-paid and project-based workers engaged for those projects

ON-BOARDING

All new recruits are required to participate in a structured onboarding programme designed to support their integration into the Group's culture and values, while also enabling a clear understanding of operational practices and performance expectations associated with their respective roles.

During the current year, the existing onboarding programme was streamlined and centralised under the Group HR Division. Following this realignment, several enhancements were introduced, including a revised Employee Clearance Form, aimed at improving data accuracy and strengthening the efficiency and consistency of onboarding administration processes.

REMUNERATION AND BENEFITS

GRI 202 - 1

Grounded in principles of fairness, equity, and transparency, AEL's remuneration philosophy is designed to ensure that employees are appropriately and competitively rewarded. To that end the Group's Policy on Employee Salaries and Overtime establishes remuneration structures in line with role responsibilities, market benchmarks, and statutory requirements. The policy also provides clear guidelines for the fair administration of overtime payments based on approved working hours and operational needs.

Salary structures are reviewed regularly and updated as needed to reflect industry norms and regulatory changes. In the year under review, employee salary structures were revised to align with updated government minimum wage requirements, ensuring full statutory compliance. In the current year, the Group also. reviewed and strengthened its insurance arrangements, covering surgical, hospitalisation, personal accident, and life insurance benefits, thereby further enhancing benefits designed to support employee well-being, and improve overall quality of life.

GRI 401-2

Benefits provided to Employees [LA]

- Performance-based incentives and recognition
- Surgical and hospitalisation cover
- Meals and transportation when working extended hours /on holidays
- Time off allowance in lieu of working on Saturdays, Sundays and holidays
- Female employees are entitled to 84 days of maternity leave for the birth of a child, as stipulated by the Shop and Office Act
- Personal accident and death insurance coverage
- Staff welfare activities
- Long service awards
- School bags and stationery for employees' children
- EPF & ETF, Gratuity

Benefits Provided to Daily-paid workers [LA]

- Surgical and hospitalisation coverage
- Personal accident and death insurance coverage
- Accommodation facilities
- Target-based allowances

As the Group employs only permanent full-time employees, with no temporary or part-time employees during the reporting period, the benefits outlined above are applicable to all employees. [LA]

GRI 401-3

Parental Leave

Supporting employees through different stages of their personal and professional lives forms an important aspect of the Group's commitment to fostering an inclusive and supportive workplace. Parental leave provisions and return-to-work practices are designed to enable employees to balance family responsibilities while maintaining continuity in their careers.

Accordingly, compliance with the Shop and Office Employees Act of 1954 and the Wages Board Ordinance Amendment Act, *female employees are entitled to 84 days paid maternity leave,* [LA] post-delivery as well as two hours nursing time for a period of one year after recurring to work.

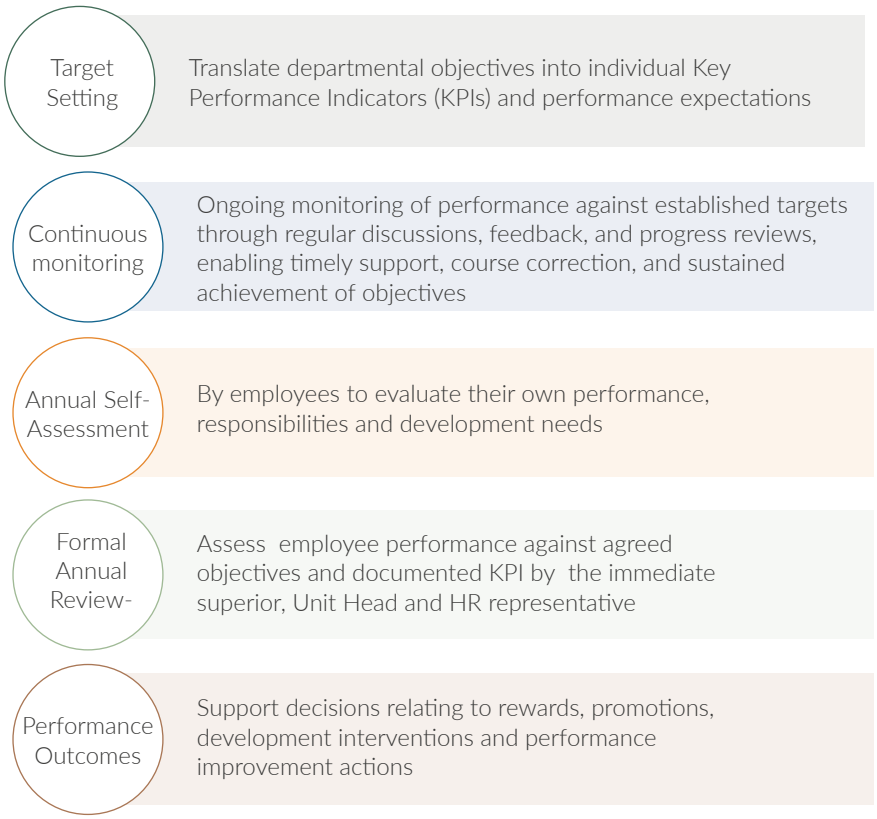
	FY 2025/26 [LA]	FY 2024/25	FY 2023/24
Total number of employees that were entitled to parental leave [LA]	**96**	102	83
Total number of employees that took parental leave [LA]	**4**	3	5
Total number of employees that returned to work in the reporting period after parental leave ended [LA]	**4**	2	2
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work. [LA]	**3**	5	3
Return to work and retention rates of employees that took parental leave. [LA]	**100%**	100%	100%

HUMAN CAPITAL

PERFORMANCE MANAGEMENT

GRI 404 -3

The annual performance management process at AEL serves as a structured mechanism to define expectations, monitor progress, and provide regular feedback, enabling employees to understand how their individual contributions support broader business objectives. The process also facilitates continuous development by identifying strengths, addressing performance gaps, and supporting targeted learning as well supporting recognition, rewards, and employee career progression decisions.



PERFORMANCE AND CAREER DEVELOPMENT REVIEW [LA]

		FY 2025/26				FY 2024/2025	
Performance Management	Status	Male	Female	Total	%	Total	%
	No. of employees evaluated	432	69	501	98.82	517	99
	No. of employees not-evaluated	3	3	6	1.97	5	1
	No. of employees entitled to a performance evaluation	435	72	507	100.00	522	100

By Gender		FY 2025/26		FY 2024/2025	
	Male	432	85.21%	445	85
	Female	69	13.61%	72	14
	No. of employees evaluated	501	98.82%	517	99

		FY 2025/26		FY 2024/2025	
By Category	REGION	No of employees evaluated	%	No of emloyees evaluated	%
	Senior Management (C4 and Above)	30	5.92	31	6
	Middle Management (C5)	52	10.26	51	10
	Junior Management (C6 & C7)	267	52.66	248	48
	Junior Executive (C8)	110	21.7	133	25
	Clerical and Supportive (C9)	42	8.28	53	10
	Minor Staff (C10)	1	-	-	-

CAREER ADVANCEMENT

The Group promotes employee career advancement through both vertical and lateral mobility pathways to enable them to grow in a way that aligns with their strengths, aspirations, and evolving business needs. Vertical progression provides opportunities for employees to advance into higher levels of responsibility, leadership, and decision-making, reflecting performance, capability, and experience. In parallel, lateral movement is actively encouraged to allow employees to broaden their skillsets, gain cross-functional exposure, and develop a more holistic understanding of the business. Essentially, the Group's dual approach ensures that career development is not limited to hierarchical progression alone, but instead fosters a more dynamic and agile workforce, capable of adapting to changing organisational priorities while continuously building depth and breadth of expertise.

TRAINING AND DEVELOPMENT

GRI 404 -1, 404 -2

Training and development is a top priority for AEL as it directly underpins workforce capability, operational performance, and long-term organisational resilience. In a rapidly evolving business environment, continuous learning ensures employees remain equipped with the technical knowledge, behavioural competencies, and compliance awareness required to perform their roles effectively and safely.

From a strategic perspective, training strengthens productivity by reducing skill gaps, improving efficiency, and enhancing the quality and consistency of output across functions. It also supports the successful implementation of new systems, processes, and technologies by enabling smoother transitions and faster adoption.

Equally importantly, training plays a critical role in employee engagement and retention by providing clear pathways for development, career progression, and personal growth. Employees who are continuously developed are more motivated, adaptable, and aligned with organisational goals. Furthermore, a strong training culture reinforces compliance with regulatory requirements, health and safety standards, and industry best practices, thereby reducing operational risk

Given the rapidly evolving nature of AEL's businesses, a blended learning approach is essential to ensure employees build capability in a way that is practical, continuous, and closely aligned to real operational demands. Approximately 70% of learning is achieved through on-the-job exposure, where employees develop skills by actively performing tasks, solving real business challenges, and adapting to dynamic operational environments, while around 20% of learning is gained through coaching and mentoring, where knowledge is transferred through structured guidance, feedback, and support from managers and experienced colleagues. The remaining 10% is delivered through formal classroom-based or structured training interventions, which provide the foundational theory, technical knowledge, and compliance understanding required to support effective practice.

During the year, the Group strengthened its approach to mentoring and formal classroom training through the implementation of a formal Training Needs Analysis (TNA). This exercise was undertaken to systematically identify workforce capability gaps and prioritise development requirements across the organisation. The findings of the TNA were used to design and deliver targeted training interventions aligned with both operational priorities and employee development needs.

EMPLOYEE TRAINING HOURS [LA]

Employee Category (Staff Only)	Male (Total Hours)	Female (Total Hours)	Male (Average)	Female (Average)
Senior Management (C4 and Above)	598	14	13.00	3.38
Middle Management (C5)	592	348	12.32	49.64
Junior Management (C6 & C7)	1505	424	5.81	9.02
Junior Executive (C8)	482	135	4.26	5.38
Clerical and Supportive (C9)	104	32	2.36	4.00
Minor Staff (C10)	11	-	0.06	-
Total	**3292**	**953**	**37.81**	**71.42**
Total Male and Female Training Hours		**4245**		

HUMAN CAPITAL

Programs for upgrading Employee Skills [LA]

Training Programmes FY 2025/26 [LA]	*Focus Area* [LA]	*Target Employees* [LA]	*Internal / External* [LA]
ESG Awareness and implementation	Sustainability	Staff involved in ESG initiatives	Internal
Webinar on VAT on Digital Supplies & Cross-Border Compliance	Technical	Staff involved in Accounting and Tax segments	External
ISO 9001 Lead Auditor Training	Quality Management	Quality Management System Staff	External
SAP PM Module Training	Technical	Project Management Division I Users	External
Employee Misconduct and Disciplinary Procedure	Human Resources	HODs, Managers and HR Staff	External
Key Insights into VAT (Amendment) Act No. 04 of 2025	Finance	Tower-based Finance Staff	External
Public Procurement Procedures and Practices	Procurement	Central Procurement Staff	External
National HR Conference 2025	Human Resources	HR Staff (CIPM Members)	External
ICC Mediation Workshop	Technical	Technical Staff	External
NVQ RPL Assessment (Level 3/4)	Technical	Technical Officers and Supervisors	External
Wastewater Treatment and Disposal	Technical	Mechanical, Electrical and Plumbing Staff	External
Data Protection and Cyber Security	Information Technology	IT Staff	External
Solar PV System Design	Technical	Mechanical, Electrical and Plumbing Staff	External
International Arbitration Conference	Professional Development	Corporate Management	External
Green Building Rating System Workshop	Sustainability	Environment, Design and Technical Staff	External
Employee Insurance Packages	Human Resources	HR Staff	Internal
Advanced Excel Training	Information Technology	Marina Square Project Staff	Internal
AI & ML for Construction Professionals	Digital and Technology	Central Procurement Staff	External
Engineer and Operator Training (Asphalt Waste Management)	Technical	Project Management Division I Technical Staff	External
Interview Handling and Performance Appraisals	Human Resources	SGMs, GMs, HODs and HR Personnel	Internal
Engineering Approaches to Resilient Buildings	Technical	Design Department Staff	External

EMPLOYEE RELATIONS AND GRIEVANCE MANAGEMENT

GRI 2 -25, 2- 26, 402 -1

The Group's employee relations framework is anchored in regular and structured communication channels that support meaningful engagement between employees and management. The open-door policy encourages employees to freely approach supervisors and management to discuss concerns, seek guidance, or share suggestions. Moreover regular team briefings and structured meetings also serve as an effective platform for cascading information, clarifying expectations, and fostering two-way communication between leadership and employees. Likewise, the annual performance appraisal process provides a formal mechanism for reviewing individual performance, discussing development needs, and aligning personal objectives with organisational goals, thereby reinforcing accountability and continuous improvement. [LA]

In addition, operational changes are communicated in a timely and transparent manner, ensuring employees are well informed and able to adapt effectively. Executive-level communications are typically shared via email, while broader workforce updates are disseminated through official notices and notice boards, ensuring consistent reach across all employee groups.

Meanwhile, the formal grievance mechanism serve as structured and confidential channels for employees to raise concerns, ensuring that issues are addressed fairly, consistently, and in accordance with established governance principles.

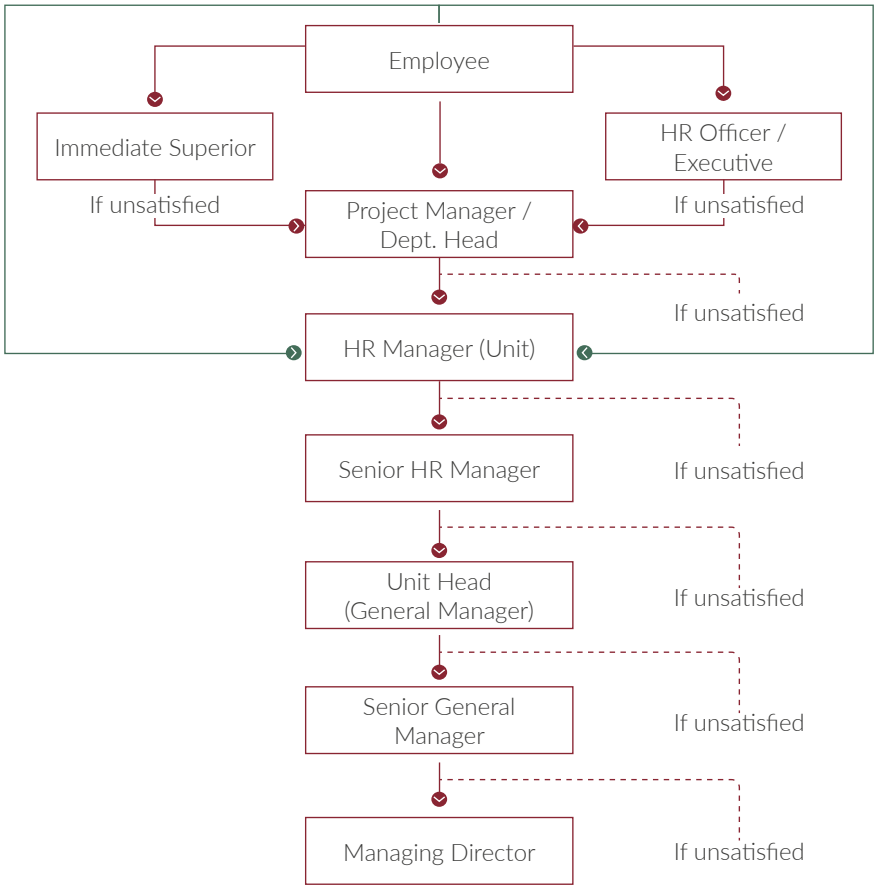
The Group maintains a formal whistleblowing framework that enables employees to raise concerns regarding business conduct through a confidential channel, ensuring that issues are appropriately reviewed and addressed in line with governance protocols [LA]

By promoting a culture of open communication, mutual respect, and inclusive dialogue the Group has built strong, positive industrial relations environment and has not required engagement in union representation or collective bargaining arrangements.

Measuring Employee Satisfaction

Employee feedback gathered through formal engagement channels is consolidated and reviewed by the Human Resources function to identify common themes, areas for improvement and emerging workforce concerns. Insights generated through this process support management decision-making and contribute to the continuous enhancement of workplace practices, employee experience and organisational effectiveness.

Grievance handling procedure



OCCUPATIONAL HEALTH AND SAFETY

GRI 403 - 1, 403 -2, 403 -3, 403 -4, 403 -5, 403 - 8, 403 -9, 403 - 10

The Group has implemented an Occupational Health and Safety Management System in line with applicable legal requirements, including the Factories Ordinance and the Workmen's Compensation Ordinance, as well as recognised international standards such as ISO 45001. [LA]

The system applies to all employees, including staff and labour, as well as third party workers and all operational activities and locations under the Group's control. There are no workers, activities, or workplaces excluded from the scope of the Occupational Health and Safety Management System. [LA]

Hazard identification, risk assessment, and incident investigation

Work-related hazards are identified and assessed through structured risk assessment processes, including site-specific Hazard Identification and Risk Assessment (HIRA) practices and risk registers implemented across operational sites. These assessments identify potential hazards, associated risks, and required control measures, which are applied in line with the hierarchy of controls. [LA]

The quality of these processes is ensured through the assignment of qualified Safety Officers and site HSE personnel, whose competency is maintained through certification requirements and specialised safety training programmes. [LA]

HUMAN CAPITAL

Work-related incidents are managed through established procedures, including incident reporting, investigation, and root cause analysis. Corrective and preventive actions are implemented based on investigation findings, [LA] and risk assessments are updated accordingly to strengthen existing controls and improve the Occupational Health and Safety Management System.

Workers are encouraged to report hazards, unsafe conditions, and near-miss incidents directly to Safety Officers and supervisors, and are protected against reprisals for doing so. Workers also have the right to remove themselves from situations they believe pose a risk to their health or safety, without fear of reprisal. [LA]

The Group has implemented emergency response procedures across its operations, including the provision of trained first aiders, first aid facilities, and site specific emergency response plans to address workplace incidents and medical emergencies. [LA]

The Group provides occupational health and safety training to employees through a combination of structured programmes, including safety inductions, toolbox talks, and specialised training sessions. Training covers both general safety awareness and specific work related hazards, including areas such as electrical safety, lifting operations, and site specific operational risks. In addition, emergency preparedness training, including first aid and evacuation procedures, is conducted periodically to ensure employees are equipped to respond effectively to workplace incidents. [LA]

The Group's Occupational Health and Safety Management System covers 100% of employees (1480) and non-employee workers (102) whose work or workplace is controlled by the Group. The system is reviewed and certified internally each quarter by divisional management, with audit oversight and is 100% externally audited and certified to ISO 45001:2018. No workers have been excluded from this disclosure, and the data presented is compiled from internal HR and safety records. [LA]

No high-consequence work-related injuries were recorded during the reporting period. Accordingly, no identified hazard caused or contributed to a high-consequence injury during FY 2025/26. Work-related hazards such as working at height, machinery operation, and exposure to construction activities are identified through risk assessments, and control measures are implemented to minimise risks. These include engineering controls, administrative controls, and the use of personal protective equipment. [LA]

The Group has not recorded any cases of work-related ill health or fatalities resulting from work-related ill health during the reporting period for both employees and workers who are not employees but whose work and/or workplace is controlled by the Group. No workers have been excluded from this disclosure. Work-related health risks, including exposure to dust, noise, fumes, and hazardous substances, are identified through risk assessments, and control measures are implemented to minimise such risks. [LA]

The absence of recorded work-related ill-health cases during the reporting period is supported by ongoing exposure monitoring and health surveillance measures maintained as part of the Group's operational controls, particularly in relation to exposure to dust, noise, fumes, and hazardous substances. Data is compiled from internal safety records maintained by the Management Systems Department and divisional QHSE teams. [LA]

Protecting the health, safety and well-being of employees remains a fundamental priority across Access Engineering PLC's operations. The Group is firmly committed to achieving 100% compliance with all applicable regulatory requirements, including the Factories Ordinance of 1942 and the Workmen's Compensation Ordinance of 1935 and its subsequent amendments.

Beyond regulatory compliance, the Group has established a comprehensive ISO 45001 Occupational Health and Safety Management System covering 100% of all employees (staff and labour), third party workers, customers and any others present at the Group's locations at any given time. The system is built on key principles including hazard identification, risk assessment and control, incident prevention, emergency preparedness and response, and continuous performance monitoring and improvement. It also emphasises strong leadership commitment, employee participation, consultation, and ongoing training to embed a proactive safety culture across all levels of the organisation.

In the current year, the Group achieved Integrated Management System (IMS) Certification and introduced a formal IMS Policy, further strengthening the integrated management approach by aligning occupational health and safety, quality, and environmental management systems into a unified framework that enhances operational consistency, regulatory compliance, and continuous improvement across all business activities.

SAFETY GOVERNANCE STRUCTURE

MANAGEMENT SYSTEMS DEPARTMENT (HEAD OFFICE)

Overarching responsibility for setting strategic Occupational Health and Safety (OHS) objectives and monitoring Group-wide performance.

PROJECT/PLANT MANAGER

Heads the Safety Committee and oversees the Emergency Response Teams.

SAFETY COMMITTEE

Reports to the Management Systems Department through the Project/Plant Manager.

Leadership & Reporting
Led by the Project/Plant Manager and reports to the Management Systems Department.

Membership
6 members per 100 employees.

Includes labour representatives, officers and members from every division.

Function
Responsible for the implementation, maintenance and continuous improvement of the ISO 45001:2018 Occupational Health and Safety Management System (OHSMS).

Frequency
Monthly implementation review meetings.

EMERGENCY RESPONSE TEAMS (ERTs)

Reports directly to the Project/Plant Manager.

Leadership & Reporting
Led by Safety Officers and reports to the Project/Plant Manager.

Specialised Responders
7 specialised responders per 100 employees (3 Fire Fighters and 4 First Aiders).

Composition
Appointed from site staff and lower-level employees.

Function
Dedicated to emergency preparedness and acts as first responders in critical situations such as fires or medical emergencies.

Frequency
Annual preparedness meetings.

Health & Safety Records

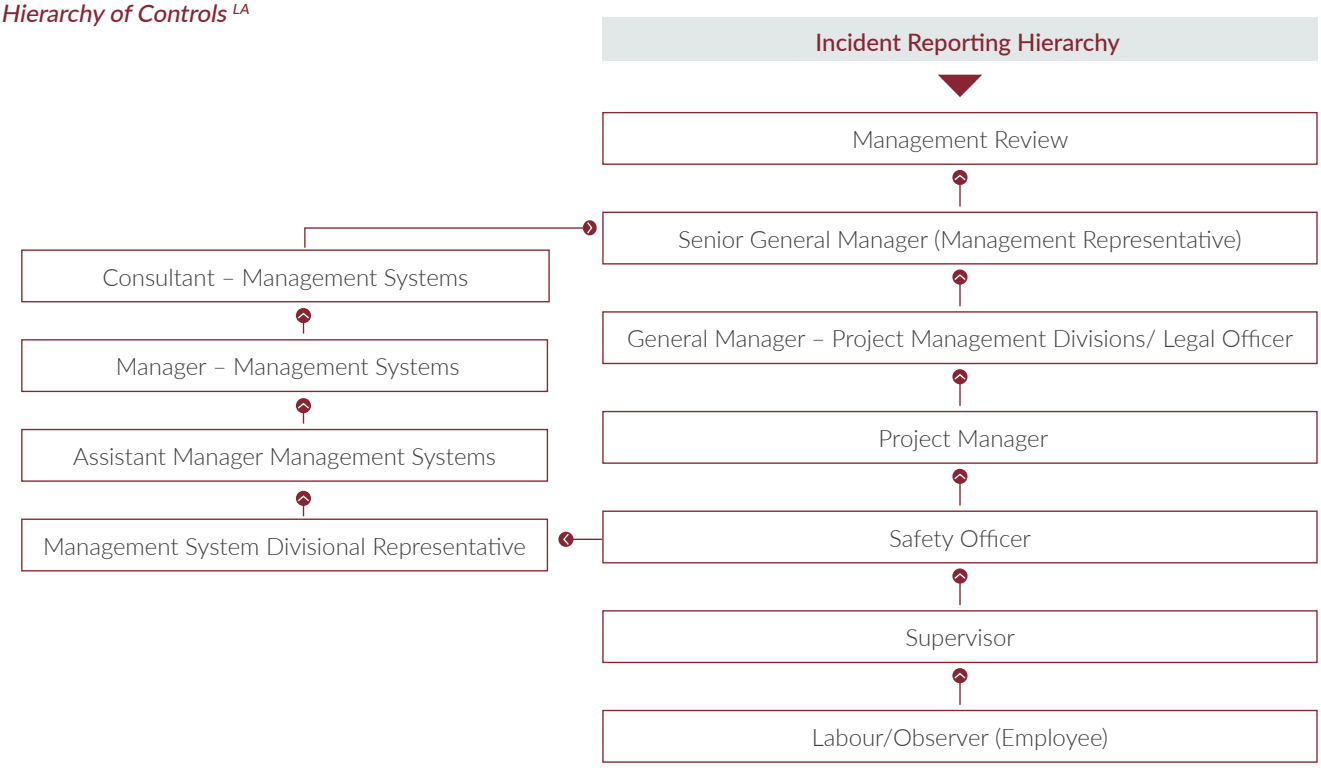
Description	*2025/26*	2024/2025
Total safety hours [LA]	3,930,968	5,502,063
Fatalities [LA]	-	-
Major accidents [LA]	-	2
Minor accidents [LA]	10	7
Frequency of major accidents [LA]	-	0.36
Frequency of minor accidents [LA]	2.54	1.27
Frequency of fatalities [LA]	-	-
LTIFR (Lost time injury frequency rate)	2.54	1.64

HUMAN CAPITAL

Safety Hazards Identified for AEL [LA]

Identified Hazard	Potential Risks / Impacts	Operational Controls / Mitigation Measures (in line with ISO 45001)
Working at height (scaffolding, ladders, structural erection)	Severe injury, fractures, fatalities due to falls	Hierarchy of controls applied; certified scaffolding systems; fall protection (full body harness, lifelines); Permit-to-Work (PTW); routine inspections; competency-based training; PPE enforcement
Machinery and equipment operation	Crushing injuries, entanglement, amputations, fatalities	Machine guarding; lockout/tagout (LOTO) procedures; preventive maintenance; operator certification; safety interlocks; documented SOPs and risk assessments
Electrical installations and live systems	Electric shock, burns, arc flash, fire incidents	Electrical isolation procedures; energised work permits; insulated tools; periodic inspection/testing; competency verification of electricians; signage and restricted access
Manual handling and lifting activities	Musculoskeletal disorders, strains, long-term injuries	Ergonomic risk assessments; mechanical lifting aids; team lifting protocols; training in safe lifting techniques; job rotation and workload management
Mobile plant and vehicle movement (cranes, forklifts, trucks)	Collisions, struck-by incidents, fatalities	Traffic management plans; segregation of pedestrians and vehicles; speed controls; trained/licensed operators; pre-use inspections; designated walkways
Slips, trips, and falls on site	Sprains, fractures, head injuries	5S housekeeping practices; inspection regimes; slip-resistant surfaces; adequate lighting; prompt hazard reporting and corrective actions
Exposure to dust, noise, fumes, and hazardous substances	Respiratory illness, hearing loss, occupational disease	Engineering controls (ventilation, dust suppression); PPE (respirators, ear protection); exposure monitoring; health surveillance; SDS compliance
Hot works (welding, cutting, grinding)	Burns, fire outbreaks, eye injuries	Hot Work Permit system; fire watch procedures; spark containment; fire extinguishers availability; PPE (welding shields, gloves); controlled work zones
Falling objects and material handling at height	Head injuries, fatalities, equipment damage	Exclusion zones; toe boards and netting; tool tethering; secure stacking/storage; controlled lifting plans; overhead protection measures

Hierarchy of Controls [LA]



SAFETY AWARENESS

Building employee safety awareness, competency and preparedness remains central to maintaining safe workplaces across the Group's operations. As such, the Group maintains a structured safety training framework designed to equip employees with the knowledge and skills required to identify hazards, adopt safe work practices and respond effectively to workplace incidents and emergencies. The framework incorporates safety inductions, toolbox talks, specialised competency development and emergency preparedness programmes that support continuous reinforcement of the Group's safety-first culture.

Measures to minimise the risk of ill health

Recognising that employee well-being extends beyond workplace safety, the Group strengthened measures to support physical well-being, managing fatigue and promoting a healthier work-life balance across different employee categories, including;

- Flexible Five-Day Work week to enable tower-based employees to take Saturdays off and supports rest and recovery
- Rotational Leave Schedules to reduce fatigue by aligning leave arrangements with work intensity and site location
- Planned Site Shutdowns to provides periodic rest opportunities for project-based employees

Safety Awareness Highlights FY 2025/26

Safety Inductions

Safety induction programmes covering site rules, hazard identification, PPE requirements and safe working practices.

Toolbox Talks

Regular toolbox talks focused on task-specific hazards, safety requirements, operational risks and lessons learned from incidents and near misses.

Specialised Safety Training

Electrical Safety at Workplace; Industrial Safety & Hazards; Safe Use of Lifting Machines & Accessories; Seminar on Occupational Safety & Health.

Emergency Preparedness Training

First Aid Training conducted for designated First Aiders at towers, projects and plants.

EMPLOYEE ENGAGEMENT AND WELL-BEING

The Group focuses on creating opportunities for employees to interact beyond routine work responsibilities, build stronger interdepartmental relationships and participate in shared cultural, recreational and welfare-related activities.

During the year, the Group continued to strengthen employee engagement through a range of activities including the reintroduction of the annual staff trip department-wise get-togethers, participation in the annual mercantile sports events , all providing employees with an opportunity to connect outside the workplace, strengthen team relationships and promote camaraderie across business units.

Recognising the importance of supporting employees beyond the workplace, the Group launched the Employees' Children Book Distribution Programme, through which school book lists, school bags and vouchers for shoes and stationery were provided to employees' families.

Meanwhile following the devastating Cyclone Ditwah,, the Group prioritised the well-being of affected employees and their families with the management maintaining regular engagement with affected employees to assess their circumstances and evaluate potential support requirements.

SOCIAL AND RELATIONSHIP CAPITAL

OVERVIEW

Social and relationship capital refers to the relationships with key stakeholders, particularly customers, suppliers and investors whose support is essential for the continuity and growth of AEL's business verticals. It also encompasses the goodwill and trust of the wider community which further strengthens the organisation's social license to operate and long-term resilience.

MANAGEMENT APPROACH

The Group's management approach to Social and Relationship Capital is guided by stakeholder-specific objectives designed to strengthen long-term relationships and create mutual value. For customers, the focus remains on delivering reliable, high quality solutions supported by responsive engagement and service excellence. Investors are engaged through transparent communication and timely disclosures that support informed decision-making. Supplier relationships are managed through collaborative partnerships, responsible procurement practices and supplier capability development initiatives. Community engagement efforts are directed towards creating positive social impacts through responsible project execution and targeted community development initiatives aligned with the Group's sustainability priorities.

MATERIAL MATTERS

- Economic Performance
- Procurement Practices and Customer Health and Safety
- Socio-economic Compliance and Indirect Economic Impacts
- Product Responsibility and Marketing
- Customer Privacy and Data Security
- Brand Reputation and Stakeholder Trust

SWOT

S Strengths

- Long standing relationships with key stakeholders including customers, suppliers and business partners, supporting operational continuity and trust-based collaboration
- Well-established engagement mechanisms enabling consistent, transparent, and responsive stakeholder interaction.

W Weaknesses

- Limited two-way engagement mechanisms with local communities across all operational geographies

O Opportunities

- Strengthening digital engagement platforms to enhance real-time communication, collaboration and data driven relationship management across stakeholders
- Supplier diversification to improve resilience and shared value creation

T Threats

- Increased competition in procurement and customer markets potentially weakening long standing supplier or customer relationships
- External disruptions potentially straining stakeholder relationships and affecting trust or continuity of engagement

HIGHLIGHTS FOR FY 2025/26

- Zero substantiated complaints concerning breaches of customer privacy or losses of customer data.
- Zero incidents of non-compliance relating to product responsibility, product and service information and labelling, and marketing communications Achieved a 100% resolution rate for customer complaints received during the reporting period.
- Successfully integrated procurement activities into the SAP Ariba platform, strengthening transparency, traceability and procurement governance.
- LKR. 7,250 Mn Paid to material suppliers
- Conducted focused performance reviews covering approximately 10% of the active supplier base to strengthen supplier oversight and performance management.
- LKR. 24.8 Mn invested in community initiatives

SDGS

FUTURE PLANS

Focus Area	Strategic Priorities
Suppliers	Leverage SAP Ariba and data-driven procurement tools to strengthen supplier engagement, enhance ESG monitoring, improve supply chain visibility and support long-term supplier partnerships.

CUSTOMERS GRI 2 -6

Product Responsibility

Product responsibility serves as a fundamental pillar of AEL's operational architecture, underpinning the design, development and delivery of all products and solutions across 9 operating sectors.

Operating across diverse sectors and serving both public and private sector customers, the Group remains committed to delivering solutions that are safe, reliable, fit for purpose and aligned with evolving stakeholder expectations. The Group's approach to product responsibility is guided by seven core principles that support the consistent delivery of solutions that meet customer requirements while maintaining high standards of quality and safety. Stringent internal control framework to ensure that products and services across all sectors are delivered in accordance with internationally recognised quality and safety standards.

Key Initiatives Taken in FY 2025/26 to Strengthen Product Responsibility

- Enhanced engineering solutions across roads and expressway projects through optimised designs, context-specific construction methodologies, adaptive construction sequencing and resource optimisation strategies to improve infrastructure quality, reliability and safety.
- Strengthened quality assurance and quality control practices across project sites through enhanced testing protocols, stricter compliance with technical specifications and continuous monitoring of critical construction activities.
- Delivered condominium developments using product brands, specifications and an enhanced range of common amenities that exceeded the requirements stipulated in sales and purchase agreements, thereby improving product quality, customer value and the overall living experience offered to homeowners.

SOCIAL AND RELATIONSHIP CAPITAL

GRI 2 - 27, 206 -1, 416 -1, 416 - 2, 417 -2, 417 -3, 418 -1

Customer Advocacy Indicators	FY 2025/26
Significant product and service categories for which health and safety impacts are assessed for improvement [LA]	100%
Incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services [LA]	Zero
Fines, penalties or warnings received due to non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services [LA]	Zero
Incidents of non-compliance concerning product and service information and labelling	Zero
Incidents of non-compliance concerning marketing communications	Zero
Substantiated complaints concerning breaches of customer privacy and losses of customer data [LA]	Zero
Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Zero

During FY2025/26, Access Engineering PLC recorded no significant instances of non-compliance with applicable laws and regulations. No fines or non-monetary sanctions were incurred during the reporting period and previous reporting period. The Group defines significant non-compliance as any breach of applicable laws or regulations resulting in a monetary fine, non-monetary sanction, legal proceedings, or material operational or reputational consequence. [LA]

Access Engineering PLC did not record any incidents of non-compliance with regulations or voluntary codes concerning the health and safety impacts of its products and services, nor any substantiated complaints concerning breaches of customer privacy or losses of customer data during the reporting period. No fines, penalties, warnings, leaks, thefts, or losses of customer data were incurred or identified. [LA]

PRODUCT AND SERVICE INFORMATION DISCLOSURES GRI 417 -1

Given the breadth of activities undertaken across its business portfolio, AEL places significant emphasis on ensuring that information relating to products, services and projects are communicated in a manner that is relevant, accessible and aligned with applicable regulatory and industry requirements.

While sector specific disclosure requirements are managed by individual business units to ensure compliance with applicable regulatory, contractual and operational obligations, Group wide principles establish a consistent baseline for clarity, consistency and relevance of information, regardless of business vertical.

Efforts during the year focused on strengthening information management, traceability and disclosure practices across operations. Project documentation, compliance tracking and operational reporting systems were enhanced to improve information accuracy, accountability and record management. Sustainability and ESG reporting frameworks were also strengthened across project sites and logistics facilities, supporting greater visibility of operational and sustainability-related information.

Type of information	Disclosed or not
The sourcing of components of the product or service	Yes
Content, particularly with regard to substances that might produce an environmental or social impact	No
Safe use of the product or service	Yes
Disposal of the product and environmental or social impacts	Yes
Warranty related information	Yes

100% **of the Group's significant service categories are covered by and assessed for compliance with the Group's product and service information procedures.**

MARKETING AND CUSTOMER COMMUNICATION

Acknowledging that clear, consistent and responsible communication is essential to building trust and strengthening long term relationships with customers, the Group has established messaging standards and communication guidelines to ensure that all marketing and customer facing communications are accurate, transparent, understandable and aligned with stakeholder needs.

Marketing and communication activities are designed not only to promote products and services but also to inform and educate customers through comprehensive information on product features, service offerings, project specifications, contractual obligations and other relevant matters that may influence customer decisions and experiences. Additionally, ethical and responsible marketing practices ensure all communications are truthful, evidence based and free from misleading claims or unfair representations, underscoring the commitment to avoid anti-competitive behaviour, anti-trust and monopoly practices.

The Group's commitment to responsible marketing and customer communication extends beyond the content of disclosures to the manner in which information is disseminated. Recognising the diverse preferences and information needs of stakeholders, the Group utilises a broad range of communication channels to ensure accessibility, responsiveness and effective engagement. These include one-on-one interactions, customer service channels, share platforms, digital marketing tools, corporate website etc.

In recent years, digital platforms have continued to play an increasingly important role in facilitating the timely dissemination of marketing and communication data, while also enabling the Group to interact with customers and other stakeholders on an ongoing basis.

LinkedIn
MARCH 2025

New Followers	Total Followers
2,738	25,254

Facebook
MARCH 2025

Reach	Engagement	Followers
514, 818	20,627	24,007

Access Group Customer Communication and Marketing Practices	
Accuracy and Transparency	All marketing and communication materials present factual, verifiable and relevant information that is truthful, clearly substantiated and free from misleading claims or omissions.
Compliance and Regulation	Marketing and promotional activities adhere to applicable legal, regulatory and sector specific requirements, including advertising standards and sector specific compliance obligations.
Ethical and Responsible Communication	Marketing practices are guided by ethical principles that promote fairness, respect competitor integrity and avoid content that may be discriminatory, offensive or socially irresponsible.
Targeted Engagement	Communication activities are tailored to the specific requirements and expectations of customers and stakeholders across different business sectors.
Consistency Across Channels	Brand messaging, visual identity and tone of voice are maintained consistently across digital, print and in-person communication channels while accommodating sector-specific requirements.

CUSTOMER ENGAGEMENT AND FEEDBACK

Recognising that customer decisions in sectors such as construction, engineering, real estate, and infrastructure related services often involve substantial financial commitments and long decision making cycles, AEL places considerable emphasis on maintaining open, transparent and responsive communication with customers.

The Group prioritises regular interactions to provide timely updates, address customer concerns, manage expectations and respond effectively to evolving requirements. Efforts during the year focused on strengthening the effectiveness of customer engagement processes across business sectors. Within the logistics cluster, communication and coordination processes were enhanced through the transition to Microsoft 365 and Teams, supporting improved collaboration, information management and engagement with tenants and institutional customers. Across engineering and construction operations, progress reviews, technical discussions, project reporting and site engagements were further streamlined to facilitate proactive interaction with customers, while in the real estate sector, capacity building initiatives were deployed to enhance the knowledge and soft skills of customer-facing teams and relationship managers.

SOCIAL AND RELATIONSHIP CAPITAL

Measuring Customer Satisfaction

Feedback received from customers provides valuable insights into performance expectations, service delivery standards and opportunities for continuous improvement, enabling the organisation to enhance customer experiences and strengthen long-term relationships.

Key customer satisfaction indicators monitored include:

- Project completion and on-time delivery.
- Compliance with technical quality specifications and workmanship standards.
- Operational reliability and service performance.
- Customer satisfaction on complaint resolution

Customer satisfaction levels remained strong during FY 2025/26, marked by a high degree of customer retention and repeat business from key clients indicative of customer confidence and satisfaction in the organisation.

COMPLAINT HANDLING

Given the Group's diverse operations and interactions with a broad range of customers across its business verticals, effective complaint handling is an important component of maintaining customer trust, enhancing service quality and strengthening long term relationships. The Group's complaint handling process is guided by principles of responsiveness, transparency, fairness and accountability, with a strong emphasis on maintaining open communication with customers throughout the resolution cycle. Upon receipt, complaints are recorded and assessed to determine their nature, severity and required course of action, ensuring that matters are directed to the appropriate personnel or business units for investigation and resolution.

Depending on the complexity of the issue, investigations are conducted by the relevant operational, technical or customer service teams to identify underlying causes and determine appropriate remedial measures. Where necessary, corrective and preventive actions are implemented to address root causes, rectify service deficiencies and minimise the likelihood of recurrence. Customers are kept informed of progress throughout the process, reinforcing transparency and demonstrating the Group's commitment to resolving concerns in a timely and satisfactory manner.

All complaints and related resolution details are systematically documented and analysed to identify recurring issues, emerging trends and opportunities for improvement. Insights generated through this process are used as valuable sources of learning to improve existing systems and processes.

Channels Available for Raising Complaints

- Email Communication
- Telephone/ Hotline
- Site and Progress Meetings
- Formal Correspondence
- Digital Communication Platforms

Access Group - Complaint Handling Process

1 Receipt

Customer feedback or complaints are received through approved communication channels.

2 Acknowledgement

Complaints are formally acknowledged within the defined timeframe.

3 Recording and Logging

Issues are recorded in the Interested Party Complaint Register to ensure accountability, monitoring and traceability.

4 Assessment and Assignment

Complaints are reviewed and assigned to the relevant department or responsible officer for action.

5 Investigation

Root cause analysis is conducted in collaboration with operational, technical and quality teams. Where necessary, designated committees are appointed to address complex issues.

6 Corrective Action

Appropriate corrective measures are implemented within agreed timelines to address identified causes and prevent recurrence.

7 Resolution and Closure

Resolution details are communicated to the customer and satisfaction is confirmed before the complaint is formally closed.

CUSTOMER PROTECTION AND DATA PRIVACY

Given the nature and scale of the Group's operations, Access is committed to ensuring confidential customer information is collected, processed, stored and shared responsibly in accordance with applicable legal, regulatory and contractual requirements.

Customer information is managed through a structured data governance framework, where strict controls are in place to ensure access to customer data is restricted to authorised personnel only. Additional data handling procedures and information management practices support the responsible use and protection of customer information across the Group's operations..

During FY 2025/26, the Group further strengthened its customer privacy and data protection practices through enhanced access controls, formalised data protection procedures, strengthened cybersecurity controls, and regular monitoring activities.

Key initiatives undertaken during the year included the enhancement of cybersecurity capabilities through the adoption of the Microsoft 365 security suite, strengthened network protection measures, and the utilisation of secure cloud-based environments to safeguard information assets against evolving cyber threats. These measures were complemented by regular IT security audits, user access reviews and continuous monitoring activities to assess the effectiveness of information security controls, identify potential vulnerabilities, and support the timely implementation of corrective actions where necessary.

INVESTORS GRI 2 -6

As a listed entity, AEL recognises that maintaining the confidence of shareholders, investors and the broader investment community requires timely, accurate and transparent communication. To this end, the Group complies with all mandatory disclosure requirements prescribed under the listing rules of the Colombo Stock Exchange (CSE), including the publication of quarterly financial statements, the Annual Report and timely disclosures relating to material events and developments including changes to the Group's capital structure, financial position, business operations, strategic direction, corporate governance framework and other price-sensitive information to ensure all shareholders have equitable access to material information.

Beyond regulatory compliance, the Group seeks to foster ongoing engagement with the investment community through clear, consistent and transparent corporate disclosures prepared in accordance with global reporting standards to provide a balanced view of the Group's performance, opportunities, risks, and long-term value creation strategy.

In the year under review, all regulatory reporting obligations were fulfilled within the prescribed timelines, reflecting the Group's continued commitment to transparency, accountability and effective shareholder communication.

SOCIAL AND RELATIONSHIP CAPITAL

Access Group - Investor Relations Framework	
Continuous Information Access	Investors are provided with timely access to financial statements, annual reports, corporate announcements and other relevant information through the corporate website and Colombo Stock Exchange disclosures.
Protection of Shareholder Rights	Shareholders are provided with timely and sufficient information to facilitate participation in key decisions, while ensuring equitable treatment of all shareholders, including minority and foreign shareholders.
Direct Communication Channels	Investors may engage with the Company through Annual General Meetings, Extraordinary General Meetings, the corporate website and direct communication via investor.relations@accessengineeringplc.com.
Timely Disclosures and Reporting	Quarterly financial statements, annual reports and material corporate disclosures are released in accordance with applicable Colombo Stock Exchange requirements and reporting timelines.

Engagement Mechanism	Frequency
» Annual Reports and AGMs	» Annually
» Extraordinary General Meetings	» As required
» Interim Financial Statements	» Quarterly
» Press releases	» As required
» Announcements on CSE	» As required
» Corporate Website	» Continuous

Number of Shareholders | **14,726**

Interim Financial Statements	Due Date	Actual Release Date
Three Months Ended 30th June 2025	15th August 2025	14th August 2025
Six months ended 30th September 2025	15th November 2025	14th November 2025
Nine Months ended 31st December 2025	15th February 2026	11th February 2026
Twelve months ended 31st March 2026	31st May 2026	27th May 2026

Annual Report 2024/25	Due Date	Actual Release Date
Publication of Annual Report	31st August 2025	22nd July 2025
14th Annual General Meeting to be held on	30th September 2025	27th August 2025

Annual Report 2025/26	Due Date	Actual Date
Publication of Annual Report	31st August 2026	30th June 2026
15th Annual General Meeting to be held on	30th September 2026	24th July 2026

SUPPLIERS GRI 204-1

Category	Number of Vendors as at 31.03.2025	Vendors Added from 01.04.2025- 31.03.2026	Total Vendors as at 31.03.2026
Local Vendors	21,354	675	22,029
Foreign Vendors	716	19	735
Intercompany Vendors	39	-	39
Internal Vendors	135	7	142
Total	22,244	701	22,945

Local Suppliers **96%**

New Suppliers **701**

Percentage of the procurement budget used for significant locations of operation that is spent on suppliers local to that operation (such as percentage of products and services purchased locally). - 84% [LA]

	2025/26	2024/25
Material Purchases	LKR 7,250 Mn	LKR 8,636 Mn
Material purchases as a percentage of cost of sales	38%	40%

AEL relies on a broad network of suppliers and service providers comprising local and, international vendors as well as inter-company vendors and internal divisions functioning as suppliers, collectively providing the materials, equipment and specialised services required across the Group's operations. Of this local supplies account for approximately 84% of the average annual procurement spend.

PROCUREMENT BEST PRACTICES

GRI 308 -1, 308 -2, 414 -1, 414 -2

In keeping with best practices, all procurement activities across the Group are managed under the purview of the Central Procurement Division (CPD). While establishing clear accountability throughout the procurement lifecycle, the centralised procurement model also enables the Group to leverage economies of scale and build stronger relationships with key suppliers based on the principle of shared value.

Given the critical role suppliers play in operational continuity, the CPD adopts a strategic approach to supply chain management with strategies continuously reviewed and refined to respond to changing market conditions, evolving project requirements, supply constraints, and emerging procurement risks. Particular emphasis is placed on supplier diversification, local supplier development and the cultivation of long-term supplier relationships to strengthen supply security, enhance responsiveness, and reduce exposure to disruptions arising from supplier concentration or market volatility.

In this regard, the Group focuses on expanding and developing its supplier base, with special emphasis on engaging project-specific suppliers located in proximity to new project sites. Suppliers for non-project-related procurement requirements are sourced through public advertisements for specialised products and services, participation in local and international industry exhibitions and trade forums, market intelligence initiatives, supplier referrals, and recommendations from clients, consultants, project owners, and other industry stakeholders.

A stringent supplier evaluation process is in place to assess supplier capability, along with the commercial, technical, operational and compliance standards necessary to meet the Group's requirements. Selection decisions are guided by established evaluation criteria that consider commercial, operational, technical, quality. and compliance and governance-related factors to ensure procurement outcomes align with project requirements and organisational objectives. Depending on the nature of the goods or services being procured, assessments may include supplier experience, quality management systems, delivery capabilities, pricing competitiveness, regulatory compliance, occupational health and safety performance, and sustainability-related considerations.

SOCIAL AND RELATIONSHIP CAPITAL

Following selection, suppliers are formally registered and onboarded onto the SAP Ariba e-Procurement Ecosystem - AEL's cloud-based end-to-end procurement platform.

Considering the increasing complexity of the Group's business operations, several initiatives were implemented during the year to strengthen alignment with the Group's evolving business needs. In this regard, procurement activities were restructured into specialised categories to support improved supplier management and more effective procurement planning. Coordination between the Central Procurement Division and project sites was also enhanced through the introduction of improved reporting mechanisms to increase visibility of procurement requirements, purchasing activities, and supplier performance across operations.

Further efforts were undertaken to optimise the supplier base by prioritising high-performing and compliant vendors across key procurement categories, including steel, cement, fuel, and construction materials, with a view to improving reliability, cost efficiency, and quality assurance.

In parallel, the Group continued to strengthen its procurement governance framework by integrating Environmental, Social, and Governance (ESG) considerations into supplier evaluation, and monitoring processes. Greater emphasis was placed on environmental compliance, ethical labour practices, human rights considerations, and occupational health and safety standards as part of supplier assessments. This included evaluating suppliers' alignment with internationally recognised management systems such as ISO 14001:2015 Environmental Management Systems and ISO 45001:2018 Occupational Health and Safety Management Systems, or equivalent standards where applicable.

Due diligence assessments continued throughout the year covering major procurement categories, including construction material suppliers, subcontractors, machinery and vehicle suppliers, and specialised service providers with approximately 10% of the active supplier base was included in focused performance review assessments conducted through the Central Procurement Division's digital supplier evaluation platform, with oversight provided by the Internal Audit function. These reviews assessed supplier performance across key parameters such as delivery reliability, product and service quality, responsiveness, and compliance with contractual and operational requirements. Where improvement opportunities were identified, structured engagement sessions were conducted to agree corrective actions, strengthen supplier performance, and enhance coordination between procurement and project execution teams. A formal supplier performance feedback mechanism was also introduced to create a database of supplier performance records to facilitate tracking and monitoring over time.

Supplier Evaluation Criteria		
Technical	**Social**	**Environmental**
Scope and specification of work	Adherence to labour welfare and social security obligations	Compliance with environmental management requirements
Pricing and cost effectiveness	Fair treatment, diversity and inclusion	Site cleanliness and responsible disposal practices
Project commencement and completion timelines	No use of child labour or forced labour	Minimisation of environmental impacts on air, water and soil
Compliance with insurance requirements	Non-discrimination on any grounds	Support for sustainable sourcing and materials
Testing, commissioning and quality assurance protocols	Ethical business conduct and governance practices	
Contractual terms and payment schedules		
Warranty and defect liability provisions		

SAP Ariba e-Procurement Ecosystem

Centralised cloud-based procurement platform enabling end-to-end procurement governance, transparency and traceability.

Pillar 1: Procurement Lifecycle

- Supplier Registration & Onboarding
- Expression of Interest (EOI) Management
- Tendering & Bid Submission
- Evaluation & Award
- Procurement Execution
- Delivery Tracking & Verification
- Payment Processing

Pillar 2: Governance & Compliance

- System-Driven Approval Workflows
- Standardised Procurement Controls
- Centralised Procurement Oversight
- Compliance Verification
- Digitised Documentation
- Comprehensive Audit Trails

Pillar 3: Monitoring & Visibility

- Weekly Procurement Monitoring Reviews
- Procurement Timeline Tracking
- Real-Time Procurement Visibility
- Supplier Performance Monitoring
- Centralised Reporting Dashboards

SUPPLIER RELATIONS

In keeping with the Group's efforts to build long-term partnerships with key suppliers, the Central Procurement Division (CPD) maintains regular engagement through virtual and face-to-face meetings, technical discussions and knowledge transfer initiatives aimed at improving operational alignment and ensuring the timely resolution of issues. Strategic discussions are conducted with key suppliers to jointly address operational challenges, including fuel supply constraints, material availability risks and opportunities for cost optimisation across critical procurement categories.

As part of ongoing relationship management efforts, a series of targeted supplier development initiatives were conducted, bringing together subcontractors, machinery and vehicle suppliers and material suppliers for focused engagement sessions aligned with the Group's evolving procurement and compliance framework. The programme focused on enhancing supplier understanding of digital procurement processes, governance expectations, supplier performance requirements and operational risk management practices.

SOCIAL AND RELATIONSHIP CAPITAL

COMMUNITY GRI 203 -2, 413 - 2

For AEL, community represents the collection of stakeholders affected by its activities, including residents living in and around project locations, local businesses, employees, subcontractors, educational institutions, government authorities and vulnerable groups whose livelihoods, well-being and quality of life may be influenced by infrastructure development activities.

Positive Impacts	Potential Negative Impacts	Mitigation Measures
Development of critical infrastructure that improve connectivity and accessibility.	Temporary disruptions to local communities arising from construction activities, including dust, noise and vibration.	Implementation of Environmental Management Plans (EMPs), dust suppression systems and noise control measures.
Creation of direct and indirect employment opportunities across project locations.	Traffic congestion and restricted mobility in areas surrounding project sites.	Traffic management plans, directional signage, alternative access routes and deployment of traffic marshals.
Improved access to water, energy and telecommunication infrastructure.	Potential damage to existing utility services during construction activities.	Use of underground utility detection systems and prompt repair and restoration mechanisms.
Support for local suppliers and subcontractors, contributing to local economic activity and enterprise development.	Health and safety risks associated with active construction zones.	Barricading of work areas, safety signage and strict adherence to occupational health and safety requirements.
Contribution to national economic growth and regional development through infrastructure investment.	Environmental impacts such as air and noise pollution associated with construction activities.	Continuous monitoring of environmental parameters by independent parties and compliance with applicable regulatory standards.

COMMUNITY RELATIONS FRAMEWORK

Meaningful engagement with local communities is an integral part of the Group's commitment to responsible corporate stewardship .Engagement with community stakeholders is managed in various ways by the respective business segments. In the case of large scale construction projects, building community relations commences at the pre-construction stage and continues throughout project execution. Public Relations Officers (PROs) are appointed to serve as the primary liaison between project teams and local communities. Working closely with project management teams, PROs facilitate dialogue, support relationship management and help address community concerns in a timely manner.

Moreover, all major projects are subject to Environmental and Social Impact Assessments (ESIAs) to identify potential environmental and social impacts associated with project activities. Based on the findings of these assessments, Environmental and Social Management Plans (ESMPs) are developed to establish appropriate mitigation measures, monitoring requirements and management controls. Both the ESIA and ESMP form an integral part of the project approval process and support the Group's commitment to responsible development and environmental stewardship.

Community engagement efforts are further supported through regular consultations, collaboration with local authorities and community leaders, and ongoing communication initiatives designed to promote transparency and foster positive relationships with stakeholders across project locations.

COMMUNITY PROJECTS

The Group's community investment approach is guided by its Social Responsibility Policy, which prioritises initiatives under four thematic areas:

- Health and Well-being
- Human Capacity Building
- Industry Advancement
- Community Development and Environmental Stewardship.

Community projects are identified through stakeholder engagement, community needs assessments and alignment with these thematic priorities, ensuring that initiatives respond to relevant social, educational, environmental and development needs. Projects are evaluated based on alignment with the objectives of the Group's Social Responsibility Policy before being submitted to senior management and the Board of Directors for approval.

The Group's top management plays an active role in the planning, and assigning resources towards community initiatives, including the allocation of budgets, internal teams and external partnerships. The management also monitors project progress and outcomes to determine impact against defined indicators.

GRI 203-1

THEME: **HUMAN CAPACITY BUILDING**

Purpose: To expand access to educational resources, strengthen vocational competencies and promote knowledge-driven national development.

Rebuilding Trust in Science for National Development [LA]

Access Engineering PLC partnered with the National Academy of Sciences Sri Lanka (NASSL) and the Sri Lanka Association for the Advancement of Science (SLAAS) to support a three-year initiative (2025–2028) aimed at strengthening public confidence in science and technology as drivers of national development.

Key components include:

- Nationwide science awareness and outreach programmes.
- Educational initiatives encouraging students to explore practical applications of science.
- Media-based knowledge dissemination.
- Regional conferences fostering dialogue between academia, industry and society.
- Nature of Project – Pro Bono

Nationwide Toolbox Distribution Programme

Sathosa Motors PLC distributed fully equipped automobile toolboxes to 25 educational and vocational institutions across all nine provinces and 21 districts.

Programme Highlights

- 10 schools.
- 7 technical colleges.
- 5 vocational training centres.
- 3 NAITA centres.
- Total investment of approximately LKR 7 million.

Skill Drive to Excellence

Sathosa Motors PLC provided structured automobile engineering training opportunities for students from NAITA, the Vocational Training Authority and government technical colleges.

Programme Highlights

- 123 trainees supported during FY 2025/26.
- 35.2% increase compared to the previous year.
- Hands-on exposure to modern automotive technologies.
- Participation opportunities in international competitions including the Isuzu I-1 Grand Prix.

Outcome

- Improved access to educational resources, strengthened vocational training capabilities, enhanced scientific literacy and supported the development of future technical and professional talent.

SOCIAL AND RELATIONSHIP CAPITAL

THEME: HEALTH AND WELL-BEING

Purpose: To support healthcare institutions and contribute towards strengthening access to healthcare services and community well-being.

Drainage System Study for Bandaranaike Memorial Cancer Home [LA]

Access Engineering PLC conducted a technical assessment of the existing drainage system at the Bandaranaike Memorial Cancer Home in Maharagama and developed a comprehensive design proposal together with a detailed Bill of Quantities.

The initiative addressed long-standing infrastructure challenges and provided a practical roadmap for future upgrades.

» Nature of Project – Pro bono

THEME: COMMUNITY DEVELOPMENT AND ENVIRONMENTAL STEWARDSHIP

Purpose: Strengthen community resilience, improve living standards and promote sustainable environmental practices.

E-Waste Collection Programme

In collaboration with Ceylon Waste Management, Sathosa Motors PLC conducted an E-Waste Collection Programme to encourage the responsible disposal of obsolete electronic equipment.

Programme Highlights

» Dedicated collection point established at the Company's premises.

» Participation from employees, individuals and external stakeholders.

» Awareness initiatives promoting responsible recycling and disposal practices.

Outcome

Enhanced community resilience, improved environmental awareness and promoted responsible waste management and sustainable environmental practices.

NATURAL CAPITAL

OVERVIEW

Natural Capital represents the environmental resources, ecosystems, and ecological systems that support AEL's operations and ability to sustain long term value creation.

MANAGEMENT APPROACH

The Access Group manages Natural Capital through a holistic framework governed by a comprehensive Environmental Policy that prioritises compliance applicable laws along with the voluntary adoption of the ISO 14001:2015 certified Environmental Management System which together provide a structured approach to continuous improvement of environmental performance across its business activities.

MATERIAL MATTERS

- Energy
- Water
- Waste
- Emissions, Environment and Biodiversity

SWOT

S Strengths

- Well established environmental governance framework supported by the Group Environmental Policy and an ISO 14001:2015 certified Environmental Management System.
- Strong environmental monitoring, compliance, and reporting processes supported by dedicated oversight structures and site level controls.
- Obtained Greenhouse Gas verification certification for the FY 25/26, strengthening the credibility of emissions reporting and climate-related accountability.

W Weaknesses

- The inherently resource intensive nature of construction, quarrying, and materials related operations places continuous pressure on energy, water, and material consumption.
- Dependence on fossil fuel powered machinery, equipment and transportation continues to contribute to operational emissions.

O Opportunities

- Expansion of circular economy practices through greater material recovery, reuse, recycling and resource efficiency initiatives.
- Greater adoption of renewable energy, efficient technologies and environmental performance monitoring tools to strengthen sustainability outcomes.
- Increasing market demand for sustainable infrastructure and environmentally responsible construction practices presents opportunities for differentiation.

T Threats

- Climate related risks, including extreme weather events and changing rainfall patterns, may disrupt operations and project execution.
- Environmental sensitivities associated with certain operational locations may result in additional planning, monitoring, and mitigation requirements.

NATURAL CAPITAL

HIGHLIGHTS FOR FY 2025/26

- Established a Board ESG and Sustainability Committee.
- Implemented a ESG data gathering platform to facilitate monthly monitoring and review mechanisms for water, energy, fuel consumption.
- 35% decrease in energy intensity across Group operations
- Successfully completed Scope 1 and Scope 2 carbon footprint calculations in international standards toe stablish a base carbon footprint for AEL.

SDGS

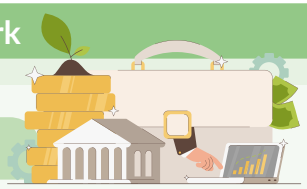
ENVIRONMENTAL GOVERNANCE FRAMEWORK

Recognising that a robust environmental governance framework is essential to managing and mitigating the environmental impacts arising from its operations, AEL has established a comprehensive governance structure that embeds environmental accountability across all levels of the organisation. The framework integrates environmental policies, management systems, regulatory compliance mechanisms, impact assessment processes and performance monitoring controls to ensure that environmental risks are systematically identified, managed and mitigated across the Group's diverse operations.

During FY 2025/26, environmental oversight was further strengthened through the establishment of a Board ESG and Sustainability Committee, providing strategic direction and enhanced governance over sustainability-related initiatives and environmental performance across the Group. In parallel, environmental reporting capabilities were enhanced through the implementation of a standardised ESG data management platform, enabling the monthly monitoring and review of key environmental indicators, including energy, fuel, and water consumption.

To support effective implementation, targeted awareness and capacity-building programmes were conducted for senior management and key personnel, strengthening understanding of environmental responsibilities, compliance requirements, and sustainability objectives. At the operational level, dedicated Health, Safety and Environment (HSE) Officers continue to oversee environmental compliance across project sites, plants, and operational locations, ensuring the implementation of site-specific environmental management measures and ongoing performance monitoring. Continuous engagement and training initiatives also remain in place to strengthen environmental awareness and promote the adoption of evolving environmental management best practices across the workforce.

Environmental Governance Framework



Environmental Regulations

- National Environment Act No. 47 of 1980 and subsequent amendments and regulations
- Mines and Minerals Act No. 33 of 1992
- Antiquities Ordinance
- Urban Development Authority regulations
- Coast Conservation Act No. 57 of 1980
- Marine Pollution Prevention Act No. 59 of 1981
- Fauna and Flora Protection Ordinance
- Felling of Trees (Control) Act No. 9 of 1951
- Forest Ordinance
- Mahaweli Authority Act No. 23 of 1979
- Municipal Councils Ordinance
- Prevention of Mosquito Breeding Act No. 11 of 2007
- Pradeshiya Sabha Act No. 15 of 1987
- Soil Conservation Act No. 24 of 1996
- State Land Ordinance
- North Western Provincial Environmental Statute No. 12 of 1990

ISO 14001:2015 Environment Management System (EMS)

AEL maintains an Environmental Management System (EMS) certified under ISO 14001:2015 to identify, monitor and manage key environmental aspects across operations, enabling a systematic approach to environmental stewardship.

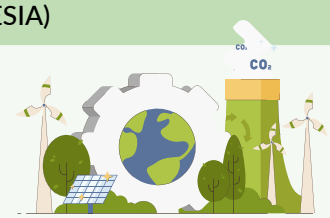
Regular internal audits, periodic external audits conducted as part of the ISO 14001:2015 certification process, and ongoing employee training programmes aimed at strengthening environmental awareness and accountability further support the EMS.

Environmental and Social Impact Assessment (ESIA)

The Environmental and Social Impact Assessment forms an integral component of the Group's environmental risk management process as it identifies and evaluates potential environmental and social impacts associated with project activities before the commencement of operations.

All large scale projects are subject to mandatory ESIAs to ensure that environmental and social considerations are integrated into project planning from the outset. Each assessment is supported by a corresponding Environmental and Social Management Plan that outlines measures required to manage and mitigate identified risks throughout the project lifecycle.

Both the ESIA and the Environmental and Social Management Plan require formal approval from relevant regulatory authorities prior to project implementation, supporting compliance with applicable environmental requirements and recognised best practices.



NATURAL CAPITAL

Action to minimise Environmental Impact to the community

Operations with Significant Actual and Potential Environmental Impacts	Potential Impact	Mitigation Strategies Adopted by the Group
Road, Bridge, and Quarry Projects	Removal of trees to facilitate project activities	Minimise tree removal during project design and execution stages and invest in tree planting and reforestation programmes.
Piling Operations	Noise and dust generation and potential crack propagation in surrounding structures	Regular monitoring of noise and dust levels together with the use of bentonite slurry and other operational controls.
Concrete Batching Plants	Potential land and water pollution due to cement contamination	Operation of onsite wastewater treatment systems to improve discharge quality.
Mechanical Workshops	Generation of waste oil, burnt oil, oil filters, chemical containers, and other hazardous waste resulting in land and water pollution risks	Disposal through Central Environmental Authority approved handlers for reuse and recycling together with the use of secondary containment facilities for hazardous waste storage.
Crusher Plants	Dust generation and deterioration of air quality	Use of sprinkler systems to suppress dust emissions and installation of dust barriers to minimise dust dispersion.

ENERGY GRI 302 -1, 302 -3

Energy is a material resource underpinning AEL's operations. From powering heavy machinery and production facilities to supporting project sites and administrative functions, reliable energy availability is essential to maintaining operational efficiency and ensuring the successful delivery of projects. The Group relies on a wide range of sources, mainly fossil-fuel based sources to meet its day to day energy needs.

The energy intensity ratio is based on energy consumption within the organisation. LA

To manage this dependency responsibly, the Group adopts a structured approach to energy management focused on improving efficiency and reducing waste. Energy consumption across operational locations is monitored through the ISO 14001:2015 certified Environmental Management System, enabling the timely identification of consumption trends, operational inefficiencies and opportunities for improvement. Significant deviations from established benchmarks are reviewed and investigated as part of the Group's commitment to continuous improvement in energy performance.

Recognising the importance of reducing dependence on fossil fuel-based energy sources, the Group has also accelerated its transition towards renewable energy through strategic investments in solar power generation. A major milestone in this journey was the commissioning of two large-scale rooftop solar photovoltaic (PV) installations at its industrial facilities, namely a 6.6 MW rooftop solar plant at the Access Industrial and Logistics Park in Kimbulapitiya and a 9.2 MW rooftop solar PV system at the Group's EGF2 facility, which is recognised as Sri Lanka's largest single-location rooftop solar installation.

Together, these projects represent a significant advancement in the Group's decarbonisation efforts and commitment to sustainable energy.

Total Energy Consumption LA

Energy Source		FY 2025/26	FY 2024/25
Non- Renewable (GJ)	Grid Electricity	**8,199**	6,665
	Diesel	**158,049**	284,363
	Petrol	**1,540**	7,157
	Furnace Oil	**60,996**	77,625
	LPG	**575.8**	-
	Kerosene	**3.762**	9.03
	Total Non-Renewable	**229,364**	375,818
Total Energy Consumption (Non-Renewable + Renewable)		**229,364**	375,818
Energy Intensity (GJ / No. of Employees)		**154.9**	239

Energy consumption is calculated by converting all fuel types and electricity consumed into a uniform energy unit (gigajoules) to ensure consistency and comparability. Calorific values and conversion factors applied per fuel type are sourced from the Sri Lanka Sustainable Energy Authority (SEASL) Energy Balance 2022 publication and the Statistical Digest 2024. The calculation methodology aligns with national energy accounting practices. LA

Energy Management Initiatives across the Group - FY 2025/26	
Sathosa Motors PLC	Expanded the use of energy efficient LED lighting systems across its facilities to improve electricity efficiency.
Marina Square	Optimised electrical power demand to minimise standby power consumption while maintaining essential services and reducing generator capacity requirements.
	Incorporated natural lighting and ventilation features to reduce dependence on artificial lighting and cooling systems.
	Utilised energy efficient electrical appliances, inverter based air conditioning systems, Variable Refrigerant Volume systems, Variable Frequency Drives, and thermally insulated glass façades to improve overall energy efficiency.

NATURAL CAPITAL

EMISSIONS GRI 305 -1, 305 -2, 305 -7

Emissions generated by AEL and it's subsidiaries are primarily attributable to the energy-intensive nature of its construction, engineering, manufacturing, and logistics operations. Given the scale and diversity of these activities, effective emissions management remains an important component of the Group's broader environmental stewardship efforts.

To this end, emissions monitoring is integrated into the ISO 14001:2015 certified Environmental Management System, which provides a structured framework for tracking emissions performance, identifying areas for improvement, and supporting the implementation of appropriate mitigation measures. Key emissions monitored include carbon dioxide (CO_2), nitrogen oxides (NOx), sulphur oxides (SOx), and particulate matter (PM) generated from fuel-powered equipment, heavy machinery, vehicles, and generators. In addition, the Group monitors stack emissions arising from its asphalt plant operations, including volatile organic compounds (VOCs) and other by-products generated during production processes, to ensure compliance with applicable environmental requirements and operating standards.

To further strengthen the accuracy and reliability of emissions monitoring practices, independent performance testing and emissions verification exercises are conducted periodically across relevant operational locations. These assessments provide assurance on the effectiveness of environmental control measures, support regulatory compliance, and enhance the integrity of environmental performance data.

In keeping with its broader commitment to managing emissions across the value chain, the Group also monitors emissions associated with the transportation of imported materials through sea and air freight. This enables a more comprehensive understanding of its environmental footprint and supports ongoing efforts to identify opportunities for reducing indirect emissions associated with business operations.

Scope 1 & 2 Emissions for Access Engineering PLC

Emission Sources			FY 2025/26 GHG (t CO2e)
	Category	Activity	
Indirect - GHG Scope 2 Emissions	Direct Emissions - Stationary Combustion	Asphalt - Furnace Oil	5,041.01
		Stationary Generators - Diesel	2,609
		Bitumen Oxidation - Reaction	109.2
		Furnace Oil Heating – Diesel	71.4
		LPG – Cooking	32.5
		Bitumen Heating – Diesel	15.2
		Fabrications - Oxy Acetylene	0.78
	Direct Emissions - Stationary Combustion Total		**7,878.6**
	Direct Emissions - Mobile Combustion	Vehicles – Diesel	5,889.2
		Industrial Vehicles & Machinery – Diesel	4,463.2
		Vehicles – Petrol	107.4
		Fogging Works - Diesel	4.4
		Fogging Works – Petrol	1
		Mobile Generators – Petrol	0.54
		Industrial Vehicles & Machinery - Petrol	0.42
	Direct Emissions - Mobile Combustion Total		**10,466.1**
	Direct Fugitive Emissions - Anthropogenic Systems	Fire Extinguishers (CO2)	4.4
	Direct Fugitive Emissions - Anthropogenic Systems Total		**4.4**
	Indirect Emissions - Electricity	Grid Electricity	943.7
		Transmission & Distribution Loss	99.1
	Indirect Emissions - Electricity Total		1,042.75
Grand Total (Scope 1 & Scope 2) Emissions of Access Engineering PLC			**19,391.8**

Energy Management Initiatives across the Group - FY 2025/26	
Sathosa Motors PLC	Continued to import vehicles that comply with Euro 4 emission standards to support lower vehicle exhaust emissions and improved air quality performance.
Marina Square	Installed EV charging stations to support the adoption of zero emission vehicles.

WATER AND EFFLUENTS

GRI 303 -1, 303 - 3

Water and its resulting effluents are material aspects of AEL's day to day operations. Water supports a wide range of construction, engineering and operational activities across AEL, including concrete mixing, curing, compaction, dust suppression, equipment and vehicle washing, worker welfare facilities, landscaping and site rehabilitation activities. Water used in the day to day operations is obtained from a combination of municipal water supplies, surface water sources, groundwater, third party suppliers and recycled or reused water sources where applicable.

Given the extensive use of water, the Group places considerable emphasis on minimising consumption, promoting reuse and ensuring that wastewater generated through operations is managed responsibly.

Water management plans implemented at major project sites support the efficient use of water resources, while operational controls, monitoring mechanisms and treatment processes help safeguard surrounding water bodies and ecosystems from potential contamination. Water metering systems are also utilised at project sites to facilitate the monitoring and management of water consumption.

Likewsie effluents generated are managed in line with regulatory requirements through on-site wastewater treatment systems, erosion and sediment control measures, stormwater management infrastructure, alongside ongoing monitoring programmes to ensure compliance with applicable environmental requirements.

Water Withdrawal [LA]

Water Sources	*FY 2025/26 (ML)* [LA]	FY 2025/26 (M3)
Drinking Water	2	2,295
Pipe borne Water	51	51,265
Ground Water (Fresh Water)	13	12,519
Surface Water	0.004	4.010
Total Water withdrawn	66	66,083
Water Intensity (m3 / No. of Employees)	0.04	44.65

Water and Effluent related impacts attributed to AEL

Potential Impact	Description	Mitigation Strategy
Water Body Damage	Surface runoff containing contaminants and chemicals may lead to sedimentation and pollution of adjacent water bodies.	Deployment of sediment barriers, silt fences, and engineered stormwater management systems.
Groundwater Impacts	Excavation and dewatering activities may alter hydrological patterns or affect local groundwater levels.	Implementation of site specific water management plans and regular monitoring of groundwater conditions.
Hydrological Disruption	Land clearing and construction activities may impact natural drainage patterns and water flow.	Integration of water management measures through project planning, Environmental and Social Impact Assessments, and Environmental and Social Management Plans.
Ecosystem Contamination	Improper handling of cement, fuels, lubricants, and wastewater may result in contamination of inland water bodies.	Operation of onsite wastewater treatment systems and regular monitoring of discharge quality.

NATURAL CAPITAL

Potential Impact	Description	Mitigation Strategy
Deterioration of Water Quality	Untreated or poorly managed wastewater may adversely impact receiving water bodies.	Monitoring of key effluent quality parameters, including Chemical Oxygen Demand, Biological Oxygen Demand, Total Suspended Solids, and pH levels, together with independent third party testing.
Sedimentation and Pollutant Runoff	Construction activities may generate sediment laden runoff capable of affecting surrounding ecosystems.	Implementation of erosion and sediment control measures, including sediment barriers, silt fences, sediment ponds, and stormwater management systems.

MATERIALS GRI 301 -1, 301 -2, 301 - 3

As a diversified group with a presence across 9 sectors from civil engineering construction, property development, logistics and automobile to radiopharmaceutical, AEL relies on a diverse range of material inputs for its day to day operations.

Recognising the environmental implications associated with material extraction, processing, transportation and consumption, the Group remains focused on improving efficiency and responsible consumption through careful planning, sustainable sourcing initiatives, and the increased utilisation of reclaimed and recycled materials.

Material consumption is monitored through the EMS, while the Central Procurement Division oversees the sourcing of major inputs to ensure consistency, quality, and alignment with operational and environmental requirements.

WASTE MANAGEMENT

GRI 306 -1, 306 -2

Large volumes of waste are generated daily across the Access Group's operations owing to the scale and diversity of its construction, engineering, manufacturing, logistics, and support activities. Construction and engineering operations generate a broad range of waste streams throughout the project lifecycle, including excavation material, concrete and asphalt debris, scrap metal, timber, packaging materials, and hazardous wastes associated with machinery maintenance and operational processes. In addition, manufacturing facilities, workshops, offices, and site accommodation facilities contribute to the generation of industrial, commercial, and general waste streams.

Waste generated across the Group's operations is identified and classified into hazardous and non hazardous categories, including construction debris, scrap materials, domestic waste, and hazardous waste from maintenance activities. Waste is managed under an ISO 14001:2015 certified Environmental Management System (EMS), supported by site specific Waste Management Plans (WMPs), which define procedures for segregation, storage, collection and disposal.

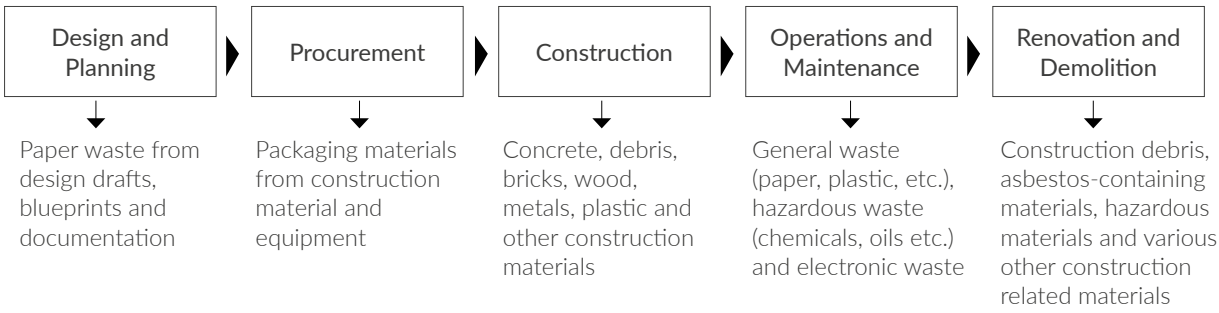
Waste is segregated at source and stored in designated areas, with hazardous waste handled separately under controlled conditions. Waste streams are collected and transferred through authorised service providers to approved recycling, treatment, or disposal facilities. Environmental risks such as soil and water contamination are mitigated through appropriate containment, labelling, and handling practices. [LA]

The Group follows the waste hierarchy by prioritising reduction, reuse, and recycling before disposal. Materials such as soil, metal, timber, and concrete are reused or recycled where feasible, while residual waste is disposed of at approved facilities. Hazardous waste is managed through licensed contractors using approved treatment methods including incineration and controlled disposal. [LA]

Waste management performance is monitored through internal tracking, site inspections, and periodic reviews under the EMS framework, supporting continuous improvement. Defined roles, employee awareness programmes, and engagement with authorised waste service providers ensure compliant and environmentally responsible waste management across operations.

RESPONSIBLE WASTE DISPOSAL – AEL GROUP

AEL's Waste Generation Profile



Reduce, Reuse, Recycle Initiatives Across AEL Undertaken with the aim of reducing volume of waste sent to landfill

Segment	Initiative
Civil Engineering Segment	Scrap steel generated from operations is collected and sold to third party agents for reuse.
	Existing paved concrete is crushed and reused for road base preparation in road construction projects.
	Excavated soil is reused for backfilling subject to project requirements and client approvals.
	Leftover concrete from mixer trucks is utilised to produce paving blocks at batching plants and selected project sites.
	Reinforcement scraps are repurposed for operational applications such as material carts, cafeteria furniture, and crane buckets.
Construction Materials Segment	Cement contaminated water is treated through sedimentation and reused for washing mixer trucks and other vehicles.
	Broken cement bricks are crushed and reused for backfilling applications.
	Manufactured Sand and washed Quarry Dust are utilised where feasible to reduce the use of river sand.
Sathosa Motors PLC	E Waste Collection Programme in collaboration with Ceylon Waste Management to facilitate the responsible disposal and recycling of obsolete electronic equipment
Marina Square	Floor level waste segregation facilities in accordance with the national colour code system
	Mechanically ventilated and refrigerated waste storage facilities to support the safe storage and collection of segregated waste streams

BIODIVERSITY CONSERVATION

GRI 304-2

Biodiversity conservation remains an important consideration in the Group's approach to environmental stewardship. While the majority of AEL's project sites are located within urban or developed environments where direct impacts on biodiversity are limited, certain operational locations require enhanced environmental oversight to minimise potential ecological disturbances.

The Group continues to assess and manage biodiversity related risks through environmental planning processes and site specific mitigation measures implemented in accordance with regulatory requirements. Environmental and Social Impact Assessments undertaken for applicable projects support the identification of potential impacts on ecosystems, flora and fauna, enabling the implementation of appropriate management and mitigation measures throughout project lifecycles.

TREE PLANTING INITIATIVES

During the year, the Group carried out tree planting activities across multiple project locations, planting more than 100 trees comprising native and fruit bearing species including Mee, Mango, Orange and Kumbuk. Planting activities were undertaken at the Central Expressway, Kotadeniyawa, Meerigama, and Kaduwela project sites, contributing to environmental enhancement and the preservation of local green cover.

CAPITAL TRADE-OFFS (COMPANY)

We weigh the trade-offs among different capital investments to optimise positive results and minimise value loss. To build a resilient organisation, we evaluate the availability and quality of capital resources, balance short-term and long-term goals and make strategic decisions to generate lasting value while mitigating immediate adverse effects. This process involves careful consideration of the trade-offs involved, ensuring that our decisions contribute to sustainable growth and resilience.

Financial Capital

Revenue (Company)	LKR 24,092 Mn
Profit After Tax (Company)	LKR 3,130 Mn
Working Capital Ratio	1.21
Dividend Per Share	LKR 2 per share

Manufactured Capital

Invested in Property, Plant & Equipment (Cost)	LKR 12,090 Mn
Investment in Property Plant and Equipment during the year	LKR 230 Mn
Net Book Value of PPE	LKR 3,101 Mn
Location of Production Plant	32

Intellectual Capital

Registrations and Certifications	30
Intangible Assets	LKR 19 Mn
Invested in ISO Certification	

Human Capital

Payments to Employees	LKR 2,788 Mn
Number of Training Program	56
Total Training Hours	4,245

Natural Capital

Energy Consumption	229,364 GJ
Water Withdrawn	66,083 M3
Paper Consumption	10,826 KG

Social and Relationship Capital

Total payments to material suppliers	LKR 7,250 Mn
Investment in Donation & CSR	LKR 24.8 Mn

CIVIL ENGINEERING

Civil Engineering remains central to the Group's legacy and identity, delivered through Access Engineering PLC and Access Projects (Private) Limited. The segment undertakes large-scale construction and infrastructure projects across buildings, roads and highways, bridges and flyovers, ports and marine works, utility infrastructure and telecommunication networks. Supported by specialised engineering services and in-house execution capabilities, the segment continues to strengthen national connectivity, support communities and contribute to Sri Lanka's long-term development.

Revenue	PBT	PAT
12,966 Mn (20,126 Mn : 2025)	**2,654 Mn** (4,610 Mn : 2025)	**1,967 Mn** (3,586 Mn : 2025)

Assets	Liabilities
59,648 Mn (53,588 Mn : 2025)	**33,692 Mn** (28,238 Mn : 2025)

CIVIL ENGINEERING

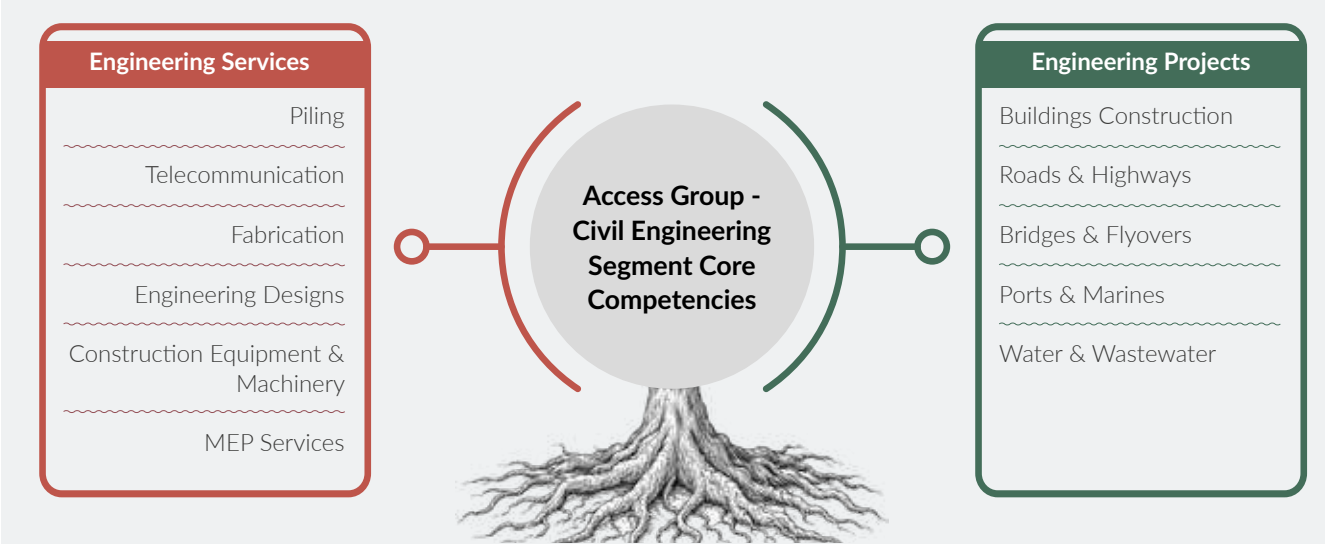
Overview

The Civil Engineering segment of the Access Engineering Group stands as one of Sri Lanka's most established and influential contributors to the nation's infrastructure transformation over the past 35 years. Anchored in a strong engineering legacy, the segment continues to play a key role in supporting national development priorities by enabling large-scale infrastructure expansion across both urban and rural regions.

Leveraging its comprehensive capabilities in the development of critical transport infrastructure such as roads, highways, bridges, flyovers, ports, public utility infrastructure and marine structures, the segment remains the trusted choice for end-to-end engineering and construction solutions that span the full project lifecycle. The segments' engineering services arm further enhances project execution through specialised capabilities in piling, telecommunication infrastructure, fabrication, and advanced engineering design, ensuring technical precision and delivery excellence across diverse project environments.

Another key differentiator is the segment's integrated service model, which includes construction equipment and machinery hiring and maintenance, as well as Mechanical, Electrical, and Plumbing (MEP) services.

Looking ahead, the Civil Engineering segment is expected to benefit from opportunities arising from the next phases of the Central Expressway, port infrastructure development both locally and overseas, urban development projects, and future piling opportunities supported by the Group's strong track record in complex foundation engineering. Continued strengthening of MEP services, engineering design, fabrication, telecommunication infrastructure and equipment support will further enhance the segment's integrated delivery model and position the Group to pursue larger, more technically demanding projects.



KEY ENGINEERING PROJECTS

Building and Construction

MARINA SQUARE UPTOWN COLOMBO MIXED DEVELOPMENT PROJECT

Positioned along Colombo's harbour-front, Marina Square / Harbour Village Uptown Colombo stands as one of Sri Lanka's most ambitious mixed-use developments and a landmark achievement in Access Engineering's civil engineering portfolio. Comprising over 2.1 million square feet of built space across five high-rise residential towers, the development brings together 1,088 condominium units, approximately 150,000 square feet of commercial space, landscaped podiums, public promenades, recreational amenities, extensive parking facilities, and supporting infrastructure within a fully integrated urban environment.

Rising up to 140 metres, the project forms a distinctive addition to Colombo's evolving skyline, overlooking the Colombo Port, Port City and the wider cityscape. Designed as a large-scale residential, commercial and lifestyle destination, the development reflects a thoughtful balance between scale, functionality and human-centric design. Its tower orientation maximises views across Colombo's fast-changing urban landscape, while landscaped open spaces, podium-level amenities, retail facilities, office spaces, swimming pool, gymnasium and clubhouse areas enhance the quality of community living within the development.

As one of the largest condominium developments undertaken in Sri Lanka, Harbour Village represents a defining milestone for the Group. Beyond its scale, the project demonstrates Access Engineering's capacity to deliver complex, high-rise, mixed-use developments that require multidisciplinary coordination, disciplined project management and strong technical execution.

Project Focus and Milestones for the Year

- Despite material cost escalations arising from fuel shortages and fuel price increases linked to the Middle East conflict in 2026, the project maintained strong construction momentum.
- The increase in material prices resulted in budgetary pressures and cost impacts across the project.
- Significant progress was achieved with the completion of Towers 1, 2, and 3 with substantial progress on external utility infrastructure and associated finishing works.
- Bulk construction works for Towers 4 and 5 were completed during the reporting period, representing a major milestone towards overall project completion.

DESIGN AND CONSTRUCTION OF 1000 HOUSING UNITS AT STADIUMGAMA

The Stadiumgama Housing Project in Colombo 14 is a significant urban regeneration initiative undertaken for the Ministry of Urban Development and Housing, with the Urban Development Authority serving as the implementing agency. The project supports the Government of Sri Lanka's broader objective of improving access to affordable and adequate housing for low-income communities.

Access Engineering PLC was appointed as the Design-and-Build contractor for the development, which comprises 1,000 residential units across four fourteen-storey apartment blocks. Each unit is designed with approximately 500 square feet of floor area, including two bedrooms, a living area, kitchen, bathroom and balcony, providing residents with functional and dignified living spaces within a well-planned urban setting.

Beyond the delivery of residential units, the project incorporates a comprehensive range of community and infrastructure facilities. These include nursery care facilities, a supermarket, retail spaces, ground-floor parking, internal road networks, landscaped common areas, water storage facilities, electricity and water supply systems, elevators, emergency staircases, fire protection systems, stormwater drainage, wastewater management and an integrated gravity sewer main. Together, these elements support the creation of a self-contained residential environment that responds to both housing and community needs.

Project Focus and Milestones for the Year

- Finalisation activities with emphasis on defect rectification works and submission of outstanding handover documentation to support formal closure within contractual timelines.
- Handing-over inspections conducted with testing and commissioning activities.
- The project was formally handed over to the Urban Development Authority on 28 February 2026.
- Construction activities related to gravity sewer line variation works continued under the approved Extension of Time period, extended up to 31 May 2026.
- Despite fuel supply constraints and fuel price increases in mid-March 2026, progress continued steadily on sewer line culminating in Phase 01 of the sewer line works reaching 95% completion, with Phase 02 and Phase 03 reaching 98% and 62% completion respectively as at 31 March 2026, .

CIVIL ENGINEERING

ELLIOT PLACE HOUSING PROJECT

The Elliot Place Housing Project is a semi-luxury residential development located at Elliot Place, Borella, Colombo 08, undertaken for the Urban Development Authority. Designed as a 30-storey residential complex comprising two towers rising from a shared podium, the development will deliver 400 housing units in two- and three-bedroom configurations, catering to the urban upper-middle-income residential market.

The apartment units are designed with functional living spaces, including living and dining areas, kitchens, attached bathrooms, common toilets, utility rooms and balconies. The wider development also integrates a range of lifestyle and support amenities, including multi-level parking facilities, EV charging points, car-wash bays, a community hall, gymnasium, children's play area, swimming pool, supermarket, retail outlets, laundry facilities, and dedicated quarters for drivers and janitorial staff.

With residential units beginning from the third floor upwards and the lower levels allocated for parking and shared facilities, the development is designed to optimise space utilisation while supporting modern urban living within Colombo.

Project Focus and Milestones for the Year

- **Successful completion of the Tower 02 transfer floor slab concreting works supported by detailed pre-pour planning, including mock-up simulations to evaluate pouring sequences, curing methods, and temperature control strategies to address technical challenges, including heat of hydration control,**

HOUSING UNITS AT COLOMBAGE MAWATHA

Access Engineering PLC was awarded the contract for the design and construction of the balance works of the Housing Units at Colombage Mawatha project in Kirulapona, undertaken for the Urban Development Authority and funded by the Government of Sri Lanka. The project comprises 615 housing units across three residential blocks of fifteen floors each, with each unit designed to provide approximately 500 square feet of living space.

The project involves the continuation and completion of works that had been partially executed by a previous contractor. As a result, the initial phase required extensive condition assessments, structural evaluations and remedial interventions to identify defects, assess existing works and integrate rectification activities with the ongoing construction programme. This made careful sequencing, quality assurance and stakeholder coordination central to the successful recommencement of the project.

The project commenced early 2026 and is scheduled for completion in mid-2028. Upon completion, the development will contribute to the Government's wider urban housing objectives by delivering a sizeable residential complex within the Colombo urban area.

Roads and Highways

CENTRAL EXPRESSWAY PROJECT – SECTION 3

A project funded by the Road Development Authority (RDA), Package 1M of Section 3 of the Central Expressway Project forms part of the strategic expressway link connecting Pothuhera and Galagedara. The project involved the construction of a section of the four-lane expressway corridor between chainage 9+100 km and 9+900 km, encompassing extensive earthworks, soft-ground treatment, rock excavation works exceeding 476,000 m3, drainage systems, and associated minor structures. The scope of works also included the construction of a 120 m long viaduct, an overpass structure, piled foundations, and reinforced embankments required to support uninterrupted expressway operations through challenging terrain conditions.

Project Focus and Milestones for the Year

- **Successfully completed the original scope of work and the project was handed over to the Road Development Authority (RDA), with the Taking-Over Certificate becoming effective on 08 December 2025.**
- **Continued to fulfil Defects Notification Period (DNP) obligations, which extend through to December 2026.**
- **Ongoing additional works included rock cut slope stabilisation and rehabilitation of adjacent village roads. remained in progress as at 31 March 2026**

NITTAMBUWA – PASYALA ROAD PROJECT

The Nittambuwa – Pasyala Road Project involves the rehabilitation and improvement of a section of the Colombo–Kandy Road between Nittambuwa and Pasyala to support improved traffic flow and road safety within a highly congested urban corridor. Executed under a Measure-and-Pay contract for the Road Development Authority (RDA), the project includes road widening works, pavement improvements, utility relocations, drainage installations, and associated infrastructure enhancements. The scope of works encompasses reinforced embankment construction, cross-drainage structures, elevated pedestrian footways, centre medians, kerbing, pavement rehabilitation, and asphalt paving works. The project also requires extensive coordination relating to land acquisition and utility relocations to facilitate road widening activities within densely populated sections of the project corridor.

Project Focus and Milestones for the Year

- Completed subgrade, sub-base, and base preparation works in road-widening areas through proactive identification of feasible work fronts.
- Utilised precast drain sections in place of conventional in-situ construction methods to accelerate drainage works and reduce disruption to surrounding communities.
- Enhanced construction efficiency through the adoption of innovative construction methodologies and prefabricated components.
- Employed GPS receivers in place of conventional Total Station surveying methods.
- Submitted a revised Bill of Quantities (BOQ) to the Road Development Authority to reflect prevailing economic conditions and revised project requirements.

IROADS PROJECT

The Second Integrated Road Investment Programme (iRoads) is an Asian Development Bank-funded initiative aimed at improving rural road connectivity within the Gampaha District. The project comprised three contract packages covering approximately 210 km of rural roads across the Western Province, including Package GA 02 (79.93 km), Package GA 03 (59.36 km), and Package GA 04 (71 km). The scope of work across the three packages included detailed engineering design, earthworks, pavement rehabilitation, drainage improvements, construction of retaining structures, asphalt overlay works, road markings, signage installations, and performance-based maintenance obligations. All three projects are implemented by the Road Development Authority (RDA).

Project Focus and Milestones for the Year

- Successful completion of all critical works relating to Packages GA 02, GA 03, and GA 04 and hand over of the rehabilitated road sections to the Road Development Authority.
- Package GA 02: Rehabilitation and maintenance works relating to selected road sections, including WGA 299 and WGA 118, were completed, with critical works achieving completion on 08 March 2025. The package included rehabilitation activities such as aggregate base course laying, asphalt laying, drainage improvements, and pothole patching works. As at the reporting date, the Taking-Over Certificate remained pending.
- Package GA 03: Critical works achieved completion on 24 September 2024, following the completion of minor rehabilitation and maintenance activities including asphalt laying, drainage works, and routine road maintenance interventions. The Taking-Over Certificate for the package was successfully received during the reporting period.
- Package GA 04: Critical works achieved completion on 04 June 2024. The package encompassed rehabilitation activities including aggregate base course laying, asphalt works, drainage improvements, and pothole patching activities, and the Taking-Over Certificate for the package was received.

CIVIL ENGINEERING

Bridges and Flyovers

Flyover Connecting Baladaksha Mawatha and Chittampalam A. Gardiner Mawatha

The Baladaksha Mawatha Flyover Project involves the design and construction of a two-lane unidirectional flyover connecting Baladaksha Mawatha and Chittampalam A. Gardiner Mawatha across the railway tracks and Beira Lake in Slave Island. Undertaken to improve traffic mobility within central Colombo and reduce congestion caused by frequent railway crossing interruptions along the coastal railway corridor, the scope of works encompasses the construction of the main flyover structure, pedestrian walkways, pile foundations, abutments, ramps, service-road realignments, and associated junction improvements. The project also includes restoration works to the existing bridge and landscaping activities beneath the flyover structures. AEL functions as the Main Contractor for this project, which is implemented under the Road Development Authority (RDA).

Project Focus and Milestones for the Year

- **Achieved approximately 98% completion of bridge erection works up to Span 04, marking substantial progress towards project completion and was opened for public use.**

KOHUWELA FLYOVER PROJECT

The Kohuwela Flyover Project was undertaken to alleviate severe traffic congestion at the Kohuwela Junction, one of the busiest intersections within Colombo connecting several major road networks. Constructed above the Colombo–Horana Road (B84), the two-lane flyover was designed to improve traffic mobility and reduce congestion caused by the limitations of the existing junction configuration, surrounding commercial activities, and high peak-hour traffic volumes. The scope of works included pile foundations, abutments, approach ramps, steel superstructure erection, and the reconstruction of adjacent road sections required to integrate the flyover with the existing road network. The project also involved the relocation of pedestrian crossings and bus halts to improve public accessibility and traffic safety. AEL functions as the Design-and-Build Sub-contractor for the project, which was implemented under the Road Development Authority (RDA).

Project Focus and Milestones for the Year

- **Following the reopening of the flyover to public traffic on 17 July 2024, major construction activities were carried out primarily during off-peak periods and night shifts to minimise disruption to road users and surrounding communities.**
- **The project is nearing completion, with key infrastructure components substantially completed and already being used by the public. Remaining works include final junction improvements, traffic signalling systems, service road surfacing and stormwater drainage infrastructure.**

GATAMBE FLYOVER PROJECT

The Gatambe Flyover Project was undertaken to address severe traffic congestion at the Gatambe Junction in Kandy, where the Old Peradeniya–Kandy Road (A1) intersects with the New Peradeniya–Kandy Road (AB42). The development comprises a main flyover and branch flyover designed to improve traffic mobility and facilitate uninterrupted vehicle movement across the junction and adjacent railway corridor. The scope of works includes piling, substructure construction, superstructure works, drainage improvements, utility relocations, and associated road-improvement works required to integrate the flyover with the surrounding road network. Ancillary works also encompass pedestrian-access improvements, traffic-management infrastructure, and landscaping enhancements within the project vicinity. AEL functions as the Sub-contractor for the project, which is implemented under the Road Development Authority (RDA).

Project Focus and Milestones for the Year

- Successful recommencement of construction activities following suspension since 2022.
- Carried out advanced deep foundation construction through the use of bored cast-in-situ piling systems, enabling effective execution in challenging ground conditions adjacent to the railway line, Mada Ela, and the Mahaweli River.
- Utilised precast concrete elements where applicable to improve construction speed, quality, and overall project efficiency.
- Implemented modern surveying technologies, including Total Station and GPS-based setting-out systems, to enhance construction accuracy and operational productivity.
- Undertook several research and development initiatives focused on improving construction performance and technical outcomes.
- Conducted studies on concrete durability under wet and variable environmental conditions to support long-term structural resilience.
- Developed and tested trial concrete mixes for high-performance structural applications.
- Carried out research on reinforced-soil retaining wall systems using concrete blocks to optimise design and construction methodologies.

Ports & Marine

WEST CONTAINER TERMINAL PROJECT

The Colombo West International Terminal (CWIT) is a large-scale port infrastructure development implemented under a 35-year Build-Operate-Transfer (BOT) agreement between Adani Ports and SEZ Ltd., the Sri Lanka Ports Authority, and John Keells Holdings PLC. Located within the Port of Colombo, the project involves the development of terminal-support infrastructure, utilities, buildings, and associated operational facilities required for the West Container Terminal.

The scope of works is divided into two main packages:

Package 1: Encompasses the construction of backup yard utilities and allied infrastructure comprising pavement works, gantry-rail foundations, drainage systems, potable-water and sewage networks, boundary fencing, high-mast lighting, CCTV infrastructure, and a four-lane access carriageway connecting the Colombo International Container Terminal (CICT) Roundabout to the terminal entrance.

Package 2: Comprises the construction of twenty-nine steel-framed support buildings, including offices, workshops, guardhouses, and gate complexes, together with associated MEP, HVAC, firefighting, and architectural works.

Project Focus and Milestones for the Year

- Achieved overall project progress of approximately 87%, with significant advancement across civil, utility, paving, and building construction works under both project packages.
- Enhanced construction efficiency through the deployment of on-site production facilities, including advanced paving, Pug Mill, and Wet Mix Macadam (WMM) plants, enabling in-house material production and reducing both cost and construction time for key materials.
- Undertook major steel fabrication and installation works exceeding 1,200 metric tonnes under the Colombo West Container Terminal Backup Yard Phase 2, supported by in-house grid blasting and painting activities.
- Strengthened quality assurance systems through the introduction of a digital Request for Inspection (RFI) platform, enabling real-time submission and approval processes via mobile-based systems.
- Monitored key quality performance indicators, including concrete strength compliance, precast dimensional accuracy, and RFI rejection rates, supported by structured weekly and monthly reporting frameworks.
- Conducted regular Quality Performance Reviews (QPRs) in coordination with Adani QA/QC teams, along with comprehensive NCR, QCR, and documentation approval tracking.

CIVIL ENGINEERING

ENGINEERING SERVICES

Telecommunication

The Telecommunication Projects Division (TPD) of AEL is a specialised business unit focused on delivering end-to-end telecommunications infrastructure solutions across Sri Lanka. The division has developed strong technical expertise in Optical Fiber Network (OFN) deployment, FTTx (Fibre-to-the-X) development, and overall telecom network capacity enhancement to help the country's transition towards high-speed, next-generation digital connectivity.

The growing focus on 5G network expansion across Sri Lanka created new opportunities in fibre-network development, enabling the division to secure several telecommunications infrastructure projects, including Horizontal Directional Drilling (HDD) works and In-Building Solution (IBS) installations for high-rise developments.

Looking ahead, the division remains strategically focused on supporting the expansion of 5G-enabled infrastructure across the country, with continued emphasis on strengthening fibre-optic network coverage

Dialog Optical Fibre Network Development Project

The Dialog Optical Fibre Network Development Project is an island-wide telecommunication infrastructure initiative undertaken for Dialog Broadband Networks (Private) Limited to enhance broadband connectivity across Sri Lanka. The project encompasses optical fibre network expansion for Dialog mobile-site connectivity, enterprise-site connectivity, broadband network development, redundancy-path development, network rearrangement, network-capacity improvement, and FTTx cluster development activities. The scope of works includes pre-installation surveys, duct and manhole installations, cable laying, splicing, testing, commissioning, and road reinstatement activities across both urban and rural environments.

The Project recorded steady progress through the implementation of a wide range of network enhancement activities, including mobile-site connectivity, enterprise-site connectivity, broadband expansion, redundancy path development, network rearrangement, capacity upgrades, and FTTx cluster development, supported by end-to-end execution from surveys through to commissioning and reinstatement works.

To improve execution efficiency and minimise public disruption, advanced trenchless construction techniques such as Horizontal Directional Drilling (HDD) and micro-trenching continued to be adopted to enable efficient underground fibre deployment in densely populated and high-traffic urban environments without the need for large-scale open-cut excavation, significantly reducing road damage and service disruption.

Construction quality and operational efficiency were further strengthened through enhanced cable protection systems, optimised duct configurations, and reinforced quality control procedures. Rigorous testing protocols were implemented, including Power Meter and Light Source testing as well as Optical Time Domain Reflectometer (OTDR) testing, ensuring compliance with stringent performance and network reliability standards.

In addition, improved asset management practices were introduced through standardised labelling, colour coding, and durable tagging systems, enhancing infrastructure traceability, maintenance efficiency, and long-term operational control.

As at 31 March 2026, approximately 75% of the total 195 Dialog Mobile and Dialog Enterprise sites had been successfully completed and handed over to the client, reflecting strong progress in the rollout of the national fibre network expansion programme.

Other Telecommunication Projects

Supply and Installation of the Distributed Antenna System (DAS) at the Marina Square Mixed Development Project. This project involved the deployment of an In-Building Solution (IBS) through a Distributed Antenna System arrangement to improve network coverage within the development premises. As at the reporting date, approximately 90% of this project had been completed, with balance works in progress.

Central Equipment Division

The Central Equipment Division (CED) plays a vital enabling role to support Access Group operations by providing a comprehensive range of vehicles, construction machinery, and technical support services to internal projects and plant operations.

The division is responsible for end-to-end equipment management, including deployment planning, workshop operations, preventive and corrective maintenance, and logistics coordination across the Group's project portfolio, all handled by a skilled team of qualified mechanical and technical professionals. The division maintained a fleet of 230+ vehicles and machinery encompassing a wide range of construction and support equipment, including dump trucks, excavators, loaders, compactors, graders, cranes, asphalt pavers, prime movers, and ancillary vehicles.

Despite prevailing economic challenges, fuel price volatility, and ongoing supply chain constraints impacting machinery operations and maintenance in the year under review, , the division maintained uninterrupted support to both internal and external projects with its fleet deployed across key project locations including Vavuniya, Ganewalpola, Kandy, Nuwara Eliya, Hatton, Kotadeniyawa, Colombo, Matugama, Thebuwana, Kosgama, and Meerigama.

A key operational highlight during the year was the successful execution of a major rock and sand handling project at Colombo Port, valued at approximately LKR 897 million. The project involved the transportation of rock from stockpiles to the jetty, as well as the loading, hauling, and precision levelling of dredged sand for backfilling works. The assignment was delivered in accordance with required technical specifications, quality standards, and planned timelines, demonstrating the division's strong execution capability.

Going forward, the division will continue to focus on enhancing equipment utilisation, strengthening maintenance systems, and improving workshop efficiency to support the Group's expanding construction portfolio. Continued emphasis will also be placed on preventive maintenance, effective logistics coordination, and timely deployment of machinery and vehicles to ensure optimal support for ongoing and future infrastructure projects.

Fabrication Workshop

The Fabrication Workshop possess in-house capabilities in the fabrication and installation of structural steel components, customised steel works, and a wide range of fabrication services required for large-scale infrastructure and industrial developments. The division also undertakes selected MEP-related activities to deliver integrated engineering solutions across diverse project requirements.

During the year under review, the division expanded its involvement in major infrastructure projects, particularly the West Container Terminal Project Phase 2 and the Marina Square Mixed Development Project, leveraging opportunities to strengthen its execution capacity and technical expertise.

» West Container Terminal Project - Under the Colombo West Container Terminal Backup Yard Phase 2 project, the division successfully completed fabrication and installation works involving over 1,200 metric tonnes of steel structures. The scope also included in-house grit blasting and painting activities, supported by grid blasting systems and airless spray-painting booth facilities, which enhanced both quality control and operational efficiency in steel fabrication processes.

» Marina Square Mixed Development Project - At the Marina Square Mixed Development Project, the division successfully completed firefighting system installations, including sprinkler and hydrant networks serving five high-rise residential towers comprising over 1,000 housing units. This further strengthened its capabilities in building services and MEP-related works.

Meanwhile, ongoing emphasis on scaling divisional capabilities led to notable investments in a laser cutting system and upgraded grit blasting and painting booths. In parallel, the division strengthened its quality assurance framework through the implementation of a digital Request for Inspection (RFI) system, enabling real-time submission and approval processes via mobile-based platforms, while quality control processes were further reinforced through advanced testing protocols, including X-ray testing for 20% of underground pipe joints, ultrasonic testing for 30% of key steel structural joints, and Doly testing to assess paint adhesion performance on steel surfaces carried out in line with established quality standards to enhance fabrication reliability and structural integrity.

The division also adopted high-quality welding techniques supported by Non-Destructive Testing (NDT) in accordance with ASME Section V requirements, ensuring compliance with international fabrication standards. In addition, improved coating and painting systems were introduced to enhance corrosion protection, with selected applications supported by long-term performance warranties.

Looking ahead, the Fabrication Workshops will continue to strengthen its fabrication capabilities, expand participation in large-scale infrastructure projects, and enhance operational efficiency across all workshop activities. Key priorities include increasing production capacity, reinforcing quality assurance systems, and supporting growing demand for structural steel fabrication, industrial works, and MEP-related services across the Group's project portfolio. The division will also continue to invest in advanced fabrication technologies and workshop improvements to further enhance productivity and technical capability.

Piling Operations

The Piling Operations Division specialises in delivering complex foundation engineering solutions for high-rise developments, infrastructure projects, and marine-based construction works requiring advanced geotechnical expertise and heavy foundation engineering capabilities.

The revival of the construction sector during the reporting period created strong market opportunities, alongside challenges arising from intensifying competitive pressures due to the entry of new market participants. Against this backdrop, focused efforts to rebuild operational teams and strengthen technical resources enabled the division to restore full operational capacity in piling operations, in turn, positioning the division to effectively leverage the revival in the local construction sector activity. Capitalising its scale and capabilities, the division succeeded in expanding its footprint within the infrastructure development and mixed-use construction,, particularly within high-profile developments, including:

» Bayfonte Marina Resort Apartments and Villas: Operating in a highly competitive environment, the division secured piling works for this project developed by Home Lands Skyline in Negombo. Works were completed ahead of schedule, underscoring the division's expertise in marine and resort-related piling operations.

CIVIL ENGINEERING

- Colombo Port City Power Substation: The division secured piling works for the proposed power substation project at Colombo Port City despite challenging commercial conditions. The engagement provided valuable experience in managing the unique ground conditions associated with reclaimed-land and marine environments, thereby expanding the division's technical expertise.
- "Bayone" Development: Leveraging the experience gained through Port City operations, the division subsequently partnered with ICC for the "Bayone" development and secured additional piling works, further expanding its footprint within emerging Port City developments.

The primary focus for the 2026/27 financial year will be the execution of piling works relating to the Central Expressway Project (CEP), encompassing both the division's originally allocated section and an additional section secured thereafter. These projects are expected to involve highly challenging ground and terrain conditions requiring careful planning, technical expertise, and efficient execution strategies. Accordingly, the division will continue focusing on strengthening operational readiness, technical capabilities, and execution efficiency to support the successful delivery of upcoming piling projects.

During the year under review, the Scaffolding Unit supported a total of 20 projects, comprising 12 internal projects and eight external client projects.

MEP Services

The MEP Services Division continues to strengthen the Civil Engineering segment's multidisciplinary delivery capability by providing integrated mechanical, electrical and plumbing solutions across the Group's project portfolio. Since its establishment in 2012, the division has progressively expanded its scope to cover electrical systems, ELV networks, plumbing and drainage, MVAC systems, fire detection and protection, gas supply and distribution, testing and commissioning, and related technical services.

Backed by an experienced in-house team comprising project managers, engineers, quantity surveyors, technicians and support professionals, the division provides end-to-end MEP services ranging from design coordination, estimation and procurement support to installation, testing, commissioning and project management. This integrated capability enables the Group to deliver complex building and infrastructure projects with greater coordination, quality control and execution efficiency.

During the year, the division continued to support several major projects undertaken by the Group, contributing to residential, commercial, industrial and institutional developments. In high-density and technically complex projects such as Marina Square – Uptown Colombo, MEP coordination remained particularly important in aligning design intent with site execution, ensuring functionality, safety and long-term operational performance.

The division also continued to manage industry-wide challenges such as material cost volatility, supply chain pressures and skilled labour constraints through careful procurement planning, resource optimisation and close coordination with project teams. With its established technical expertise and strong in-house execution capacity, the MEP Services Division remains an important enabler of the Group's ability to deliver fully integrated engineering solutions.

ENGINEERING DESIGNS

The Engineering Design Unit continues to strengthen the Civil Engineering segment's ability to deliver integrated, technically sound and cost-effective project solutions. The unit provides architectural, structural, civil and MEP design support across the Group's project portfolio, contributing to design development, design review, technical coordination, value engineering and construction-stage problem solving.

During the year, the unit supported several major building, transport and infrastructure projects, including residential developments, expressway works, flyovers, industrial facilities and mixed-use developments. Its involvement extended beyond conventional design services, with emphasis placed on practical engineering solutions that improve constructibility, enhance safety, optimise cost and support long-term asset performance.

A key area of progress was the integration of advanced technologies and research-driven design approaches. On the Central Expressway Project – Section 3 Package 1M, LiDAR technology was used to survey rock-cut surfaces and surrounding terrain conditions, generating detailed three-dimensional data to support geotechnical assessment, slope-stabilisation planning and drainage design. This improved the accuracy of design decisions and enabled more targeted engineering responses to challenging site conditions.

The unit also continued to apply value engineering principles to improve project efficiency. In one instance, an alternative subsurface drainage solution was proposed in place of perforated pipe installation beneath side drains, reducing the need for additional excavation while minimising future maintenance risks associated with

clogging and servicing. Such interventions demonstrate the unit's role in delivering solutions that balance technical performance with construction efficiency and lifecycle value.

Innovation remained a further area of focus during the year, supported through the Group's IdeaNest platform. The development and pilot testing of the Smart Drain system, an AI-enabled urban drainage innovation, marked an important step towards climate-resilient infrastructure design. Developed in collaboration with external technical expertise, the solution is intended to respond dynamically to rainfall and urban runoff patterns, offering potential application in flood-prone urban environments.

Looking ahead, the Engineering Design Unit will continue to enhance the Group's in-house design capability by combining technical expertise, digital tools, value engineering and research-led innovation. Its role will remain central to improving project planning, strengthening constructibility, supporting multidisciplinary coordination and enabling the Group to deliver increasingly complex infrastructure and building projects with greater precision and efficiency.

Key Projects Supported During the Year

Project	Initiative	Initiative	Initiative
Proposed Shinnyo En Lanka Nursery School and Cultural Centre, Narahenpita	Structural and architectural design of a two-storey nursery school and cultural centre building on pile foundations.	Building	Completed
Central Expressway Project – Section 3 Package 1M	Structural design of Viaduct VD10-1 and Overpass OP10-1, together with drainage and culvert design inputs.	Expressway	Completed
Marina Square Mixed Development, Colombo 15	Structural and civil design review consultation for five high-rise residential towers, including podium, transfer floor, basement, commercial and car park areas.	Building	Completed
Elliot Place Housing Project, Borella	Design support for two residential towers comprising 400 apartment units, including pile foundations, basement, sump, swimming pool, rainwater harvesting tank, overhead water tank, transfer plate and superstructure works.	Building	Ongoing
Colombage Mawatha Housing Project, Kirulapona	Design support for three 15-storey residential towers comprising 615 apartment units, including pile foundations, sump, rainwater harvesting tank, overhead water tank and superstructure works.	Building	Ongoing
Gatambe and Kohuwela Flyover Projects	Design support for flyover works, including abutments, piers, composite bridge elements, extension to the existing Gannoruwa Bridge, approaches, retaining walls and associated road works.	Bridges and Road Works	Ongoing
Autobahn Project for CEAT Kelani International Tyres, Kelaniya	Design and construction consultation for CAPEX works, loading bay, main building extension, tyre building area and other related structures.	Building	Ongoing

CONSTRUCTION MATERIAL PRODUCTION

Through Access Engineering PLC and Lanka AAC (Private) Limited, the Group supports Sri Lanka's construction sector with a vertically integrated materials production platform. The segment supplies asphalt, ready-mix concrete, aggregates, crusher products and AAC blocks through a network of plants and production facilities, ensuring quality, consistency and reliable availability. By strengthening material security and supporting project efficiency, the segment contributes to durable, standards-compliant construction and long-term value creation.

Revenue	PBT	PAT
7,363 Mn (7,826 Mn : 2025)	**1,210 Mn** (1,351 Mn : 2025)	**1,016 Mn** (796 Mn : 2025)

Assets	Liabilities
5,791 Mn (5,692 Mn : 2025)	**2,222 Mn** (2,568 Mn : 2025)

Overview

The Construction Materials Production Segment plays a strategically important role in supporting both the Group's own construction activities and the wider construction industry through the reliable supply of essential construction materials including asphalt concrete, ready-mix concrete, aggregates, manufactured sand (M-Sand), and other construction materials that are critical to the delivery of road, infrastructure, commercial, and residential development projects. The Segment's integrated operating model encompasses a network of 07 asphalt plants, 08 quarries, 07 crusher plants, 05 concrete batching plants, and 02 sand washing plants located across the Country.

The Segment's operations are underpinned by a strong commitment to quality, operational excellence, and environmental stewardship with all facilities maintaining valid Environmental Protection Licences (EPLs). Environmental monitoring programmes continued to be implemented across all sites in accordance with regulatory requirements, reinforcing the Segment's commitment to responsible operations and sustainable growth.

Operating Context, Strategy and Performance for FY 2025/26

The operating environment for the Construction Materials Production Segment was characterised by both opportunity and volatility during FY 2025/26. On the back of the gradual economic recovery, the industry continued to benefit from the commencement of several nationally significant infrastructure projects funded by the Government of Sri Lanka and international development agencies. Major road rehabilitation, expressway maintenance, rural road development, and connectivity enhancement programmes resumed operations during the year, creating sustained demand for asphalt concrete, aggregates, and ready-mix concrete.

Leveraging its extensive production footprint, strategic plant locations, and established reputation for quality and reliability, AEL's Construction Materials Production Segment successfully secured a significant share of material supply requirements associated with these projects.

Despite stable demand conditions during the first half of the year, project delays, funding constraints, and broader economic pressures resulted in softer market conditions during the latter months. These factors, combined with increasing competition among suppliers, placed pressure on production volumes, pricing, and profitability. Nevertheless, a gradual recovery trend emerged towards the end of the reporting period, supported by the resumption of previously delayed projects and improving construction activity.

From a financial performance perspective, the Segment recorded revenue of LKR 7,363 Mn during FY 2025/26, compared to LKR 7,826 Mn in the previous year. Profit Before Tax stood at LKR 1,210 Mn, while Profit After Tax amounted to LKR 1,016 Mn. The Segment's performance reflected the combined impact of demand volatility, project-related timing differences, competitive pricing pressure, raw material cost movements and changes in production volumes across asphalt, aggregates, ready-mix concrete and related materials. Despite these pressures, continued focus on cost optimisation, fuel efficiency, plant utilisation and disciplined operational management helped support profitability and preserve the Segment's contribution to the Group.

Against this backdrop, the Segment's strategic focus remained on strengthening operational resilience, improving asset utilisation, enhancing production efficiency, and optimising cost structures. Consequently, several targeted initiatives were undertaken to improve production capabilities and resource deployment.

A new crusher plant was commissioned at Thebuwana to strengthen aggregate production capacity and support asphalt operations, while concrete batching plant assets were strategically relocated to better align production capacity with emerging project demand, thereby improving asset utilisation and operational flexibility.

The Segment also continued to strengthen its technical capabilities through the development of innovative construction material solutions tailored to unique project requirements. These included high-density radiation shielding concrete supplied for healthcare and medical infrastructure developments, as well as self-compacting concrete solutions designed to enhance construction efficiency and deliver superior architectural finishes for premium developments.

Operational excellence remained a key priority throughout the year. Structured preventive maintenance programmes supported by daily, weekly, and monthly inspection regimes enabled early fault detection, reduced equipment downtime, and improved plant reliability. The systematic monitoring of Mean Time Between Failures (MTBF) and Mean Time to Repair (MTTR) metrics further strengthened maintenance planning and contributed to improved equipment availability across the production network.

The Segment's ongoing efficiency initiatives continued to deliver measurable results. Over the past five years, significant improvements have been achieved in fuel utilisation and energy efficiency, resulting in a structural reduction in fuel intensity of approximately 36% compared to FY 2021/22 levels. Notably, while fuel and energy costs remain above historical levels, sustained efficiency improvements and stabilising market conditions have significantly mitigated their impact on operating costs and profitability.

CONSTRUCTION MATERIAL PRODUCTION

As always, environmental performance remained a key priority, with the Segment achieving greater than 95% compliance across all monitored environmental parameters through the effective implementation of air quality, noise management, water stewardship, waste management, and emissions control programmes. Investments in dust suppression systems, water recycling infrastructure, plant modernisation initiatives, and environmental awareness programmes contributed to measurable improvements in environmental performance, including a notable reduction in fugitive dust emissions as well as lower freshwater consumption.

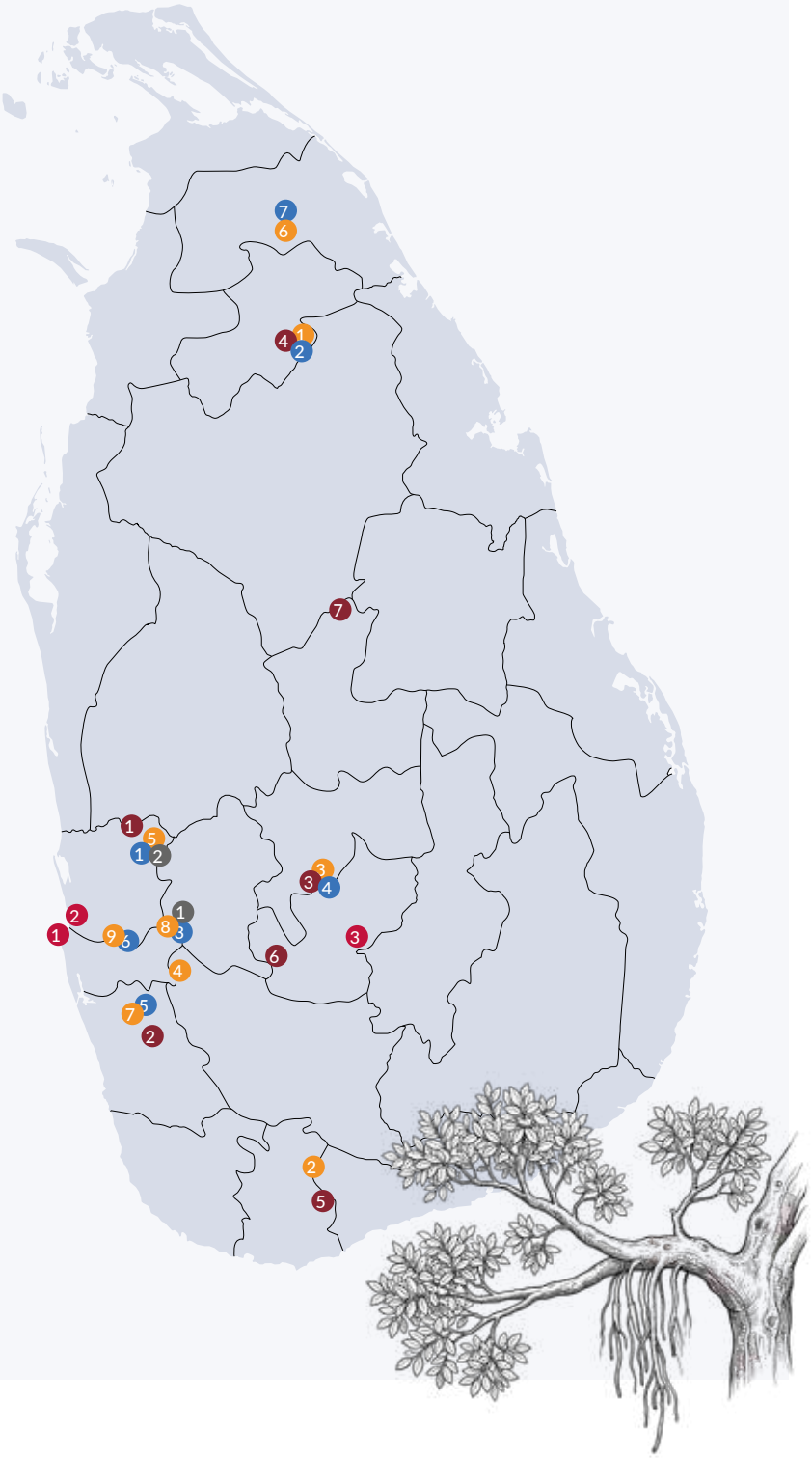
Asphalt Plants		
1.	Kotadeniyawa	120-ton P/H
2.	Mathugama	160-ton P/H
3.	Mailapitiya	120-ton P/H
4.	Vavuniya	120-ton P/H
5.	Okewela	96-ton P/H
6.	Hatton	96-ton P/H
7.	Ganewalpola	120-ton P/H

Quarries		
1.	Vavuniya	B, 2C grade license
2.	Hakmana	B grade license
3.	Mailapitiya	2 B grade license
4.	Wallallavita	2 B grade license
5.	Meerigama	A grade license
6.	Mankulam	A grade license
7.	Thebuwana	A grade license
8.	Kosgama	2 B grade license
9.	Kaduwela	A grade license

Crusher Plants		
1.	Meerigama	150TPH
2.	Vavuniya	80 TPH
3.	Kosgama	100TPH
4.	Mailapitiya	150TPH
5.	Thebuwana I	50TPH
6.	Tebuwana II	80 TPH
7.	Mankulam	80 TPH

Concrete Batching Plants		
1.	Port of Colombo	40 m3p/h,
2.	Peliyagoda	120m3p/h
3.	Mathugama	30 m3p/h
4.	Panagoda	60 m3p/h

Sand Washing Plant		
1.	Kosgama	1. 40TPH
2.	Meerigama	2. 100TPH



Outlook and Prospects

The outlook for the Construction Materials Production Segment remains cautiously optimistic, supported by a strong pipeline of infrastructure development projects expected to commence or accelerate during the coming financial year. Major national initiatives, including disaster rehabilitation programmes, the continued development of the Central Expressway network, the expansion of Bandaranaike International Airport, and ongoing road rehabilitation projects, are expected to generate significant demand for asphalt, ready-mix concrete, aggregates, and related construction materials. In addition, the gradual recovery of delayed infrastructure projects and improving economic conditions are expected to support a broader revival in construction activity.

While private sector construction activity remains below historical levels, improving macroeconomic stability and strengthening investor confidence are expected to contribute to a gradual increase in demand from residential, commercial, industrial, and logistics developments. Accordingly, the Segment anticipates steady rather than accelerated growth in demand over the medium term.

Notwithstanding these opportunities, the operating environment is expected to remain highly competitive. Demand patterns continue to exhibit volatility, while intense competition among suppliers, pricing pressures, rising raw material costs, labour cost escalation, and supply chain disruptions remain key challenges. The continued reliance on imported inputs such as bitumen, together with fluctuations in fuel prices and logistics costs, may also impact margins and project economics. These conditions are expected to place ongoing pressure on revenue growth and profitability across the sector.

In response, the Segment intends to continue strengthening operational efficiency, expanding its customer base, and diversifying revenue streams. Greater emphasis will be placed on growing private sector relationships, increasing participation in infrastructure maintenance and rehabilitation projects, expanding into underserved regional markets, and enhancing customer responsiveness through flexible service offerings. These initiatives are expected to reduce reliance on a limited number of large projects while creating a more balanced and resilient order portfolio.

In parallel, the Segment will also continue to deepen vertical integration to enhance operational reliability and improve cost stability. Proposed future investments include new concrete batching plants in Jaffna, Kandy, and Katunayake to serve both major infrastructure projects and external customer demand. In parallel, the establishment of a crusher plant and asphalt plant in Ampara is being explored to support anticipated road construction projects and strengthen the Segment's regional market presence.

MECHANICAL ENGINEERING

Through ZPMC Lanka Company (Private) Limited and Access Engineering Port Services, the Group delivers specialised mechanical engineering solutions that support port, maritime and industrial infrastructure. With capabilities spanning equipment maintenance, commissioning, technical interventions and operational support, the segment plays a key role in enhancing the reliability and efficiency of complex machinery and systems. As Sri Lanka's port infrastructure continues to expand through developments such as the East and West Container Terminals, the segment remains focused on strengthening technical capability and supporting high-performance infrastructure operations.

Revenue	PBT	PAT
259 Mn (42 Mn : 2025)	**189 Mn** (148 Mn : 2025)	**172 Mn** (146 Mn : 2025)

Assets	Liabilities
114 Mn (49 Mn : 2025)	**39 Mn** (14 Mn : 2025)

Overview

The Mechanical Engineering Segment signals AEL's presence in the high-value port services sector. The Segment is represented by Access Engineering Port Services (Private) Limited (AEPS), a wholly owned subsidiary of Access Engineering PLC, which was formally incorporated in July 2024 and commenced operations in November 2024. Despite its recent establishment, AEPS has rapidly positioned itself as a reliable service provider within Sri Lanka's port ecosystem, underpinned by strong engineering capability, operational discipline, and an expanding service portfolio.

The Segment's entry into the sector was marked by a comprehensive maintenance agreement with Colombo West International Terminal (CWIT), under which AEPS is responsible for the repair and maintenance of critical port equipment and associated infrastructure to ensure efficient operation of terminal assets. In addition to core maintenance services, AEPS has progressively expanded into the supply of essential port equipment spare parts to multiple terminals across Sri Lanka, thereby further strengthening its position as a holistic solutions provider within the maritime and logistics infrastructure value chain.

The Mechanical Engineering Segment also includes ZPMC Lanka Company (Private) Limited, a strategic joint venture between ZPMC and Access Engineering PLC, which continues to serve as the regional arm for after-sales support, technical services, and lifecycle maintenance of container handling gantry cranes across South Asia and select international markets.

Operating Context, Strategy and Performance for FY 2025/26

The Segment delivered a strong operational performance during FY 2025/26 on the back of sustained demand for specialised port engineering services alongside the continued execution of long-term service contracts across both domestic and international markets. AEPS continued its long-standing relationships with key terminal operators, including Colombo International Container Terminals (CICT), marking 12 consecutive years of service continuity, and Hambantota International Port Group (HIPG), marking six consecutive years of engagement.

The year also saw the Segment successfully executing several complex commissioning and infrastructure support assignments, including the full handover of ship-to-shore (STS) and cantilever rail-mounted gantry (CRMG) cranes at CWIT, as well as large-scale unloading, assembly, and commissioning operations at the East Container Terminal (ECT), all requiring advanced technical coordination and precision execution. Despite operational constraints arising from the ongoing migration of skilled engineering personnel, resulting in resource gaps and increased reliance on a limited pool of specialised expertise, the successful commissioning of these projects stand as a testament to the Segment's capability in handling high-value and mission-critical port equipment.

In parallel, the regional port services arm - ZPMC made strong headway in shoring up its reputation as a key regional engineering services provider. The Company undertook the commissioning of several projects and technical service assignments in multiple overseas markets, most notably the crane commissioning and technical interventions at Mersin and Izmir terminals in Turkey, as well as after-sales support, upgrades, and maintenance services across several terminals in Pakistan.

The Segment's operational momentum was also reflected in its financial performance for FY 2025/26. Revenue increased to Rs. 259 Mn, compared to Rs. 42 Mn in FY 2024/25, representing a year-on-year growth of 516 %. This improvement was driven by sustained income from long-term maintenance contracts, continued demand for port equipment commissioning and technical services, and the expansion of regional assignments through ZPMC.

ZPMC further strengthened shareholder returns during the year, declaring dividends amounting to Rs. 85.6 Mn to shareholders, underscoring its strong cash generation, financial stability and value contribution to the Group.

Outlook and Prospects

The outlook for the Mechanical Engineering Segment remains positive with the project pipeline indicating strong growth potential and increasing international engagement. A key upcoming project is the commencement of CWIT Phase II in July 2026, which is expected to further deepen the Segment's involvement in large-scale terminal infrastructure support and equipment commissioning activities.

The growing demand for specialised port equipment maintenance, commissioning, and lifecycle support services across Sri Lanka and the wider South Asian region is also anticipated to create further opportunities for the segment to reinforce its position as a leading regional provider of integrated port engineering solutions. In particular, the Segment stands to benefit from expanding opportunities in overseas markets, particularly in Pakistan, where negotiations are underway with Karachi Gateway Terminal Limited and South Asia Pakistan Terminals Limited for ship-to-shore and rubber-tyred gantry crane deployment and related technical services.

COMMERCIAL OFFICE SPACES

Through Access Realties (Private) Limited, Access Realties 2 (Private) Limited and ARL Elevate (Private) Limited, the Group manages a premium portfolio of Grade A office, retail, parking, fitness and dining facilities centred around the Access Towers complex. Strategically located in Colombo's business district, the segment provides modern, professionally managed spaces that support productivity, convenience and long-term tenant value, while maintaining strong appeal among a diverse portfolio of local and multinational tenants.

Revenue	PBT	PAT
1,295 Mn (1,176 Mn : 2025)	**2,194 Mn** (832 Mn : 2025)	**1,602 Mn** (650 Mn : 2025)

Assets	Liabilities
14,394 Mn (12,874 Mn : 2025)	**4,600 Mn** (3,956 Mn : 2025)

Overview

AEL's Commercial Office Spaces Segment is represented by Access Realties (Private) Limited, one of Sri Lanka's pioneering property management and commercial real estate companies. Backed by a longstanding reputation for excellence, reliability, and service quality, the Company has played a significant role in shaping Colombo's modern office landscape through the development and management of the iconic Access Towers complex. Strategically located in the heart of Colombo's central business district Access Tower I, offering 133,351 square feet of office space, and Access Tower II, comprising 251,960 square feet of leasable Grade A office space complemented by modern infrastructure and premium high-quality amenities to create a world-class working environment, Access Towers has established itself as one of the most sought-after business addresses in the city, attracting a distinguished portfolio of multinational corporations, leading local enterprises, professional service firms, and business process outsourcing operators.

Also included in the Commercial Office Spaces Segment portfolio is the Access Tower III Public Car Park, which provides capacity for 246 vehicles, and ARL Elevate (Private) Limited, which offers fitness and dining facilities that further enhance the convenience and lifestyle experience available to tenants and visitors.

Operating Context, Strategy and Performance for FY 2025/26

The Commercial Office Spaces Segment continues to operate amidst the rapidly evolving business environment, characterised by changing workplace dynamics, economic uncertainties, and increasing competition within Colombo's Grade A office market. While hybrid working models continued to influence office space utilisation strategies among certain occupiers, the demand for well-managed, strategically located office premises remained strong, particularly among established corporates seeking high-quality facilities, operational reliability, and professional property management services.

Against this backdrop, Access Realties maintained a strong competitive position. The strategic location of the Access Towers complex in the heart of Colombo, coupled with its reputation for operational excellence and responsive tenant support, continued to attract and retain leading corporate occupiers. Driven by ongoing acquisition strategies the Access Towers tenant portfolio expanded in the current year with the successful onboarding of new business process outsourcing (BPO) sector tenants on long term agreements.

The new additions together with the 100% retention rate for existing tenants saw the segment recording 100% occupancy across its office portfolio throughout the year, an improvement from the already strong occupancy levels of approximately 98%–99% recorded in the previous financial year.

The Segment's strong occupancy levels and continued tenant retention were reflected in its financial performance for FY 2025/26. Revenue increased to Rs. 1,295 Mn during the year, compared to Rs. 1,176 Mn recorded in FY 2024/25, representing a year-on-year growth of 10%. This growth was supported by sustained rental income from the Access Towers office portfolio, continued demand for professionally managed Grade A office space, and recurring income generated through parking, fitness, dining and other tenant-support facilities.

Profit after tax stood at Rs. 1,602 Mn, compared to Rs. 650 Mn in the previous financial year, reflecting the Segment's ability to maintain stable earnings through high occupancy, strong tenant retention and disciplined property management. In addition to its financial contribution to the Group, the Segment also supported shareholder value creation during the year, with dividends amounting to Rs. 727 Mn being declared to the Group by Access Realties (Private) Limited and/or related entities within the Commercial Office Spaces Segment.

While no major expansion of leasable space was undertaken during the year, targeting facility improvement initiatives continued, most notably the installation of artificial carpet flooring in designated smoking areas to enhance functionality and aesthetics, as well as the repainting of Access Tower II to preserve its premium Grade A appearance and ensure continued alignment with tenant expectations.

Another key effort was the roll out of the Odoo Enterprise Resource Planning (ERP) system, including a fully integrated tenant portal. Marking an important milestone in the Company's digital transformation journey, the integrated tenant portal enables occupiers to conveniently log service requests, monitor progress, and communicate directly with management, thereby significantly enhancing the tenant experience.

Sustainability and operational efficiency also remained important priorities during the year. The Segment continued to focus on energy efficiency through ongoing HVAC optimisation, energy management practices and the use of LED lighting across common areas and building operations. Water management initiatives, including consumption monitoring and efficiency improvements, supported more responsible resource use, while waste segregation and recycling programmes continued to strengthen environmental performance across the properties. These initiatives form part of the Segment's broader commitment to sustainable building operations, tenant well-being and the long-term resilience of its Grade A office portfolio. Outlook and Prospects

The outlook for the Commercial Office Spaces Segment remains positive, supported by improving macroeconomic stability, increasing business confidence and renewed private sector and foreign direct investment activity. Demand for well-located, professionally managed Grade A office space is expected to remain resilient, particularly among multinational corporations, business process outsourcing operators, financial institutions, professional service firms and established local corporates seeking high-quality facilities, operational reliability and strong property management support.

COMMERCIAL OFFICE SPACES

The Segment is well positioned to capitalise on these favourable market dynamics by leveraging the strong reputation, premium positioning and integrated service offering of the Access Towers complex. In the near term, the focus will remain on maintaining high occupancy levels, strengthening tenant relationships, enhancing service quality and safeguarding long-term retention across the existing office portfolio.

Future revenue growth is expected to be supported by several channels. These include continued optimisation of rental yields within the existing Access Towers portfolio, the ability to capture demand from high-quality tenants seeking Grade A office space in Colombo, and the expansion of recurring income opportunities through parking, facility-related services, fitness, dining and other tenant-support amenities.

From FY 2026/27 onwards, the Segment is also expected to benefit from the addition of commercial and office space within Marina Square – Uptown Colombo. The integration of this space into the Group's broader commercial property portfolio will create a new revenue stream and further strengthen the Group's presence in Colombo's commercial real estate market. Given Marina Square's strategic harbour-front location, proximity to Port City and connectivity to key transport infrastructure, its commercial space is expected to attract demand from businesses seeking modern, well-connected and professionally managed premises.

In addition, the Segment will continue to explore additional service opportunities that can enhance tenant value and diversify income beyond conventional rental streams. These may include expanded facility management services, shared amenities, tenant support services, value-added property services and improved digital engagement platforms that create a more seamless and responsive tenant experience.

With competitive intensity within Colombo's Grade A office market expected to increase, the Segment will seek to differentiate itself through service quality, operational reliability, sustainability-focused building management and digital enablement. The further development of the tenant portal and related smart technologies will support improved communication, faster issue resolution, better service tracking and higher tenant satisfaction, thereby contributing to stronger retention and long-term value creation.

COMMERCIAL WAREHOUSES

Through Access Logistics (Private) Limited, Access Logistics Park Ekala (Private) Limited and W U S Logistics (Private) Limited, the Group provides modern, institutional-grade warehousing and logistics infrastructure across strategically located logistics parks. With a combined operational footprint exceeding 1.2 million square feet, the segment supports the storage, distribution and supply chain needs of local and multinational enterprises through scalable, resilient and sustainably managed facilities designed for long-term operational efficiency.

Revenue	PBT	PAT
2,134 Mn (2,219 Mn : 2025)	**3,553 Mn** (1,434 Mn : 2025)	**2,372 Mn** (1,191 Mn : 2025)

Assets	Liabilities
32,896 Mn (31,599 Mn : 2025)	**6,854 Mn** (7,433 Mn : 2025)

COMMERCIAL WAREHOUSES

Overview

AELs Commercial Warehouse Segment consists of the Group's logistics operation under Access Logistics (Private) Limited which stands as one of Sri Lanka's leading providers of institutional-grade warehousing infrastructure and integrated end-to-end solutions tailored to multinational corporates and domestic enterprises requiring high-quality, scalable logistics facilities.

The Segment's flagship logistics developments at Access Logistics Park Ekala and Access Logistics Park Katunayake/Kimbulapitiya together represent a total operational footprint exceeding 1.2 million square feet, positioning Access as one of the largest providers of Grade A logistics and industrial space in Sri Lanka.

Designed and developed to international standards, both logistics parks incorporate advanced, top-tier infrastructure, including renewable energy integration, smart utility systems, and resilient industrial design features that safeguard operational reliability, promote sustainability and support scalability requirements of its diversified tenant base comprising manufacturing companies, logistics operators, FMCG enterprises, industrial service providers, and multinational corporates.

The Segment's strategic importance is further reinforced through its role as a foreign exchange revenue generator, with a significant portion of rental income denominated in USD or USD-pegged structures, thus enhancing the Group's earnings profile and long-term financial resilience.

The strength of the segment is further reflected in the quality of its tenant portfolio, which includes leading local and international corporates across manufacturing, export, logistics and industrial sectors. Key tenants include Michelin, one of the world's leading tyre manufacturers, together with Empire Teas (Pvt) Ltd, Ansell Lanka and Savinda Graphic Systems (Pvt) Ltd. These relationships demonstrate the segment's ability to support the operational requirements of high-quality tenants through reliable, strategically located and well-managed warehouse infrastructure.

Operating Context, Strategy and Performance for FY 2025/26

The operating environment for the Commercial Warehouse Segment remained broadly favourable during FY 2025/26. Underpinned by continued expansion in economic activity, the demand for Grade A warehousing and modern logistics solutions gained notable traction in the current year. At the same time, the growing shift among multinational organisations towards ESG-compliant supply chains continued to fuel the demand for high-quality logistics infrastructure aligned with international operational and sustainability standards.

Capitalising on these market dynamics, AEL's Commercial Warehousing Segment further consolidated its position as a leading integrated logistics ecosystem provider in Sri Lanka. Underscored by its strategic focus on facility excellence, enhanced tenant service delivery, and long-term, partnership-oriented leasing structures, occupancy remained at or near full capacity across both logistics parks.

In addition, with the increasing frequency of severe weather events highlighting the importance of robust, well-engineered industrial infrastructure, the Group's logistics parks continued to prove their strong operational resilience by maintaining continuity with minimal disruption even during Cyclone Ditwah in November 2025.

As always strengthening operational capabilities to enhance both reliability and scalability of its infrastructure portfolio remained a key priority for the segment. In this regard, significant progress was achieved in advancing the proposed expansion at the Katunayake/Kimbulapitiya site with work commencing on construction of a 90,000 square foot purpose-built Grade A distribution facility designed to support advanced logistics and integrated supply chain operations. Concurrently, investments in renewable energy integration, utility optimisation initiatives, and smart infrastructure monitoring systems also gathered momentum.

However, investment decisions and project execution timelines were influenced by cost pressures. Construction-related expenditures remained high, driven by higher import costs associated with construction materials, mechanical and electrical systems, and specialised industrial components, while rising utility and operational expenses exerted additional pressure on margins.

Notwithstanding these challenges, robust long-term lease structures, consistently high occupancy levels, and disciplined cost management practices enabled AEL's Commercial Warehouses Segment to deliver a stable performance for FY 2025/26. Revenue stability was further reinforced through USD-denominated and USD-pegged rental arrangements.

The Segment's stable operational performance was reflected in its financial results for FY 2025/26. Revenue decreased to Rs. 2,134 Mn during the year, compared to Rs. 2,219 Mn recorded in FY 2024/25. This growth was supported by consistently high occupancy levels across the logistics parks, long-term lease arrangements with high-quality tenants.

While profitability was impacted by higher utility costs, maintenance expenses and construction-related cost pressures, the Segment continued to deliver stable earnings through disciplined cost management, resilient tenant demand and the strength of its recurring income model. The Segment's financial performance further reinforced

its role as a steady contributor to the Group's earnings base and long-term value creation.

Outlook and Prospects

The outlook for the Commercial Warehouse Segment remains positive, with the demand for institutional-grade logistics infrastructure set to grow exponentially, driven by supply chain modernisation and regional trade realignment. In particular, the demand for high-quality, resilient, and sustainably managed logistics parks is expected to rise as multinational corporations prioritise long-term operational stability and ESG compliance.

Within the evolving context, AEL's Commercial Warehouse Segment stands to benefit considerably. Capacity expansion through the new purpose-built facility at Katunayake/ Kimbulapitiya equipped with smart infrastructure and digital facility management systems is set to commence operations by end 2026 and will position the segment to capture and retain global clientele seeking high-quality, scalable, technology-enabled, and ESG-aligned warehousing solutions.

Looking ahead, the segment continues to evaluate opportunities to expand its built-to-suit warehouse offering in response to increasing demand for specialised logistics infrastructure. The Group has reached the final stages of discussions to develop a dedicated warehouse facility for Hellmann MAS Supply Chain, in support of its greenfield fashion hub for the consolidation and distribution of global brands. The proposed facility is expected to strengthen the Group's exposure to the apparel and contract logistics value chain, while supporting Sri Lanka's positioning as a regional hub for high-performance, sustainable fashion logistics.

CONDOMINIUM PROPERTIES

Through Harbour Village (Private) Limited, the Group is shaping premium urban living through Marina Square – Uptown Colombo, Sri Lanka's largest harbour-front mixed-use condominium development. Combining residential, commercial and lifestyle spaces within a landmark Colombo address, the segment continues to attract demand from homeowners, investors, professionals and expatriates seeking long-term value in the city's evolving real estate landscape

Revenue	PBT	PAT
201 Mn	**(117 Mn)**	**(127 Mn)**
(- : 2025)	((83) Mn : 2025)	((97) Mn : 2025)

Assets	Liabilities
47,125 Mn	**38,257 Mn**
(31,222 Mn : 2025)	(27,046 Mn : 2025)

Overview

The mandate of AEL's Condominium Properties Segment is the development of large-scale, mixed-use real estate projects in Colombo, with a focus on integrated urban residential and commercial developments. Operated through Harbour Village (Private) Limited, the Segment's flagship development is Marina Square – Uptown Colombo, Sri Lanka's largest harbour-front mixed-use condominium development, comprising 1,088 residential condominium units and over 200,000 sq. ft. of commercial space.

Marina Square represents more than a residential development. It is a landmark urban project that brings together harbour-front living, commercial space, lifestyle amenities, city connectivity and long-term real estate value within one integrated address. Located in the heart of Uptown Colombo, the development offers views of the Colombo Port, Indian Ocean and city skyline, while being positioned in close proximity to key commercial, transport, healthcare, education, hospitality and retail destinations. Its connectivity is further strengthened by its proximity to the Port Access Elevated Highway, the Colombo International Financial City / Port City and the wider expressway network.

The Segment operates on a dual model comprising the outright sale of residential condominium units and the long-term leasing of commercial space. Its target customer base includes high-net-worth individuals seeking premium residences in Colombo, professionals and businesspersons residing outside the city who seek convenient urban living, and Sri Lankan expatriates pursuing investment-led or residential property ownership opportunities.

OPERATING CONTEXT, STRATEGY AND PERFORMANCE FOR FY 2025/26

Demand for condominium properties improved during the year under review, supported by gradually stabilising macroeconomic conditions, easing inflationary pressures, improved access to housing finance and renewed investor confidence in Sri Lanka's real estate sector. Industry-level data published through the Condominium Market Survey of the Central Bank of Sri Lanka indicated a visible recovery in market activity during 2025, with condominium sales volumes strengthening and the Colombo District continuing to remain an important centre of demand.

Against this improving operating backdrop, the primary focus of the Segment during FY 2025/26 was to accelerate Marina Square – Uptown Colombo towards completion in line with the revised construction programme communicated to customers in December 2023. Significant progress was achieved across both residential and commercial components of the development. In the residential areas, civil, architectural and MEP works were completed, while landscaping, common areas and amenities reached substantial completion. In the commercial areas, civil works were completed, with architectural and MEP works progressing to substantial completion.

As at 31 March 2026, overall project completion stood at approximately 95%, covering the residential areas, commercial areas and common areas. A key milestone during the year was the commencement of residential unit handovers to several customers, marking the transition of Marina Square from a construction project to an emerging residential community.

From a financial perspective, FY 2025/26 marked an important transition point for the Segment, as Marina Square – Uptown Colombo began moving from the development phase towards revenue recognition. During the year, the Segment recognised revenue of Rs. 201 Mn, reflecting the commencement of turnover recognition as residential unit handovers began.

While the Segment is still in the early stages of realising the full financial value of the development, Marina Square is expected to generate strong returns in the future as further unit handovers, sales completions and commercial leasing opportunities progress. The project's scale, harbour-front positioning, premium lifestyle offering and strategic location near Port City and key transport links are expected to support long-term value creation for the Group.

During the year, the Group also completed the acquisition of China Harbour's stake in the project, securing 100% ownership of Harbour Village (Private) Limited for a consideration of Rs. 5.6 Bn. This acquisition strengthens the Group's control over Marina Square – Uptown Colombo and enables the Group to fully benefit from the project's future earnings potential, including residential sales, commercial leasing income and the long-term intellectual property value associated with the Marina Square brand and development concept.

The Marina Square story is also one of scale, design and lifestyle-led value creation. The development spans five towers of 36 floors each and offers a wide range of apartment layouts designed to cater to diverse customer requirements. The project has been planned to maximise natural light, ventilation and views, while offering harbour, port, ocean and city outlooks that differentiate it within Colombo's residential market. With more than two acres of open-to-sky landscaped garden areas and a broad range of common amenities, including swimming facilities, fitness spaces, walking and cycling tracks, sports and recreation areas, function spaces and rooftop leisure areas, Marina Square has been positioned as an integrated lifestyle destination rather than a conventional condominium project.

The project also incorporates several quality and sustainability-related features. Energy-efficient appliances, inverter-based air conditioning systems, EV charging stations, optimised standby power capacity, water-saving fixtures, rainwater harvesting, waste segregation facilities and building design elements that support natural lighting and ventilation have been included to enhance long-term operational efficiency and resident experience.

CONDOMINIUM PROPERTIES

Each condominium unit is also supported by smart-home readiness, FTTH connectivity, IPTV systems and coordinated BIM layouts to support future maintenance.

During the year, sales, marketing and promotional activities were expanded through a comprehensive multi-channel strategy. Targeted digital campaigns were carried out across Meta, LinkedIn, YouTube and Google, supported by remarketing activities aimed at prospective buyers who had engaged with Marina Square's digital platforms. These initiatives were complemented by open days, site visits, customer engagement events, cluster meetings, networking sessions, one-on-one customer engagements and regional promotional activities. The "Zero-Risk Luxury" campaign, participation in property exhibitions such as the Lanka Property Web Property Show, partnerships with banks and business promotion partners, and sponsorship of high-profile sporting events further supported market visibility and customer engagement.

Customer engagement remained a key priority as the project moved closer to completion and handover. Each customer was supported through a dedicated senior sales manager and customer service team, while customers were able to communicate through official channels, direct representatives and digital platforms. These engagement structures helped maintain customer confidence, support query resolution and strengthen the overall handover experience.

Outlook and Prospects

The outlook for Sri Lanka's Condominium Properties Segment remains positive, supported by continued macroeconomic stabilisation, improving investor sentiment, easing interest rates, improved credit availability and sustained demand for premium residential property in Colombo. The condominium market is also expected to benefit from renewed sector visibility, including the launch of major real estate developments in Colombo and the continued development of Port City, which is expected to strengthen investor interest in the wider luxury and mixed-use real estate market.

In the near term, AEL's priority will be to complete the remaining works of Marina Square – Uptown Colombo during the first quarter of FY 2026/27 and ensure a smooth continuation of residential unit handovers. The Segment will also focus on the monetisation of the remaining residential inventory through a mix of internal and external sales initiatives, targeted customer engagement, business promotion partnerships, digital campaigns, customer events and flexible payment options.

Following completion, Marina Square is expected to generate long-term value for the Group through multiple channels. The handover and sale of residential units will support value realisation from the development, while the leasing of commercial and office space is expected to create recurring income over the medium to long term. The development's strategic location, scale, harbour-front positioning, amenity offering and proximity to Port City and key transport links are expected to support long-term asset value, brand visibility and demand from residents, investors, businesses and commercial tenants.

Beyond Marina Square, the Group's future real estate strategy will be shaped by the experience, market knowledge and development capability built through this landmark project. While future investments will be pursued selectively and with financial discipline, the Group will continue to evaluate opportunities in integrated urban real estate that align with market demand, location strength, capital efficiency and long-term value creation. The focus will remain on developments that combine residential, commercial and lifestyle elements, while responding to the evolving needs of Colombo's residents, professionals, investors and expatriate communities.

The Segment will, however, continue to manage potential risks carefully. These include possible increases in construction material prices driven by global geopolitical tensions, higher freight and logistics costs, energy cost pressures and the continued shortage of skilled labour for specialised construction activities. Notwithstanding these challenges, Marina Square remains on track to achieve its completion milestone, supported by proactive risk management, procurement optimisation, supplier diversification and disciplined cost control.

With its completion, Marina Square – Uptown Colombo will stand as a defining addition to Colombo's urban landscape and a strong demonstration of AEL's ability to deliver large-scale, future-facing real estate developments. It will continue to strengthen the Group's brand, broaden its recurring income potential and support long-term value creation within Sri Lanka's evolving real estate sector.

RENEWABLE ENERGY

Through W U S Logistics (Private) Limited and Access Logistics Park Ekala (Private) Limited, the Group is strengthening its clean energy footprint through one of Sri Lanka's largest rooftop solar platforms. With a total installed capacity of 15.85 MW across Ekala and Katunayake, the segment supports the national transition towards renewable energy while creating long-term value through sustainable power generation, energy efficiency and reduced carbon emissions.

Revenue	PBT	PAT
762 Mn (174 Mn : 2025)	**372 Mn** (130 Mn : 2025)	**261 Mn** (799 Mn : 2025)

Assets	Liabilities
2,807 Mn (2,896 Mn : 2025)	**1,555 Mn** (2,410 Mn : 2025)

RENEWABLE ENERGY

Overview

The Renewable Energy Segment represents a strategic investment by AEL that leverages the extensive roof infrastructure available across its logistics asset portfolio to invest in renewable energy enabling the Group to capitalise on the growing demand for sustainable and ESG-aligned logistics solutions.

The Segment's flagship renewable energy infrastructure located at Access Logistics Park Ekala and Access Logistics Park Katunayake/Kimbulapitiya, together represent one of the largest single-location rooftop solar energy platforms in Sri Lanka. Designed and constructed using advanced solar technologies, the installations incorporate high-efficiency photovoltaic modules, high-capacity inverters with real-time performance monitoring capabilities, and a range of innovative safety and operational features, including the use of optimisers and rapid shutdown relays that enable the immediate isolation of faulty panels or abnormal temperature variations, marking a first in Sri Lanka and among only a limited number of comparable installations in Asia. The facilities also feature the capability to isolate individual panel strings for enhanced fire safety, infrared camera-based temperature monitoring systems integrated with fire detection infrastructure, and specialised roof-level firefighting water cannon systems, several of which represent first-of-their-kind applications within Sri Lanka's renewable energy sector.

With a cumulative investment of approximately LKR 3 billion and a total installed capacity of 15.85 MW, comprising 9.25 MW at Ekala and 6.6 MW at Katunayake, AEL's Renewable Energy Segment has established itself as a significant contributor to the country's renewable energy landscape.

The Segment operates under the Government's Net Plus framework through long-term Power Purchase Agreements (PPAs), providing an attractive annuity-style revenue stream supported by fixed tariffs over a 20-year period. Beyond creating a stable annuity-style income stream, the Segment plays an increasingly important role in contributing to carbon emission reductions, enhancing environmental performance, and supporting the transition towards a lower-carbon economy.

Operating Context, Strategy and Performance for FY 2025/26

The Renewable Energy Segment continues to benefit from the Sri Lankan Government's continued commitment to increasing the contribution of renewable energy within the national energy mix with the national target of generating 70% of electricity from renewable sources by 2030 continuing to provide a strong long-term policy foundation for investment in renewable energy infrastructure in the Country.

In the year under review, commissioning of rooftop solar installations at Ekala and Katunayake were fully completed. Although the approval process associated with import clearances for solar components resulted in moderate administrative delays, proactive project management ensured that implementation timelines remained largely unaffected and that commissioning activities were completed as planned. Long-term Power Purchase Agreements were executed under the Net Plus framework, establishing stable revenue streams and providing long-term visibility over future cash flows.

The Segment's transition into full operations was reflected in its financial performance for FY 2025/26, with revenue increasing to Rs. 762 Mn compared to Rs. 174 Mn in FY 2024/25, representing a year-on-year growth of 338 %. This growth was primarily supported by the completion and commissioning of the rooftop solar installations at Ekala and Katunayake, together with the commencement of income generation under long-term Power Purchase Agreements executed through the Government's Net Plus framework.

While the Segment remains in the early stages of its operational lifecycle, the long-term tariff structure, predictable generation profile and annuity-style revenue model are expected to support stable recurring income over the medium to long term. As the installations continue to operate at full capacity, the Segment is well positioned to strengthen its contribution to the Group's financial performance while supporting the Group's broader sustainability and clean energy objectives.

Upon reaching full operational capacity, the installations are expected to collectively generate approximately 22–26 GWh of renewable electricity annually, making a meaningful contribution to the national grid while simultaneously supporting the country's renewable energy ambitions. The projects are also expected to avoid approximately 15,000–18,000 tonnes of carbon dioxide equivalent emissions annually, further reinforcing the Group's commitment to environmental sustainability and climate action.

Outlook and Prospects

The outlook for the Renewable Energy Segment remains positive, underpinned by the growing global and national transition towards cleaner energy sources, increasing corporate focus on ESG performance, and Sri Lanka's long-term renewable energy targets.

AEL intends to further strengthen its position as an integrated renewable energy developer by leveraging its existing infrastructure platform and technical expertise to pursue future growth opportunities. Strategic priorities include the evaluation of additional renewable energy investments, the continued enhancement of existing solar installations, and the optimisation of system performance to maximise energy yields, operational reliability and long-term asset value.

As part of its future development plans, the Group will also explore the integration of battery energy storage systems where commercially viable and technically feasible. Such systems would support improved energy availability during grid interruptions, shutdown periods or other operational disruptions, while enabling better utilisation of generated solar energy and enhancing the resilience of the Group's renewable energy assets.

Nevertheless, regulatory uncertainty, revisions to renewable energy tariffs, grid capacity constraints, and currency fluctuations remain key considerations that could influence future investment decisions and project economics. While demand for clean energy solutions continues to increase, existing tariff mechanisms could potentially moderate the pace of new capacity expansion across the sector, limiting the immediate viability of additional investments despite favourable long-term fundamentals.

AUTOMOBILE

Through Sathosa Motors PLC, the authorised distributor of Isuzu vehicles, and Access Motors (Private) Limited, the official distributor of Jaguar and Land Rover, the Group supports Sri Lanka's mobility needs through trusted international automotive brands. The segment provides reliable transport solutions for commercial, industrial and lifestyle requirements, complementing the Group's broader role in enabling connectivity, productivity and everyday mobility across the country.

Revenue	PBT	PAT
24,681 Mn (2,947 Mn : 2025)	**3,425 Mn** (448 Mn : 2025)	**2,378 Mn** (307 Mn : 2025)

Assets	Liabilities
12,844 Mn (4,838 Mn : 2025)	**8,123 Mn** (2,338 Mn : 2025)

AUTOMOBILE

Overview

AEL's Automobile Segment is represented by Sathosa Motors PLC (SML), one of Sri Lanka's most established automotive companies and the exclusive distributor of Isuzu vehicles in the country, together with Access Motors (Private) Limited, the sole authorised distributor of Jaguar and Land Rover vehicles in Sri Lanka. Collectively, the segment serves a broad spectrum of mobility needs, spanning commercial and passenger vehicles, premium automotive solutions, genuine spare parts, comprehensive after-sales services and specialised repair capabilities.

With over six decades of industry expertise, SML has built a strong reputation as a trusted provider of high-quality commercial and passenger vehicles, genuine spare parts, and comprehensive after-sales services. The Company operates an extensive nationwide footprint comprising showrooms in Colombo, Peliyagoda, Matara, and Kurunegala, supported by fully equipped workshop facilities in each of these locations, alongside a network of spare parts outlets strategically positioned across the country and its recently established Lorry Body Fabrication Division. This enables customers to access end-to-end automotive solutions encompassing vehicle sales, spare parts distribution, after-sales maintenance and repair services, marine engine sales and customised vehicle body solutions.

SML also holds a 50% equity stake in Access Motors (Private) Limited, a joint venture established on 1 April 2013. Serving the country's premium automotive segment, Access Motors occupies a distinctive position within the Group's automotive portfolio through its representation of the globally recognised Jaguar and Land Rover brands. The Company operates a dedicated showroom, workshop, body shop and integrated 3S facility, offering customers a world-class ownership experience aligned with global brand standards. Its customer proposition spans vehicle sales, genuine parts, after-sales services, specialised repairs, manufacturer-backed warranty support and premium customer engagement, enabling Access Motors to create value across the full ownership lifecycle.

Operating Context, Strategy and Performance for FY 2025/26

The Automobile Segment benefited from a visibly improved operating environment in the current year, following the removal of vehicle import restrictions in early 2025. The easing of import restrictions improved vehicle availability and contributed to a strong recovery in market activity. The reopening of imports unlocked pent-up demand across both commercial and passenger vehicle categories, creating favourable market conditions and enabling the Segment to substantially expand its sales operations.

However, uncertainties remained, including evolving government policies relating to import duties and vehicle stock management, which affected the pace at which demand translated into sales. In addition, exchange rate volatility and increasing interest rate pressures in the latter part of the year adversely affected operating costs across the industry, in turn influencing purchasing behaviour.

Against this backdrop, SML's strategic priorities centred on capturing the opportunities arising from market recovery. Consequently, the product portfolio was expanded with the introduction of upgraded Isuzu vehicle models, including the latest Isuzu D-Max pickup range featuring enhanced infotainment and driver-assistance technologies, and the refreshed Isuzu MU-X SUV incorporating improved safety features and premium interior enhancements.

In parallel, SML's showroom facilities in Colombo, Peliyagoda, Matara, and Kurunegala were upgraded in line with evolving customer expectations and brand standards. The Company also entered into strategic partnerships with several leading commercial banks and financial institutions through Memoranda of Understanding (MOUs), enabling customers to benefit from flexible financing solutions, attractive leasing arrangements, and other value-added financial offerings.

Another key milestone during the year was the establishment of the Lorry Body Fabrication Division, in line with SML's strategy of providing fully integrated vehicle solutions to its customers. Through this initiative, SML-branded lorry bodies can now be fitted directly onto Isuzu truck chassis in line with original vehicle manufacturer specifications, backed by the Company's technical expertise and after-sales support.

Access Motors also capitalised on the improved market environment, supported by renewed demand within Sri Lanka's premium automotive segment and the continued strength of the Jaguar Land Rover franchise. Under JLR's House of Brands strategy, the Range Rover, Defender, Discovery and Jaguar marques enabled Access Motors to cater to varied customer preferences across luxury, performance, capability and lifestyle mobility segments, while maintaining the distinct identity and premium positioning of each brand.

During the year, Access Motors further strengthened its customer engagement platform through the introduction of the Range Rover Boutique Residency at ITC Ratnadipa, Colombo. This initiative enhanced brand visibility and created an exclusive environment for customers to engage with the Range Rover marque, explore bespoke vehicle configurations and experience the premium craftsmanship associated with the brand. The Company also continued to place strong emphasis on after-sales excellence, supported by trained technical personnel, genuine Jaguar Land Rover parts, manufacturer-backed warranty programmes and specialised service capabilities.

Access Motors' after-sales operations remained a key pillar of its long-term business model, supported by its established service infrastructure, integrated 3S facility in Boralesgamuwa and the Body Shop by Access Motors. These capabilities enable the Company to provide specialised repair and restoration services aligned with Jaguar Land Rover global standards, while strengthening customer confidence, retention and recurring revenue streams across the ownership lifecycle.

The recovery of Sri Lanka's automotive market following the relaxation of vehicle import restrictions was strongly reflected in the Segment's financial

performance for FY 2025/26. Segment revenue increased to Rs. 24,681 Mn during the year, compared to Rs. 2,947 Mn in FY 2024/25, representing year-on-year growth of approximately 737%. With this strong performance, the Automobile Segment emerged as a major contributor to the Group's revenue base, accounting for nearly 50% of Group revenue during the year. This substantial improvement was driven by higher vehicle sales volumes, improved product availability, the successful introduction of upgraded Isuzu models, and renewed demand across both commercial and premium automotive categories.

Profit after tax also increased significantly to approximately Rs. 2,378 Mn, compared to Rs. 306 Mn in the previous financial year, supported by improved operating leverage, disciplined cost management, stronger market activity and the increased contribution from both Sathosa Motors PLC and Access Motors (Private) Limited.

In addition to its improved earnings contribution, the Segment also supported shareholder value creation through dividend distributions to the Group. During the year, dividends amounting to Rs. 241 Mn were declared by Sathosa Motors PLC , reflecting the Segment's strengthened profitability, improved cash generation and contribution to the Group's overall returns. Meanwhile, as part of its ongoing digital transformation journey, SML commenced the implementation of a cloud-based enterprise management platform designed to improve operational efficiency, enhance real-time visibility of business information, strengthen decision-making capabilities, and support future scalability across operations.

The Segment's commitment to operational excellence and continuous improvement was further reinforced through the achievement of ISO 9002 certification by Sathosa Motors PLC during the year.

Sathosa Motors PLC's performance and management excellence were recognised through several prestigious accolades during the year. The Company was named Winner in the Automobile Sector at the CPM Best Management Practices Company Awards 2026, reflecting the strength of its management systems, operational practices, and organisational culture.

In addition, SML received a Silver Award at the CA Sri Lanka TAGS Awards 2025 for excellence in corporate reporting, highlighting its commitment to transparency, accountability, and stakeholder communication. The attainment of ISO 9002 certification further reinforced the Company's reputation for quality, reliability, and continuous improvement.

Outlook and Prospects

The Automobile Segment is well positioned to sustain its growth trajectory in the years ahead, supported by the continued recovery in vehicle demand, improving customer confidence and the gradual normalisation of Sri Lanka's automotive market.

Against this backdrop, Sathosa Motors PLC will continue to capitalise on the strength of the Isuzu brand, its nationwide service network, strong customer relationships and growing portfolio of value-added automotive solutions. The Company will focus on expanding market share, strengthening its spare parts and after-sales businesses, and further enhancing its ability to provide integrated mobility solutions across vehicle sales, fabrication, servicing, repairs, genuine parts and marine engine-related offerings.

As mobility technologies evolve globally, the Segment will also continue to monitor opportunities relating to hybrid and electric vehicle technologies across both the Isuzu and Jaguar Land Rover portfolios. While the pace of adoption in Sri Lanka will depend on market readiness, charging infrastructure, regulatory direction, affordability and customer demand, the Group recognises the long-term importance of cleaner and more efficient mobility solutions. Accordingly, future product and service strategies will be aligned with emerging trends in sustainable mobility where commercially viable and operationally relevant.

Future investments will also be directed towards strengthening workshop capacity, service infrastructure, diagnostic capabilities and technical training. These investments will support higher service quality, improved turnaround times, stronger customer retention and greater recurring revenue generation across the ownership lifecycle. Sathosa Motors PLC will continue to enhance its regional workshop and service facilities, while Access Motors will build on its integrated 3S facility, body shop and specialised technical capabilities to deliver a premium ownership experience aligned with Jaguar Land Rover global standards.

Innovation and digitalisation will remain important priorities for the Segment. Sathosa Motors PLC's ongoing implementation of a cloud-based enterprise management platform will support improved operational visibility, faster decision-making, better inventory planning and stronger integration across business functions. The Segment will also explore further digitalisation of customer engagement and service operations, including enhanced customer communication, service scheduling, after-sales follow-up, performance monitoring and data-driven customer relationship management.

Access Motors is also expected to benefit from the gradual recovery of Sri Lanka's premium automotive market. Supported by the Jaguar Land Rover brand portfolio, specialised technical expertise, premium customer engagement platforms and a growing after-sales base, the Company will focus on strengthening customer relationships, enhancing service excellence and expanding recurring revenue streams across the ownership lifecycle.

By combining the commercial strength, nationwide reach and value-added solutions of Sathosa Motors PLC with the premium brand positioning and specialised capabilities of Access Motors (Private) Limited, the Automobile Segment remains well placed to serve Sri Lanka's evolving mobility requirements while creating sustainable value for customers, shareholders and the wider Group.

RADIOPHARMACEUTICAL

Through Access Medical Tracers (Private) Limited, the Group is pioneering Sri Lanka's entry into advanced radiopharmaceutical manufacturing. As the country's first cyclotron-based facility, the segment will support the local production of Fluorodeoxyglucose (FDG), a critical isotope used in PET imaging for cancer detection, staging and treatment planning. Positioned to reduce import reliance and improve timely access to advanced diagnostics, the segment marks a meaningful step towards strengthening Sri Lanka's nuclear medicine and oncology care capabilities.

Revenue	PBT	PAT
-	(4.7 Mn) (- : 2025)	(4.7 Mn) (- : 2025)

Assets	Liabilities
2110 Mn (527 Mn : 2025)	1,615 Mn (26 Mn : 2025)

Overview

The Radiopharmaceutical Segment, operated through Access Medical Tracers (Private) Limited (AMT), represents a significant strategic diversification by AEL into advanced healthcare infrastructure manufacturing. Established through an investment of approximately LKR 2 billion, the Segment has been developed with the objective of establishing Sri Lanka's first cyclotron-based radiopharmaceutical manufacturing facility with the capability to manufacture critical diagnostic isotopes that support Positron Emission Tomography (PET) imaging. PET imaging is globally recognised as the gold standard for cancer detection, staging, treatment planning, and disease monitoring, making radiopharmaceutical availability a critical component of modern oncology care.

Located within Access Logistics Park Katunayake, the AMT facility has been designed and constructed in accordance with stringent international standards, including International Atomic Energy Agency (IAEA) guidelines, Euro GMP requirements, and ISO-compliant operating principles. The facility incorporates state-of-the-art cyclotron technology, automated radiochemistry systems, advanced quality control laboratories, and specialised production infrastructure capable of producing approximately 7,000 mCi of radiopharmaceuticals per day on a batch production basis. Initial production will focus on Fluorodeoxyglucose (FDG), the most widely used radiopharmaceutical in PET imaging, with future plans to expand into a broader range of isotopes and nuclear medicine products.

A pioneering advancement for Sri Lanka's healthcare sector, the facility is equipped with automated synthesis modules for FDG production and advanced quality assurance systems designed to ensure compliance with stringent pharmaceutical manufacturing standards, thereby establishing a critical platform for the expansion of nuclear medicine and advanced diagnostic services nationwide.

Strategically, the investment addresses a critical gap within Sri Lanka's healthcare ecosystem, where demand for PET diagnostics remains significantly underserved, with an estimated 40,000 patients requiring PET imaging annually. The facility establishes critical domestic capacity for the production of radiopharmaceuticals, thereby reducing reliance on imports.

Once in commercial operation, revenue will be generated primarily through the supply of FDG doses to government healthcare institutions under a minimum purchase agreement already negotiated and executed with the Sri Lanka Atomic Energy Board and the Ministry of Health, along with the supply of additional radiopharmaceutical products to both public and private healthcare providers nationwide.

Operating Context, Strategy and Performance for FY 2025/26

The development of the Access Medical Tracers facility made significant progress during the financial year, with the project achieving several key milestones in line with the planned implementation schedule. All requisite statutory and regulatory approvals were successfully obtained from the Sri Lanka Atomic Energy Board (SLAEB), the Sri Lanka Atomic Energy Regulatory Council (SLAERC), the National Medicines Regulatory Authority (NMRA), and the Ministry of Health, enabling uninterrupted project advancement.

Civil construction works were completed during the period, together with all associated ancillary structures and technical support facilities. A notable engineering milestone was the successful execution of specialised radiation-shielding infrastructure, including monolithic concrete wall pours of up to three metres in height and 2.5 metres in thickness, completed in a single continuous operation in accordance with General Electric Healthcare specifications. Advanced thermocouple-based temperature monitoring systems were deployed throughout the curing process, enabling real-time thermal control to ensure structural integrity and mitigate risks of cracking, porosity, and density variation.

In parallel, installation and commissioning of specialised mechanical ventilation and air conditioning systems, incorporating high-efficiency particulate filtration and controlled environmental parameters, were also successfully completed. Following the completion of construction, testing, and commissioning approvals were subsequently obtained from the relevant regulatory authorities.

Given the complexity associated with the installation of highly specialised equipment, including cyclotron system, automated synthesis modules, quality control laboratories, and associated infrastructure, technical support was secured from the IAEA to facilitate commissioning, enabling the project to advance into the validation phase. Concurrently, the recruitment of key technical personnel, including radiochemists and operational leadership roles, was completed to support future operational readiness.

By year-end, the facility had progressed into the final stages of commissioning and validation. Initial equipment testing, calibration activities, process validation protocols, and operational readiness assessments were underway, positioning the project for commencement of commercial operations upon receipt of final manufacturing approvals and Good Manufacturing Practice (GMP) certification.

Outlook and Prospects

The outlook for the Radiopharmaceutical Segment is highly promising, especially given the significant unmet demand for nuclear medicine diagnostics in Sri Lanka and the critical role that locally produced radiopharmaceuticals will play in meeting this gap.

Subject to the completion of final regulatory approvals and certification processes, commercial operations of the Access Medical Tracers facility are expected to commence in mid-2026.

RADIOPHARMACEUTICAL

The initial focus will be on rapidly ramping up FDG production and establishing reliable supply chains to both government and private healthcare providers. Given the short half-life of FDG, local production offers significant advantages through just-in-time manufacturing and distribution capabilities, enabling healthcare institutions to access critical diagnostic isotopes more efficiently and reliably than previously possible. This is expected to support increased utilisation of existing PET scanners while facilitating the gradual expansion of PET imaging capacity across the country.

Over the medium term, the Segment intends to broaden its product portfolio through the development of additional radiopharmaceutical products using the facility's existing cyclotron, automated synthesis modules, quality control laboratories and specialised production infrastructure. This will enable the Segment to further expand its role within Sri Lanka's nuclear medicine ecosystem and support the introduction of advanced diagnostic solutions aligned with future healthcare needs.

In parallel, Access Medical Tracers will continue its association with the Department of Nuclear Science, University of Colombo, with a view to supporting research collaboration, knowledge sharing and capacity building in the field of radiopharmaceuticals and nuclear medicine. The Segment also expects to contribute to knowledge transfer within this specialised industry by creating learning opportunities for students, professionals and technical personnel, thereby helping to develop the local expertise required to sustain and grow Sri Lanka's radiopharmaceutical and PET imaging capabilities.

While the growth prospects remain compelling, several risks will require careful management. These include the pace of market adoption, the availability and expansion of PET scanning infrastructure, potential downtime of existing PET scanners, and the inherent operational complexity associated with radiopharmaceutical manufacturing and regulatory compliance. Nevertheless, supported by strong government partnerships, robust technical capabilities, secured demand channels, research collaboration and a clear strategic role within the national healthcare landscape, the Segment is well positioned to emerge as the country's leading supplier of radiopharmaceutical products while contributing meaningfully to the advancement of Sri Lanka's diagnostic and oncology care capabilities.

WAY FORWARD

Over the past two decades, our strategic direction has been instrumental in driving sustainable growth, strengthening resilience, and enabling the Group to navigate evolving market conditions. As the operating environment continues to be shaped by economic, technological, environmental, and regulatory shifts, we remain committed to continuously refining our strategy to ensure long-term relevance and value creation.

Today, our approach to strategy extends beyond addressing immediate opportunities and challenges. We adopt a broader and more integrated perspective, incorporating emerging trends, evolving stakeholder expectations, and frontier risks that have the potential to influence future performance. By leveraging the strength of our diversified portfolio, engineering expertise, and operational discipline, we aim to enhance competitiveness, create sustainable value, and position the Group to capitalise on future growth opportunities while remaining resilient in an increasingly dynamic environment.

Civil Engineering and Construction-Related Material	
Short Term	» Ensure the timely completion of ongoing projects in line with revised delivery schedules where applicable. » Enhance operational efficiency through optimal resource allocation and utilisation. » Strengthen technical capabilities and knowledge-sharing across project teams. » Deepen strategic partnerships to support project execution and business development.
Medium-Term to Long-Term	» Pursue selective expansion of the project portfolio in areas aligned with the Group's core competencies and growth potential. » Promote greater cross-functional collaboration and resource sharing across Group entities to facilitate knowledge transfer and operational synergies. » Invest in workforce development and selective capital expenditure to strengthen capacity and enhance execution capabilities.
Mechanical Engineering	
Short-Term	» Strengthen market presence in line with ongoing developments within the Port of Colombo. » Sustain and optimise existing operations in port equipment maintenance and machinery services. » Continue investing in employee development and technical competencies.
Medium-Term to Long-Term	» Expand the Group's regional footprint in port equipment maintenance and related engineering services. » Secure long-term service agreements with international terminal operators to enhance revenue visibility and business sustainability.
Properties – Commercial office spaces and warehouses	
Short-Term	» Continue enhancing customer and tenant experiences across the Group's commercial property portfolio. » Optimise occupancy levels, operational efficiency, and value-added service offerings within existing property assets.
Medium-Term to Long-Term	» Expand participation in logistics and warehousing solutions to capitalise on growing trade and supply chain requirements. » Explore strategic commercial real estate opportunities, including public-private partnerships and other value-accretive developments.
Condominium Properties	
Short-Term	» Facilitate the successful commercialisation of completed developments and continue customer handovers in line with project timelines.
Medium-Term to Long-term	» Pursue new residential and mixed-use developments aligned with evolving urbanisation trends and market demand.
Automobile	
Short-Term	» Capitalise on emerging market opportunities and strengthen the Group's presence across passenger and commercial vehicle segments. » Expand customer footprint and reach through enhanced sales and service capabilities.
Medium-Term to Long-term	» Strengthen distribution, after-sales services, spare parts operations, and technical support capabilities. » Invest in technical expertise and customer-centric service excellence to enhance brand loyalty and long-term market positioning.
Renewable Energy	
Short-Term	» Optimise the performance and operational efficiency of existing rooftop solar power assets.
Medium-Term to Long-term	» Explore and evaluate opportunities for expansion into additional renewable energy investments and technologies.
Radiopharmaceutical	
Short-Term	» Ensure the reliable supply of essential radiopharmaceutical products to support Sri Lanka's healthcare sector.
Medium-Term to Long-term	» Explore regional export opportunities to establish a broader market presence and strengthen long-term growth prospects.

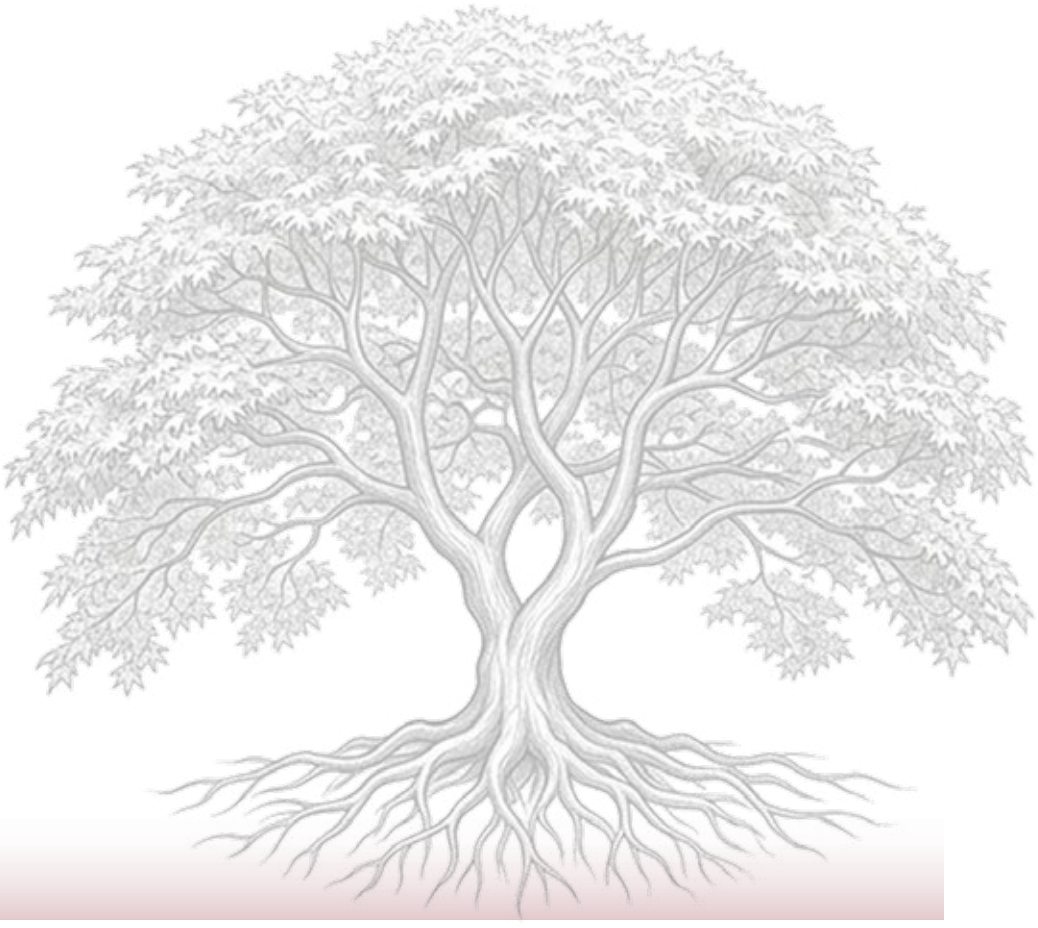
SPREAD OF PROJECTS

District and Project Name
Colombo
Baladaksha Mawatha Bridge Project, Slave Island
Colombo West Container Terminal Phase I - Colombo Port
Colombo West Container Terminal Phase II - Colombo Port
Pilling Works For Development At No. 50, Janaki Lane, Colombo 05 - Dehiwala Crown (Pvt) Ltd
Piling Works For Colombo Port City Development Project - Infrastructure & Landscape Works Phase II
Piling Works For Damro Showroom At Sirimawo Bandaranayake Mawatha, Colombo 12
Piling Works For Proposed Seven Storied Apartment At Colombo 07
Piling Works For Ceylex Subastaion At Malabe
Piling Works For Proposed Bay Residence At Port City
Bluemendal Housing Project - UDA
Stadiumgama Housing Project - UDA
Elliot Place Housing Project - UDA
Structural Works At Marina Square Housing Project
Shinchoji Lanka Free Nursery School & Cultural Centre Construction Project, Kirimandala Mawatha
Colambage Mawatha Housing Project - UDA
Civil Works At East container Terminal Project Phase II
Telecom Miscellaneous Projects
Design Department - Corporate Office
Central Equipment Division I
Central Equipment Division II
Scaffolding Unit
Piling Unit
Fabrication Unit
Vehicle Body Fabrication Unit

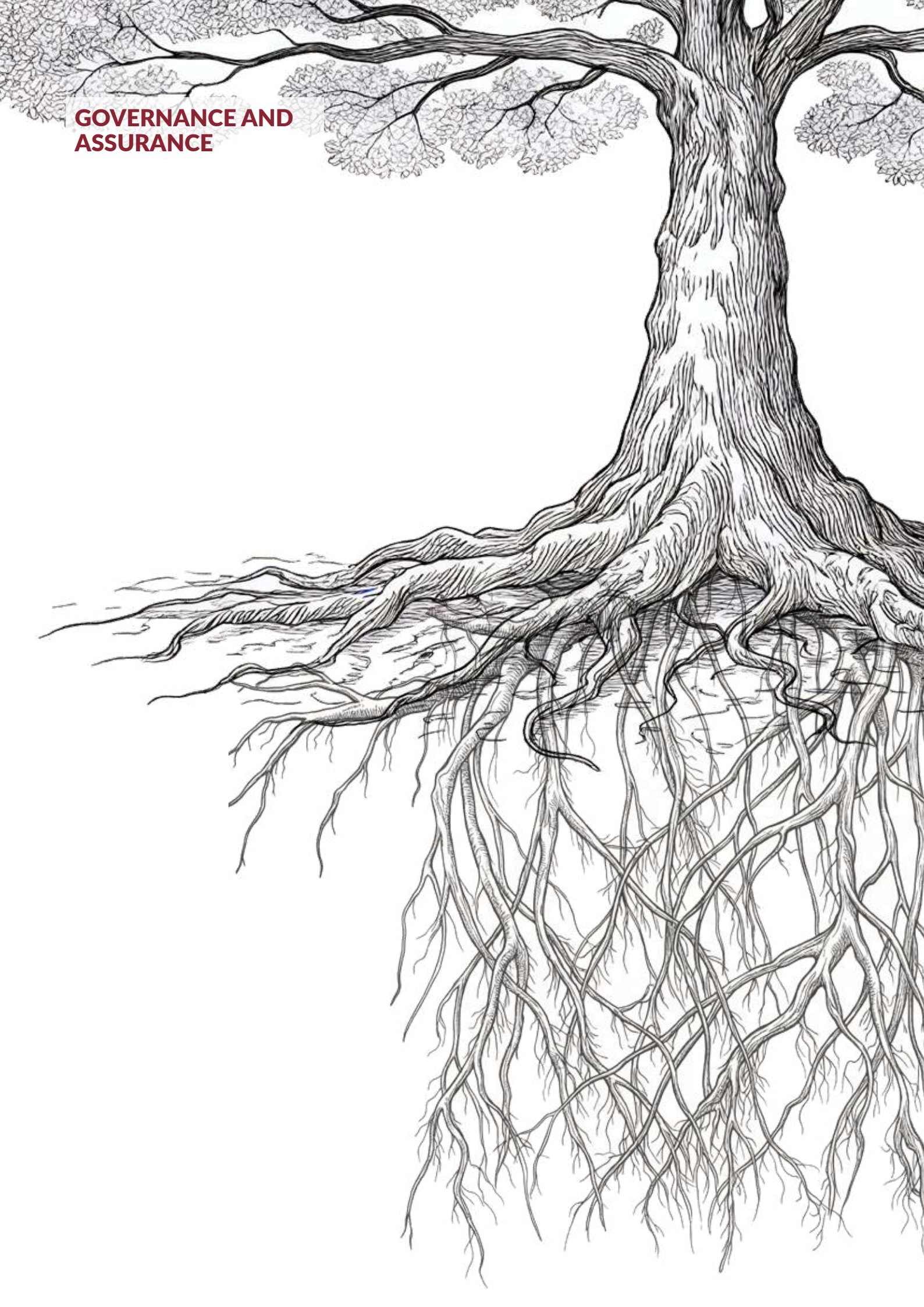
District and Project Name
Gampaha- Katunayake
Nittambuwa Pasyala Road project
Pilling Works For Bandaranayake International Airport Development Project
Pilling Works for Cyclotron-Based Radiopharma Facility in Katunayake
Kurunaegala - Meerigama
Central Expressway - Section 03
Negombo
Pilling - Damro Showroom Negombo
Pilling - Bayfonte Marina Resort Apartments Negombo
Galle
Pilling-Palm Oil Plant Ext. Nakiyadeniya
Mannar
Piling - Wind Farm Facility at Mannar

Dialog Optical Fibre Network Development Projects

Colombo
Gampaha- Katunayake
Kurunaegala - Meerigama
Galle
Mannar
Anuradhapura
Kaluthara
Kandy
Matale
Nuwaraeliya
Matara
Hambanthota
Jaffna
Ampara
Batticaloa
Puttalam
Badulla
Rathnapura
Kegalle



GOVERNANCE AND ASSURANCE



ROOTED WITH PURPOSE

The banyan tree's vast root network runs deep beneath the surface, forming a strong and interconnected foundation that sustains stability, nourishment, and resilience over generations. Though often unseen, these roots are vital to preserving the tree's strength, balance, and ability to endure through changing conditions.

At Access Engineering, our governance frameworks, ethical practices, and stewardship principles form the foundation that guides every aspect of our business. Grounded in accountability, integrity, and long-term thinking, these values enable us to navigate complexity with confidence while strengthening trust, resilience, and sustainable progress across all our operations.

CORPORATE GOVERNANCE

OVERVIEW

Given the Access Engineering PLC's position as a well-established company with a diversified portfolio and complex operating footprint across multiple high-impact economic sectors, a strong corporate governance foundation is critical to sustaining strategic coherence, accountability, and long-term value creation.

The company's commitment to good governance is formally institutionalised through a comprehensive governance framework. Developed in alignment with applicable regulatory requirements and recognised international governance best practices, the framework establishes clear structures, roles, and accountability mechanisms that promote transparency, disciplined strategic oversight, and consistent application of governance principles across all business units, thereby reinforcing alignment between operational execution and company-wide strategic priorities. It also embeds ethical conduct, strengthen enterprise-wide risk management and internal control systems to ensure rigorous compliance with evolving statutory and regulatory obligations.

Governance Framework

Access Engineering PLC Corporate Governance Framework

Regulatory Requirements

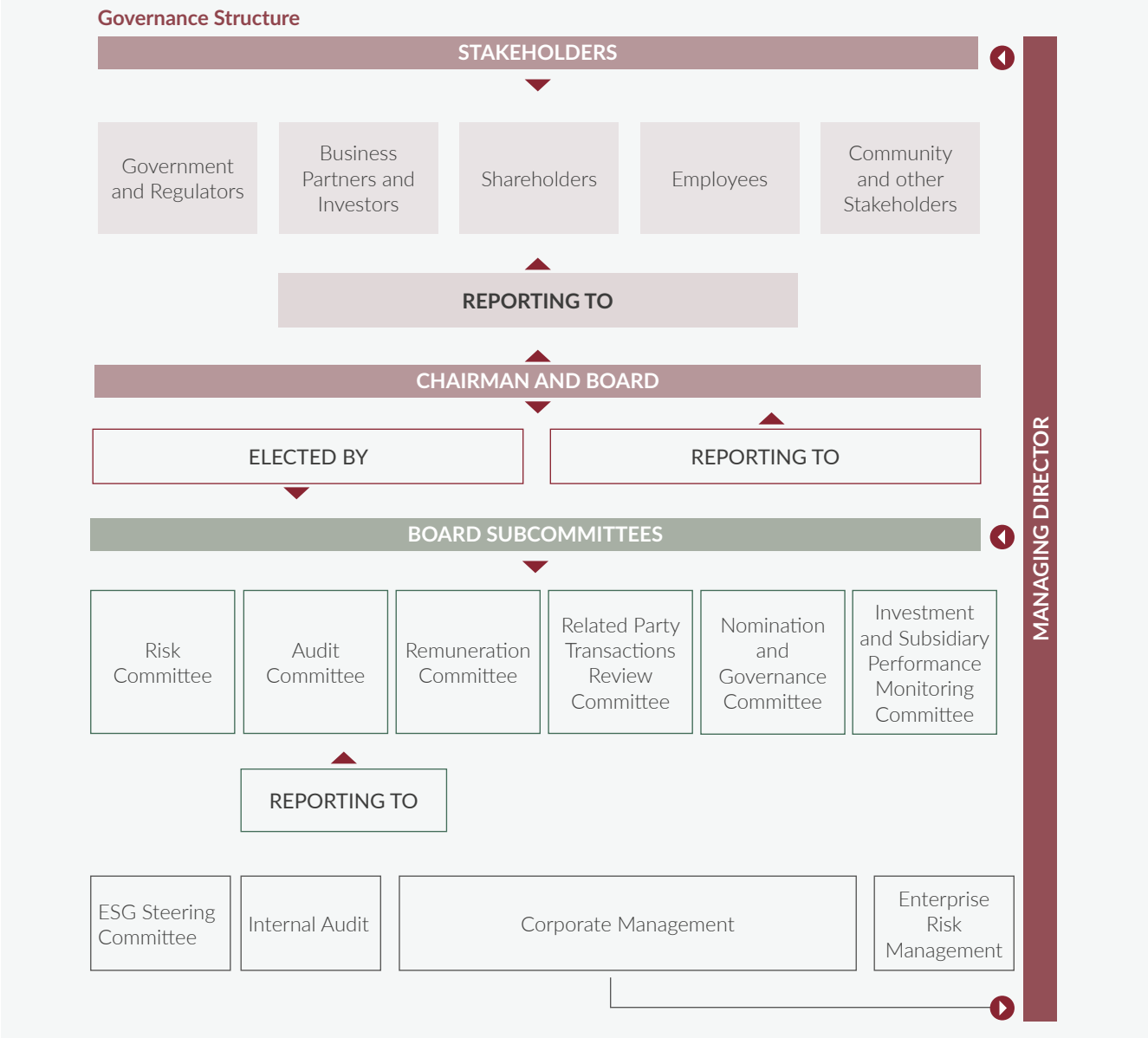
- Companies Act No 7 of 2007
- Listing Rules of Colombo Stock Exchange
- SEC Rules
- Shop and Office Employees (Regulation of Employment and Remuneration) Act. No. 19 of 1954
- Factories Ordinance (No 45 of 1942)

Voluntary Codes and Best Practices

- Code of Best Practice on Corporate Governance
- GRI Standards issued by the Global Reporting Initiative
- IR Framework issued by IIRC
- Sustainable Development Goals (SDG's)

Internal Frameworks

- Articles of Association
- Board Charter
- TOR of Board Committees
- Board-approved policy frameworks for governance, risk and operational areas



THE BOARD GRI 2-9

Access Engineering PLC's Board of Directors serves as the highest decision-making authority of the company. The Board functions in accordance with clearly defined Terms of Reference set out in the Board Charter.

The Charter defines the Board's collective accountability to stakeholders for the effective stewardship of the business in line with sound governance principles. In fulfilling this responsibility, the Board sets the company's strategic direction and establishes objectives over the short, medium and long-term horizons. The Board is also required to ensure the organisation is adequately resourced to execute its strategy, including the allocation of financial capital, investment priorities, and human resources required for delivery. As the principal custodian of company affairs, the Board retains exclusive authority over key strategic, financial, and governance matters, including the review and approval of decisions reserved specifically for its consideration.

CORPORATE GOVERNANCE

Matters Reserve Expressly for Board Approval	
Risk, Capital & Liquidity Planning	Approval of changes to the company's capital structure; endorsement of the annual capital plan; determination of the company's risk appetite framework.
Financial Results & Dividends	Approval of interim and annual financial statements; declaration of dividends; approval of material changes to accounting policies.
Strategy & Investments	Approval of the company's strategic direction; review of performance against strategic objectives; approval of major capital projects, acquisitions, investments, and divestments.
Remuneration	Approval of remuneration frameworks for Executive Directors and Key Management Personnel (KMPs); determination of Non-Executive Director fees.
Board Composition & Committees	Appointment and removal of Directors; establishment and composition of Board Committees; review of Committee Terms of Reference; oversight of Board and Committee performance evaluations.
Governance & Internal Controls	Oversight of the Corporate Governance Framework; approval and periodic review of Company policies in line with regulatory requirements and best practices; definition of roles and responsibilities of senior leadership; approval of key regulatory filings.
Key Appointments	Appointment of Key Management Personnel, Company Secretary, and External Auditors.
Crisis Management	Establishment of protocols and oversight mechanisms for managing extraordinary events, including crises, emergencies, and significant reputational risks.

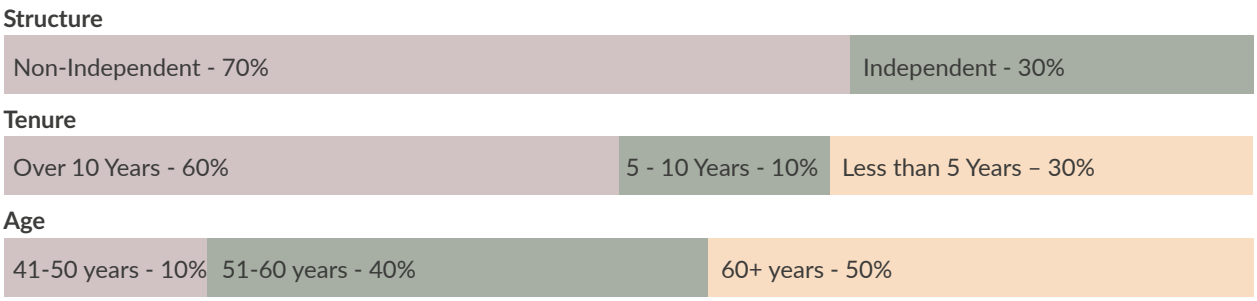
BOARD COMPOSITION

Access Engineering PLC is led by a competent and well-structured Board. As at 31 March 2026, the Board comprised 10 members, including 05 Executive Directors and 05 Non-Executive Directors, of whom 03 were Independent Non-Executive Directors. The current Board brings together a diverse range of professional expertise closely aligned with the company's multi-sector operational footprint.

The composition of the Board is determined in accordance with the Company's Articles of Association and all applicable regulatory requirements, including the Corporate Governance provisions of the Colombo Stock Exchange (CSE) Listing Rules.

Board composition is subject to change through appointments, retirements, resignations, and re-election of Directors, in line with statutory requirements, the Articles of Association. Further Board skills are reviewed periodically to ensure the highest governing body is fully equipped to effectively guide the company's strategic direction and uphold high standards of governance in a complex and evolving operating environment.

Board Diversity



Board Skills and Competency Matrix

Trait	No. of Directors with Trait
Business Operation	7 out of 10
Cyber Security	7 out of 10
Enterprise Risk Management	7 out of 10
Finance Expertise	8 out of 10
Government Regulatory	10 out of 10
Human Resources Management and Compensation	7 out of 10
Industry/Business Process Outsourcing	7 out of 10
International	8 out of 10
Other public Company board experience	7 out of 10
Strategic Planning	10 out of 10
Technology	8 out of 10

Profiles of Board members are provided in a separate section of this Annual Report (pages 34-37).

NON-EXECUTIVE DIRECTORS (NED'S)

Non-Executive Directors play a key role in strengthening the overall effectiveness and quality of the Board, drawing on their diverse professional backgrounds and sectoral expertise. Non-Executive Directors enhance the Board's collective capability by bringing independent judgement, external perspective, and objective oversight to Board deliberations, particularly in areas such as governance, risk oversight, financial discipline, and strategic evaluation. Their independence from day-to-day operations also reinforces accountability, reduces potential conflicts of interest, and supports a more transparent and robust governance environment.

Procedures for assuring Directors Independence

Assurance regarding the Independence of Non-Executive Directors is obtained based on the following guidelines;

DEFINITION

Independence is determined against criteria as act out in the Finance Business Act Direction No 5 of 2021, Listing Rules of the Colombo Stock Exchange and in compliance with the CA Code 2023

ASSESSMENT

Independence assessment of Directors is conducted annually by the Board, based on annual declaration and other information submitted by Non Executive Directors

OUTCOME

The Board is satisfied there are no relationships or circumstance likely to affect or appear to affect directors' independence during the period under review.

Appointment / Re-election / Resignation of Directors

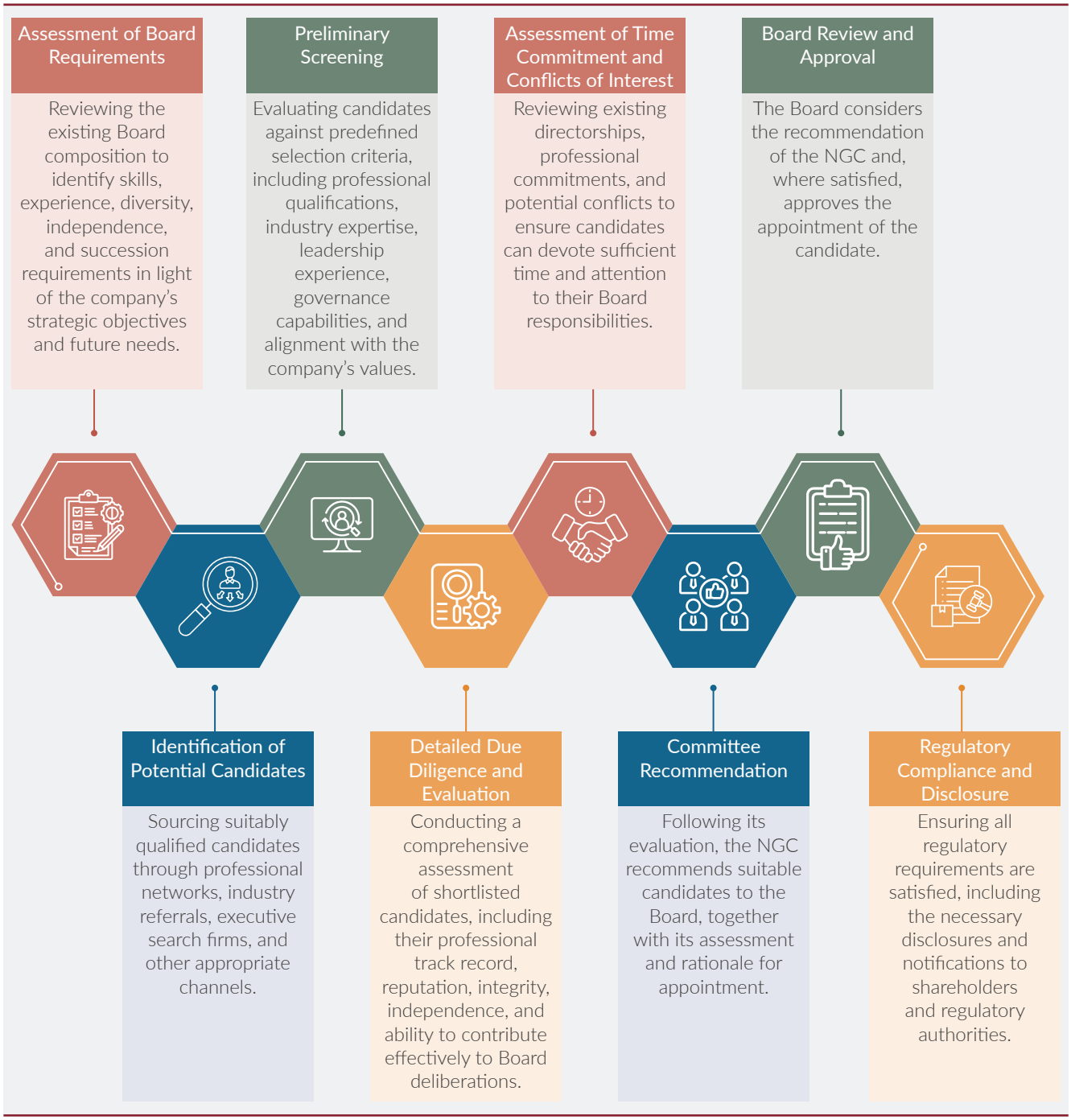
The appointment of Directors to the Access Board is undertaken for the purpose of enhancing the quality and diversity of the Board. Responsibility for identifying and evaluating potential Board candidates rests with the Nominations and Governance Committee (NGC). When considering potential appointments, the NGC conducts a comprehensive assessment to evaluate each candidate's professional credentials, industry knowledge, leadership experience, integrity, and ability to contribute to effective Board deliberations. Particular emphasis is placed on ensuring that new appointments complement the Board balance in terms of strengthening diversity of thought, independent judgement, and overall governance effectiveness. Consideration is also given to a candidate's external commitments to ensure they can devote sufficient time and attention to fulfilling their responsibilities as a Director.

CORPORATE GOVERNANCE

The re-election and retirement of Directors are governed by the Company's Articles of Association and applicable regulatory requirements. Accordingly, one of the Non-Executive Director is required to retire by rotation at each Annual General Meeting (AGM). Directors retiring by rotation may offer themselves for re-election by shareholders, subject to the recommendation of the NGC with due consideration to their contribution to Board activities, participation in meetings, commitment to their responsibilities, and continued ability to support the company's strategic objectives. Directors appointed by the Board during the year to fill casual vacancies are also expected to offer themselves for re-election by shareholders at the next Annual General Meeting.

There were no appointments, resignations, retirements, or removals of Directors during the financial year under review. However, in accordance with Articles of Association of the Company, Mr. S D Perera retired by rotation and was re-elected as a Director at the Annual General Meeting. The re-election was carried out in compliance with the applicable provisions of the Companies Act No. 07 of 2007.

Process of Selecting and Appointing new Directors to the Access Engineering PLC Board



RESPONSIBILITIES OF INDIVIDUAL DIRECTORS

All Directors are responsible for acting in the best interests of the company and its stakeholders by exercising independent judgement, due care, skill, and diligence in the discharge of their duties. Directors are expected to dedicate adequate time to participate in Board Committee meetings in order to provide effective oversight of management, and ensure decisions are made with due consideration for the company's long-term sustainability, financial performance, risk profile, and stakeholder interests. They are also responsible for upholding the highest standards of integrity, ethics, and professional conduct, ensuring compliance with applicable laws, regulations, and internal policies.

As part of their duties, Directors are expected to undertake continuous development of their knowledge and understanding of the company's operations, and maintain constructive engagement with management in order to provide informed guidance, challenge assumptions where appropriate, and contribute meaningfully to strategic discussions and decision-making processes.

In addition, every Board member is required to take part in the annual Board evaluation process, which serves as a tool to assess individual and collective performance, strengthen governance practices, and identify areas for continuous improvement.

MANAGING CONFLICTS OF INTEREST GRI 2-15

The Access maintains a formal process for identifying, disclosing, and managing actual, potential, and perceived conflicts of interest with all Directors are required disclose any personal, professional, financial, or business interests that may give rise to a conflict, or be perceived as influencing their ability to act in the best interests of the company. Directors are expected to disclose Conflicts of Interest at the time of appointment and annually thereafter. All such disclosures are formally recorded in the Directors' Interests Register maintained under the custody of the Related Party Transaction Review Committee (RPTRC). Moreover, Directors with actual, potential, or perceived conflict of interest are also expected to recuse themselves from the relevant discussions, deliberations, and decision-making process. Such Directors do not participate in voting on the matter and, where appropriate, may be required to absent themselves from the meeting for the duration of the discussion. All declarations of interest and instances of recusal are formally recorded in the minutes of the meeting to ensure transparency, accountability, and the integrity of the Board's decision-making process.

The RPTRC is responsible for reviewing all disclosures of conflict made by Directors and recommending appropriate actions to the Board to address or mitigate such conflicts in a manner that preserves the integrity of governance and decision-making processes.

Director's Interest in Contracts - FY 2025/26

Names of the Directors	Directorship Status in AEL	No of Board seats held in Listed Companies (Excluding AEL)		No of Board seats held in unlisted Companies
		Executive Capacity	Non - Executive Capacity	
Mr. Sumal Joseph Sanjiva Perera	Executive	-	01	45
Mr. Joseph Christopher Joshua	Executive	01	-	25
Mr. Dalpadoruge Anton Rohana Fernando	Executive	-	01	19
Mr. Shevantha Harindra Sudharaka Mendis	Executive	-	-	12
Mr. Saumaya Dharshana Munasinghe	Executive	-	01	13
Mr. Suresh Dilhan Perera	Non-Executive	-	-	22
Mr. Shamal Perera	Non-Executive	-	-	30
Mr. Condagamage Vajira Kulatilaka	Senior Independent Non-Executive	-	02	03
Mr. Manoha Jude Sergius Rajakariar	Independent Non-Executive	-	04	01
Mr. Ranil Prasad Pathirana	Independent Non-Executive	-	05	11

CORPORATE GOVERNANCE

DIRECTORS REMUNERATION

The Board has established a dedicated Remuneration Policy setting out the structure for remuneration of Directors, Key Management Personnel (KMPs), and employees. The policy is designed to promote a high-performance culture while ensuring that remuneration outcomes are fair, competitive, and aligned with the interests of shareholders and other stakeholders.

The remuneration of Executive Directors and KMPs comprises both fixed and variable components. The fixed component includes base salary and other contractual benefits, reflecting the scope, complexity, and responsibilities of the role, as well as the individual's experience and expertise. The variable component is performance-linked and is designed to reward the achievement of predetermined financial, operational, and strategic objectives. The total compensation ratio of the highest-paid executive is not published, in the interest of confidentiality.

Non-Executive Directors receive a fixed fee in recognition of their governance, oversight, and advisory responsibilities. The fees paid to Non-Executive Directors are benchmarked against prevailing market practices and industry standards to ensure they remain competitive and commensurate with the responsibilities associated with the role.

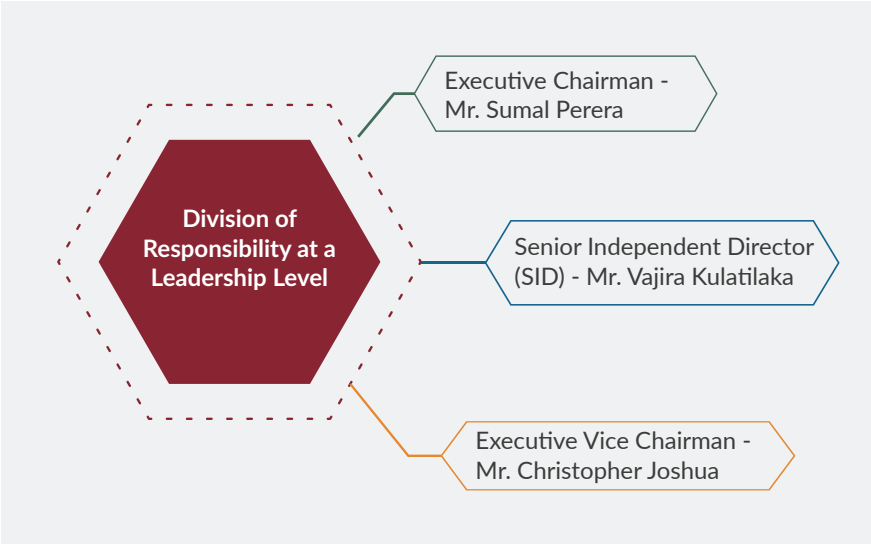
All remuneration structures are subject to periodic review to ensure continued alignment with evolving regulatory requirements, market conditions, and industry best practices.

DIRECTORS TRAINING AND INDUCTION

All newly appointed Directors undergo a formal induction programme designed to familiarise them with the Access Engineering PLC's business operations, organisational structure, strategic priorities, governance framework, key risks, and regulatory obligations. Beyond induction, the company prioritises ongoing development by encouraging Directors to participate in continuous professional development programmes, industry forums, and governance-related training to enhance their knowledge and remain abreast of emerging business trends, regulatory developments, and evolving governance best practices to enhance their ability to contribute meaningfully to Board deliberations and decision-making.

DIVISION OF RESPONSIBILITY AT A LEADERSHIP LEVEL GRI 2-11, 2-12, 2-13, 2-14

AEL maintains a clear separation of responsibilities at the highest levels of leadership to enhance accountability, prevent conflicts of interest, and uphold strong standards of governance.



Executive Chairman - Mr. Sumal Perera

Leads the Access Board by providing guidance in the adoption of sound governance practices and ensuring the Board functions effectively in safeguarding the interests of the company and its shareholders. In fulfilling this role, the Chairman is responsible for:

- Ensuring Board meetings are properly planned and conducted efficiently
- Setting the agenda for each meeting to ensure that all relevant and material matters are addressed in a timely manner, while considering items proposed by other Directors, Board sub-committees, or the Company Secretary
- Ensuring that Board members receive accurate, timely, and clear information to support effective decision- making
- Overseeing that minutes of Board meetings are recorded accurately and circulated promptly among Directors
- Fostering an environment that enables the Board as a whole, and Directors individually, to perform their roles effectively
- Promoting a culture of openness, encouraging constructive debate and challenge, particularly among Non-Executive Directors, to strengthen the quality of Board deliberations
- Leading the process of Board self-assessment to generate meaningful feedback aimed at enhancing the Board's overall effectiveness

Executive Chairman's Message on page 24-26

Senior Independent Director (SID) - Mr. Vajira Kulatilaka

Given that the AEL is led by an Executive Chairman, the company has appointed a Senior Independent Director in terms of Rule 9.6.3 of the Listing rules of the CSE. The role of the SID is to;

- Uphold high standards of ethics, integrity and probity.
- Support executive leadership whilst monitoring their conduct
- Promote high standards of corporate governance and compliance
- Meet with Non-Executive Directors at least once a year and Executive Directors at least once a year to facilitate discussion and communication of critical concerns and communicate same to Chairman
- Be available to shareholders in case they have concerns which cannot, or should not, be addressed by the Chairman or Executive Directors
- Act on the results of any performance evaluation of the Chairman
- Maintain sufficient contact with major, significant and minority shareholders assisting the Board to develop a balanced understanding of their issues

Report by the SID on page 234

Executive Vice Chairman - Mr. Christopher Joshua

The AEL's Executive Vice Chairman operates with the delegated authority of the Board and oversees the day-to-day management of the company in accordance with the Board approved policies and procedures. The Executive Vice Chairman reports directly to the Executive Chairman and is responsible for;

- Executing the strategic direction set by the Board, ensuring business plans and long-term growth strategies are effectively developed and implemented in alignment with AEL's vision, mission, and core values.
- Overseeing daily operations across all functions to ensure efficiency, cost-effectiveness, and adherence to quality standards, while leading the senior management team to achieve organisational goals.
- Delivering financial targets, safeguard the Company's financial health, and oversee budgeting, resource allocation, and financial performance, including timely and accurate regulatory reporting.
- Identifying and managing key business risks, ensuring compliance with legal and regulatory requirements,= uphold ethical standards, and maintain robust internal control systems.
- Acting as the primary spokesperson on behalf of the Company to foster strong, transparent relationships in line with the Board's stakeholder engagement objectives.
- Building a high-performance culture rooted in accountability, continuous learning, and AEL's core values. Lead human capital development through talent management, leadership development, succession planning, and by promoting diversity, equity, and inclusion.
- Driving the Company's ESG strategy by integrating sustainability goals into core operations, driving ESG initiatives, and ensuring compliance with relevant frameworks and regulations.
- Reporting regularly to the Board on performance, risks, and strategic matters. Provide accurate and timely information to support informed Board decision-making and ensure effective implementation of Board resolutions.

Message by the Executive Vice Chairman (jointly with the Managing Director) on page 27-33

BOARD SUB COMMITTEES

Board Sub-Committees are established to support the Board in the effective discharge of its oversight responsibilities by providing independent and objective review of critical areas, strengthening internal controls, improving transparency, and ensuring robust oversight of management. All Board Sub Committees operate under clearly defined Terms of Reference (ToRs) approved by the Board, which set out their authority, scope of responsibilities, and reporting obligations. The ToRs are subject to periodic review and update to ensure continued alignment with applicable regulatory requirements, evolving governance standards, and the company's strategic priorities.

In compliance with the Colombo Stock Exchange (CSE) Listing Rules and recognised codes of best practice on corporate governance, the AEL has established four mandatory Board Committees, namely the Audit Committee, Remuneration Committee, Nomination Committee, and Related Party Transactions Review Committee, all reporting directly to the Board.

Beyond the mandatory committees the Board has also institutionalised a Board Investment and Subsidiary Performance Monitoring Committee to provide focused oversight of the company's investment activities and the performance of its subsidiary entities.

In addition, the Board Risk Committee was established with effect from 3 February 2026 to further strengthen oversight of the company's risk management framework and enhance enterprise-wide risk governance

CORPORATE GOVERNANCE

BOARD SUB COMMITTEE

Board Audit Committee

Objectives

Oversight responsibilities for the integrity of financial statements, risk management, business ethics, internal control, internal audit function, compliance, review, External Auditor's performance and financial reporting.

Members and Number of Meetings

Members		Meetings
NID	02	05
ID	03	

Refer pages 236 to 238 for the Audit Committee Report

Board Remuneration Committee

Objectives

Setting up the remuneration policy and making recommendations to the Board on recruitment, remuneration and performance evaluation.

Members and Number of Meetings

Members		Meetings
NID	01	01
ID	03	

Refer page 241 for the Remuneration Committee Report

Board Related Party Transactions Review Committee

Objectives

Ensuring that all related party transactions of the Company are comply with the regulatory provisions set out in the Corporate Governance Directions, LKAS 24 and the Listing Rules of the CSE.

Members and Number of Meetings

Members		Meetings
NID	01	04
ID	03	

Refer pages 239-240 for the Related Party Review Committee Report

Board Nomination and Governance Committee

Objectives

Overseeing the Board's composition and structure, and making recommendation on the appointment, re-election, and succession of Directors, while ensuring adherence to corporate governance best practices.

Members and Number of Meetings

Members	
NID	01
ID	02

Refer page 235 for the Nomination and Governance Committee Report.

Board Investment and Subsidiary Performance Monitoring Committee

Objectives

Assessing and monitoring existing and new investments of Access Engineering PLC and reporting observations and recommendations to the Board.

Members and Number of Meetings

Members		Meetings
NID	03	04
ID	03	

Refer page 244 for the Investment and Subsidiary Performance Monitoring Committee Report.

Board Risk Committee

Objectives

Oversight of the company's risk management framework and enhance enterprise-wide risk governance

Members and Number of Meetings

Members		Meetings
NID	01	01
ID	03	

Refer pages 242-243 for the Board Risk Committee Report.

EXECUTIVE-LEVEL COMMITTEES

Executive-level Committees established by the Managing Director and chaired by Key Management Personnel (KMPs) serve as internal management governance forums that support the effective execution of Board-approved strategy and operational oversight. Their primary purpose is to ensure efficient implementation of strategic priorities, strengthen internal controls at management level, and enable early identification and escalation of operational risks and issues to the Board and its Committees where necessary. To that end, these Committees facilitate cross-functional coordination, timely decision-making, and structured review of key business areas such as operations, finance, risk, projects, and performance management.

COMPANY SECRETARY

The Company Secretary plays a vital role in supporting the effectiveness of the Board and maintaining high standards of corporate governance across the AEL. Acting as a trusted advisor to the Board, the Company Secretary assists Directors in fulfilling their fiduciary and statutory responsibilities while ensuring the integrity of Board processes and governance practices.

Key responsibilities of the Company Secretary include:

- Facilitating the effective functioning of the Board and Board Committees, including the preparation of agendas, coordination of meetings, and maintenance of accurate minutes and records of proceedings.
- Ensuring that Board Committees are appropriately constituted and operate in accordance with approved Terms of Reference.
- Coordinating the Annual General Meeting (AGM) and other shareholder meetings in compliance with applicable legal and regulatory requirements.
- Maintaining statutory registers, corporate records, and governance documentation.
- Overseeing the timely submission of statutory returns, regulatory filings, and other required disclosures.
- Advising Directors on their duties, responsibilities, governance obligations, and regulatory developments.
- Supporting effective communication between the Company, the Board, shareholders, and relevant regulatory authorities.
- Ensuring the timely identification, disclosure, and reporting of related party relationships and transactions in accordance with applicable regulations and governance requirements.

The appointment and removal of the Company Secretary are matters reserved exclusively for the Board. To ensure the continued effectiveness of the role, the Board undertakes an annual assessment of the performance, independence, and competence of the Company Secretary. Based on the assessment conducted during the year under review, the Board is satisfied that the current Company Secretary possesses the requisite qualifications, experience, knowledge, and capability to effectively discharge the responsibilities of the role and to provide appropriate support to the Board in fulfilling its governance obligations.

BOARD MEETINGS

Regular Board meetings serve as the main forum through which the Board of Directors exercises ongoing oversight of the company's performance, strategic direction, and risk profile. These meetings ensure that Directors are kept informed of key developments across the business and facilitate timely review of financial and operational performance to determine if the company is operating in line with expectations and take corrective or strategic action where required. Regular meetings also support the continuous monitoring of key risks, regulatory developments, and compliance matters, ensuring that emerging issues are identified and addressed without delay.

ACCESS TO INFORMATION

Directors are granted unrestricted access to all relevant information necessary to fulfil their duties effectively. This includes access any KMP and the company Secretary as well as financial records, Board papers, management reports, and other operational data, enabling informed decision-making and effective oversight. Directors may also seek independent professional advice at the Company's expense, where necessary, to support their responsibilities.

In addition, these meetings provide a formal setting for constructive engagement between the Board and management, allowing for informed discussion, challenge, and guidance on key business decisions. They also ensure that matters reserved for Board approval are considered in a timely and consistent manner, thereby strengthening accountability, improving decision-making discipline, and reinforcing sound governance across the company.

CORPORATE GOVERNANCE

Meeting Attendance - FY 2025/26

	Name of Director	Director Status	Board Meeting	Audit Committee	RPTR	Remuneration Committee	Inv and Subsidiary
1	Mr. S J S Perera	ED	4/4	-	-	-	-
2	Mr. J C Joshua	ED	4/4	-	-	-	4/4
3	Mr. S H S Mendis	ED	4/4	-	-	-	-
4	Mr. D A R Fernando	ED	4/4	-	4/4	-	4/4
5	Mr. S D Munasinghe	ED	4/4	-	-	-	-
6	Mr. S D Perera	NED	4/4	5/5	-	-	-
7	Mr. Shamal J S Perera	NED	4/4	4/5	-	1/1	2/4
8	Mr. C V Kulatilaka	SINED	4/4	5/5	4/4	1/1	4/4
9	Mr. M J S Rajakariar	INED	4/4	5/5	4/4	1/1	4/4
10	Mr. R P Pathirana	INED	4/4	3/5	4/4	1/1	3/4

The Board met four times during the year, with all Board meetings characterised by a high degree of attendance, active participation, constructive and open discussions.

Process for Scheduling Board Meetings

Before the Meeting

The Company Secretary, in consultation with the Chairman and the Vice Chairman, are responsible for setting the agenda for Board meetings. The agenda is carefully structured to ensure adequate time is allocated to address all key matters, including strategy, financial performance, industry developments, risk management, and regulatory compliance in order to facilitate meaningful discussions and informed decision-making.

A Board-approved procedure allows any Director to formally request, in writing the inclusion or additional matters or proposals in the agenda. Once the agenda is finalised, a comprehensive information pack containing the meeting agenda and relevant Board papers is circulated to all Directors at least seven working days before the scheduled meeting.

At the Meeting

It is mandatory for all Directors to attend board meetings with all board members expected to come well prepared and actively participate in all matters outlined under the agenda. The Chairman / Chairperson of each Board committee will be called upon to provide an update on significant matters discussed. at their respective Board sub-committee meetings, which are typically scheduled before the Board meeting.

Key Management Personnel are invited to provide a comprehensive update on the Company's business and operations to date as well as an overview of the context in which these outcomes were achieved, while selected members of the Corporate Management are also invited to make presentations on the items set out under the agenda.

The Company Secretary maintains minutes of every Board meeting.

After the Meeting

The Company Secretary is required to submit the minutes of the meeting to the Chairman for approval prior to being circulated among the Directors and other members of Corporate Management who were present at the particular meeting Minutes of the meetings are typically circulated within two weeks after the meeting date.

GRI 2 - 18

EVALUATING THE PERFORMANCE OF THE BOARD AND BOARD SUB COMMITTEES

The purpose of evaluating the performance of the Board and its Sub Committees is to measure their effectiveness in fulfilling governance responsibilities and supporting the company's strategic direction. Typically undertaken on an annual basis, the process is facilitated through confidential questionnaires or self-assessment form completed by all Directors, covering key dimensions such as Board composition and dynamics, adequacy of information flow, effectiveness of meetings, strength of oversight functions, and engagement with key stakeholders. Feedback is also obtained on the performance of the Board as a collective body, as well as the effectiveness of the Chairman and Board Committee members.

The outcomes of the evaluation are consolidated and reviewed by the Nomination and Governance Committee, with findings formally presented to the Board for review and used as the basis to strengthen Board quality as needed.

GRI 2 - 16, 2 -23, 2 - 24, 2 - 27

BOARD ACCOUNTABILITY

Regulatory Compliance

The Board of Directors of Access Engineering PLC holds ultimate responsibility for ensuring that the company operates in full compliance with all applicable legal and regulatory requirements. The Board oversees the establishment and effectiveness of a comprehensive compliance framework encompassing appropriate policies, procedures, and monitoring mechanisms to proactively identify, assess, and address compliance obligations. The Board also receives regular updates on compliance matters to ensure emerging regulatory developments, or areas of concern are promptly identified and addressed in a timely manner, thereby safeguarding the Company's licence to operate and maintaining stakeholder trust.

During the year under review, the Company remained fully compliant with all applicable legal, regulatory, and listing requirements. There were no incidents regarding non-compliance of laws and regulations reported in the current financial year

Financial Control and Reporting

As the main governing authority of the organisation, the Access Board carries the overarching responsibility for ensuring the robustness, integrity, and transparency of the Company's internal control and financial reporting environment. In this regard the Board provides direction and retains authority over decisions of a strategic nature, including the approval of annual operating budgets, capital expenditure programmes, funding structures, dividend declarations, and other significant financial commitments that influence the Company's financial stability and long-term growth trajectory.

Additionally, the Board has instituted a comprehensive financial control system that promotes disciplined financial management through clearly defined approval hierarchies, segregation of duties, reconciliation and verification processes, and continuous monitoring of financial performance and risk exposures. The Board has tasked the Board Audit Committee (BAC) to provide independent oversight of the effectiveness of internal control systems. The BAC reviews financial statements, assesses key financial risks, and monitors the work of internal and external auditors to ensure the adequacy of assurance processes. Where weaknesses or control gaps are identified, the BAC evaluates the findings and recommends appropriate remedial actions for Board consideration.

All statutory and regulatory reporting obligations are subject to formal Board review and approval to ensure accuracy, completeness, and compliance with applicable standards and requirements. This includes interim and annual financial statements, as well as other mandated disclosures. Through this structured governance approach, the Board ensures that financial reporting remains transparent, reliable, and reflective of the Company's true financial position and performance.

For more information, please refer

- The Annual report of the Board of Directors on page 252-258
- Directors' Responsibility for Financial Reporting on page 259
- Directors' Statement on Internal Control Over Financial Reporting on page 260
- Report of the Auditors on page 261-264

Risk Management and Internal Control

The Board is responsible for ensuring the establishment and continuous strengthening of a robust enterprise risk management and internal control framework that ensures that risk management is fully integrated into strategic planning and resource allocation processes across the Company. In the current year, the Board further enhanced the risk governance structure through the establishment of a dedicated Board Risk Committee to bring more focused risk oversight. The Risk Committee supports the Board by reviewing the Company's risk profile, monitoring key risk exposures, and evaluating the effectiveness of mitigation strategies across strategic, operational, financial, and compliance risk areas.

CORPORATE GOVERNANCE

The Board Audit Committee, acting as an independent source obtains assurance from both internal and external auditors on the adequacy and effectiveness of the Company's risk management and internal control systems. The BAC reports directly to the Board regarding gaps or deficiencies are identified, along with recommendations for corrective actions.

For more information, please refer

» Risk Management Report on page 69-82

CONDUCT AND ETHICS

The Access Engineering PLC Board strives to lead by example in setting the tone from the top in promoting a culture where ethical behaviour is expected, reinforced, and consistently demonstrated at all levels of the organisation.

Access Engineering PLC – Conduct and Ethics Framework

Internal Code of Business Conduct and Ethics

The Board has institutionalised a formal Internal Code of Business Conduct and Ethics that defines the standards of professional behaviour expected from Directors, management, and employees. This Code provides clear guidance on key areas such as integrity in decision-making, conflicts of interest, fair dealing, confidentiality, respect for stakeholders, and compliance with applicable laws and regulations.

Anti-Bribery and Corruption Policy

The Board maintains a strict zero-tolerance approach to bribery and corruption through the implementation of a comprehensive Anti-Bribery and Corruption Policy, which prohibits all forms of bribery, facilitation payments, improper inducements, and unethical business practices. The Board ensures policy effectiveness through regular review and updates in line with applicable anti-corruption laws and international best practice standards.

Whistle blowing Mechanism

To strengthen ethical accountability, the Company has established a Whistle blowing mechanism that enables employees and external stakeholders to report suspected misconduct or unethical behaviour in a confidential and secure manner. The framework also ensures that whistle blowers are protected from any form of retaliation, thereby encouraging a culture of openness and ethical responsibility across the organisation. Further, the Board oversees the integrity and effectiveness of this process, ensuring that all reported concerns are independently investigated and appropriately addressed.

IT Governance

The Board assumes the primary responsibility for overseeing the Company's information technology governance framework and ensuring that IT strategy is fully aligned with the Company's overall business objectives. In this regard, the Board is responsible for approving the Company's annual IT budget and ensuring adequate investments are made in technology infrastructure, systems enhancement, and cybersecurity resilience for the development of scalable, secure and efficient digital ecosystems that supports operational performance, innovation, and sustainable growth.

The Company IT manager, operating under delegated authority from the Board, is responsible for the execution of the approved IT strategy, including the identification, evaluation, and implementation of technology initiatives aimed at strengthening digital capabilities, improving process efficiency, and enabling data-driven decision-making across the organisation. The IT manager also monitors global technology trends, regulatory developments, and emerging cybersecurity risks to ensure appropriate safeguards and

preventive measures are implemented proactively to safeguard the integrity, confidentiality, and availability of the Company's information assets.

HR Governance

The Board provides strategic oversight of human resource governance to ensure that the Company's people management practices are aligned with applicable legal requirements, organisational values, and long-term strategic objectives. In fulfilling this role, the Board oversees the development of HR policies in compliance with national labour laws and relevant international frameworks, including applicable International Labour Organisation (ILO) conventions and United Nations Global Compact principles for safeguarding employee rights, promoting fairness, and ensuring respect for workplace dignity across all levels of the organisation.

Operational responsibility for human resource management is delegated to the Company's HR function, which is responsible for the implementation of approved policies and procedures. The HR function is also responsible for key people management processes, including workforce planning, recruitment, performance management, learning and development, and employee engagement, all designed to build a capable, resilient, and future-ready workforce that supports the Company's strategic direction.

For more information, please refer

» Human Capital on page 120 to 137

GRI 2- 14

Sustainability Governance and Reporting

The Access Board provides strategic oversight of the Company's sustainability agenda to ensure that environmental, social, and governance (ESG) considerations are effectively embedded within long-term planning and integrated into core business decision-making. In line with this responsibility, the Board ensures that material sustainability matters are appropriately identified, prioritised, and translated into actionable strategies that support responsible growth and sustained value creation.

Execution of the sustainability agenda is delegated to the ESG Steering Committee, a management-level forum comprising cross-functional senior representatives from key functional areas. The Committee is responsible for translating Board-level direction into implementation plans, policies, and measurable performance indicators that drive consistent ESG integration across the Company. It meets on a periodic basis to monitor progress against the sustainability roadmap, assess ESG-related risks and emerging opportunities, and review the effectiveness of stakeholder engagement initiatives. A key aspect of its mandate is also to enhance the integrity and reliability of sustainability data and reporting processes, ensuring consistency, completeness, and readiness for external assurance and disclosure requirements.

Under the supervision of the ESG Steering Committee, ESG focal points support the rollout of initiatives and coordinate data collection across business units subsidiaries, project sites, and functional teams.

The Board continues to reinforce a culture of transparency and accountability in sustainability reporting, with disclosures aligned to recognised global frameworks such as the GRI Standards and the Integrated Reporting (<IR>) Framework. During the current year, the Company also advanced preparatory work towards alignment with SLFRS S1 and S2 sustainability and climate-related disclosure standards, marking a further step in strengthening its ESG reporting maturity and regulatory readiness.

For more information, please refer

» S1 & S2 reporting on page 83 to 94

Stakeholder Engagement

The Board acknowledges its responsibility to engage regularly with the Company's stakeholders in order to obtain their insights, views and feedback. The Board approved Stakeholder Engagement Framework creates the platform to support effective and timely engagement with all key stakeholders of the Company.

For more information, please refer

» Stakeholder Engagement on Page 44 to 52

Shareholder Relations and Communication

The Board recognises the shareholders' right to receive timely, accurate, and comprehensive information about AEL and, where applicable, its subsidiaries. In fulfilling this commitment, the Board ensures that all shareholder communications, including quarterly financial results, the Annual Report, and other material disclosures, are published promptly and in full compliance with statutory and regulatory requirements.

For more information, please refer

» The Investor Relations page on 53 to 57

» https://accessengsl.com/investors/

The Annual General Meeting (AGM)

The Annual General Meeting serves as a key platform to facilitate one-on-one contact with the shareholders. Following the conclusion of each financial year, the Board decides on the AGM date, while the notice of the AGM, the Annual Report. Financial statements and any other resolutions to be tabled at the AGM together with the voting procedures, are circulated to shareholders no less than fifteen (15) working days prior to the AGM, in keeping with the CSE listing rules.

Access Engineering PLC's 15th AGM is scheduled to be held on 24th July 2026.

CORPORATE GOVERNANCE

Statement of Compliance under Section 7.6 of the Listing Rules of the Colombo Stock Exchange on Annual Report Disclosures

Principal	Description	Comment/Reference	Compliance Status
CSE Listing Rule 7.6 - Contents of Annual Report			
(i)	Names of persons who during the financial year were directors of the Entity	Board of Directors	Complied
(ii)	Principal activities of the Entity and its subsidiaries during the year and any changes therein	Notes to the Financial Statements	Complied
(iii)	The names and the number of shares held by the 20 largest holders of voting and non-voting shares and the percentage of such shares held	Investor Relations	Complied
(iv)	The float adjusted market capitalisation, Public Holding percentage (%), number of public shareholders and under which option the Listed Entity complies with the minimum Public Holding requirement	Investor Relations	Complied
(v)	A statement of each Director's holding and Chief Executive Officer holding in shares of the Entity at the beginning and end of each financial year	Investor Relations	Complied
(vi)	Information pertaining to material foreseeable risk factors of the Entity	Managing Key Risk	Complied
(vii)	Details of material issues pertaining to employees and industrial relations of the Entity	During 2025/26 there were no material issues pertaining to employees and industrial relations of the Entity	
(viii)	Extents, locations, valuations and the number of buildings of the Entity's land holdings and investment properties	Annual Report of the Board of Directors	Complied
(ix)	Number of shares representing the Entity's stated capital	Annual Report of the Board of Directors on the affairs of the Company	Complied
(x)	A distribution schedule of the number of holders in each class of equity securities, and the percentage of their total holdings	Investor Relations	Complied
(xi)	Financial ratios and market price information	Investor Relations	Complied
(xii)	Significant changes in the Entity's or its subsidiaries' fixed assets and the market value of land, if the value differs substantially from the book value.	Notes to the Financial Statements	Complied
(xiii)	Details of funds raised through a public issue, rights issue and a private placement during the year	In 2025/26 no funds were raised through a public issue, rights issue or a private placement.	
(xiv)	Employee Share Option Schemes and Employee Share Purchase Schemes	The Company does not have any Employee Share Option Schemes or Employee Share Purchase Schemes	

Principal	Description	Comment/Reference	Compliance Status
(xv)	Disclosures pertaining to Corporate Governance practices in terms of Section 9 of the Rules	» Board of Directors » Compliance with Code of Best » Practice on CG jointly issued by CA Sri Lanka and SEC » Annual Report of the Board of Directors » Notes to the Financial Statements » Audit Committee Report	Complied
(xvi)	Related Party transactions exceeding 10% of the Equity or 5% of the total assets of the Entity as per Audited Financial Statements, whichever is lower. Details of investments in a Related Party and/or amounts due from a Related Party to be set out separately.	» Related Party Transactions Review » Committee Report » Notes to the Financial Statements	Complied

Statement of Compliance under Section 9 of the Listing Rules of the Colombo Stock Exchange on Corporate Governance

Principal	Description	Comment/Reference	Compliance Status
9.1 - Corporate Governance Rules			
9.1.3	A statement confirming compliance with Corporate Governance Rules	Corporate Governance Section	Complied
9.2 - Policies			
9.2.1	Policies	The company has established and continues to maintain the policies listed in section 9.2.1	Complied
9.2.3 (i) and (ii)	List of policies in place as per 9.2.1, with reference to website Any changes to policies adopted	The policies were uploaded to the company website. https://accessengsl.com/wp-content/uploads/2024/10/Corporate-Governance-Policies-1.pdf No changes were made during the financial year	Complied
9.2.4	Policies to be made available on written request to shareholders	Available on the corporate website and provided to shareholders upon written request to the Company	Complied
9.3 - Board Committees			
9.3.1	Minimum required Board Committees	The required committees are maintained and are functioning effectively	Complied
9.3.2	Compliance with the composition, responsibilities and disclosures required in respect of the Board Committees	Corporate Governance Section	Complied

CORPORATE GOVERNANCE

Principal	Description	Comment/Reference	Compliance Status
9.3.3	Chairperson of the Board to not serve as the Chairperson of the Board Committees referred in 9.3.1	Corporate Governance Section	Complied
9.4 - Meeting procedures and the conduct of all General Meetings with shareholders			
9.4.1	Recording of all resolution and the following information upon a resolution being considered at any General Meeting shall be maintained	The company maintains all records and information regarding resolutions considered at General Meetings	Complied
9.4.2	Communication and relations with shareholders and investors	The AGM, Annual Report and other General Meetings (as and when required) are the primary means of communication with shareholders. Additionally, the Company makes disclosures on Material and price sensitive matters from time to time to the CSE for dissemination among the public. Similarly the Company's website www.accessengsl.com is updated with financial and project related information, corporate disclosures and other press releases for public viewing	Complied
9.5 - Policy on matters relating to the Board of Directors			
9.5.1 a-j	Listed Entities shall establish and maintain a formal policy governing matters relating to the Board of Directors	Corporate Governance Section The Annual Report of the Board of Directors on page 252-258	Complied
9.6 - Chairperson and CEO			
9.6.1	The chairperson of the company shall be a Non-executive Director, unless otherwise a SID is Appointed by the company	A SID has been appointed by the company and a announcement was made to disclose that the Chairperson of the company is an Executive Director	Complied
9.6.2	Market announcement on the rationale behind the appointment of a SID		Complied

Principal	Description	Comment/Reference	Compliance Status
9.6.3 a-d	The Requirement for a SID	(a) The company has a SID since the Chairperson of the company is an Executive Director (b) The independent Directors met once during the financial year 2025/26, chaired by the SID without the presence of the other Directors to discuss matters and concerns relating to the company and the operation of the Board. Thereafter the SID provided feedback and recommendation from the meeting to the Chairman and the other board members. (c) The SID chaired a meeting of the Non-executive directors once during the financial year 2025/26, without the presence of the Chairperson, to appraise the Chairperson's performance (d) The SID is entitle for a casting vote in the specified in rules 9.6.3 (b) and (c)	Complied
9.6.3 e	SID shall make a signed explanatory disclosures demonstrating the effectiveness of their duties	Statement by the Senior Independent Director	Complied
9.6.4	Rational for the appointment of a SID set out in the Annual Report	Since the Chairperson is also an Executive Director, having a Senior Independent Director is important to prevent any single person from having too much unfettered powers. Having a SID helps to ensure that all Directors can think and decide independently.	Complied
9.7 - Fitness of Directors and CEO			
9.7.1 to 9.7.5	Requirement to meet the fit and proper criteria stipulated by the CSE and related disclosures	The Managing Director and the Board of Directors met and satisfied the fit and proper criteria stipulated by the CSE throughout the year	Complied
9.8 - Board Composition			
9.8.1	The Board of Directors of a entity shall, at a minimum consist of five Directors	Board of Directors	Complied
9.8.2	Minimum number of Independent Directors	Board of Directors	Complied
9.8.3 (i) to (ix)	Requirements for meeting criteria to be an Independence	All Independent Directors met the independence criteria set by the CSE	Complied

CORPORATE GOVERNANCE

Principal	Description	Comment/Reference	Compliance Status
9.8.5 a and b	Signed and dated declaration of each Independent Director Determination of independence or non-independence of each INED	Corporate Governance	Complied
9.9 – Alternative Directors			
a to e	Appointment of Alternative Directors	The board does not have any alternative directors	
9.10 - Disclosures relating to Directors			
9.10.2 and 9.10.3	The company, upon the appointment of a new director to its board and any changes to the board composition shall make an immediate market announcement	Timely market announcement was made through the CSE	Complied
9.10.4 (a-i)	Disclosures in relation to the directors	» Board of Directors » Corporate Governance » Sub-committees Reports	Complied
9.11 – Nomination and Governance Committee			
9.11 1 - 3	Nomination and Governance Committee	Nomination and Governance Committee Report	Complied
9.11.4	Composition	Nomination and Governance Committee Report	Complied
9.11.5	Functions	Nomination and Governance Committee Report	Complied
9.11.6	Disclosure in Annual Report	Nomination and Governance Committee Report Corporate Governance	Complied
9.12 – Remuneration Committee			
9.12.3	The remuneration committee shall establish and maintain a formal and transparent procedure for developing policy on EDs and individual directors	Remuneration Committee Report	Complied
9.12.4	Remuneration for NEDs should be based on a policy of non-discriminatory pay practices to ensure the independence is not impaired	Remuneration of the Non-Executive Directors of the company is recommended by the Board collectively. No Directors is involved in deciding his own remuneration	Complied
9.12.5	The remuneration committee shall have a written terms of reference clearly defining its scope, authority, duties and matters pertaining to the quorum of meeting	Remuneration Committee Report	Complied

Principal	Description	Comment/Reference	Compliance Status
9.12.6	Composition	Remuneration Committee Report	Complied
9.12.7	Functions	Remuneration Committee Report	Complied
9.12.8	Disclosures in Annual Report		
9.12.8 a	Names of Remuneration Committee chairperson and members	Corporate Governance	Complied
9.12.8 b	Statement of remuneration policy	Remuneration Committee Report	Complied
9.12.8 c	Aggregated remuneration paid to EDs and NEDs	Notes to the Financial Statements	Complied
9.13 - Audit Committee			
9.13.2	The audit committee shall have written terms of reference clearly defining its scope, authority, and duties	Audit Committee Report	Complied
9.13.3	Composition	Audit Committee Report	Complied
9.13.4	Functions	Audit Committee Report	Complied
9.13.5	Disclosure in Annual Report	Corporate Governance Audit Committee Report	Complied
9.14 - Related Party Transactions Review Committee			
9.14.2 (1)	RPTR Committee shall comprise of a minimum of 3 members, majority of whom should be IDs and an ID shall be appointed as the Chairperson	RPTR Committee Report	Complied
9.14.3	Functions	RPTR Committee Report	Complied
9.14.4	General Requirements	Corporate Governance RPTR Committee Report	Complied
9.14.5	Review of Related Party Transactions by the RPTR Committee	Corporate Governance RPTR Committee Report	Complied
9.14.6	Shareholder Approval	Corporate Governance RPTR Committee Report	Complied
9.14.7	Disclosures	Corporate Governance RPTR Committee Report	Complied
9.14.8 (1)	Details pertaining to Non-Recurrent Related Party Transaction	Notes to the Financial Statements	Complied
9.14.8 (2)	Details pertaining to Recurrent Related Party Transaction	Notes to the Financial Statements	Complied

CORPORATE GOVERNANCE

Principal	Description	Comment/Reference	Compliance Status
9.14.8 (3)	Report of the Related Party Transaction Review Committee	Corporate Governance RPTR Committee Report	Complied
9.14.8 (4)	Declaration by the BODs as an affirmation statement of compliance with the rules pertaining to RPTs or a negative statement otherwise	Report of the Board of Directors	Complied
9.14.9 (1) and (2)	Shareholder approval for acquisition and disposal of substantial assets	There was no acquisition or disposal of substantial assets during the year 2025/26	Complied
9.14.9 (4) (5) and (6)	Competent independent advice with regard to the value of the substantial assets of the Related Party Transaction	There was no related party transaction which amounted to a substantial assets during the year 2025/26	Complied
9.16 - Additional Disclosures			
(i)	Directors have declare all material interests in contracts and have refrained from voting when materially interested	Report of the Board of Directors	Complied
(ii)	Directors have conducted a review of the internal controls and obtained reasonable assurance of their effectiveness and adherence	Report of the Board of Directors	Complied
(iii)	Directors are aware of laws, rules and regulations and their changes particularly to Listing Rules and applicable capital market provisions	Report of the Board of Directors	Complied
(iv)	Disclosures of material non-compliance with laws or regulation and fines by any government or regulatory authority where the Entity operates	Report of the Board of Directors	Complied

GRI 2-17

THE COMPANY'S ADHERENCE TO CODE OF BEST PRACTICES ON CORPORATE GOVERNANCE ISSUED JOINTLY BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF SRI LANKA AND THE SECURITIES AND EXCHANGE COMMISSION OF SRI LANKA.

Principal	Comment	Compliance Status
A Directors		
A.1 The Board		
A.1	The Company is headed by a Unitary Board comprising of ten members. The primary objective of the Board is to provide necessary stewardship, strategic direction, a policy framework and a governance structure in order to achieve the Vision of the Company. The Board regularly monitors the performance of the Company against goals and targets set on a periodic basis and discusses the same at Board meetings in great detail. Composition of the Board is set out on page 202 All Executive Directors are a part of the Company's Corporate Management Team. The Board consists of professionals from diverse fields such as Engineering, Accounting, Finance, Risk Management, Business Development, Human Resources and Consultancy, bringing independent judgment and perspectives for the efficient functioning of the Board and discharge of duties. They also sufficiently represent professional, academic and entrepreneurial domains, all of which are necessary for the effective functioning of the Board. Additionally, all Members of the Board possess adequate levels of skills, competencies and knowledge in their respective fields of specialisation so as to provide overall strategic direction to the Company. The Board also sets the level of Risk Appetite of the Company. There are six Subcommittees of the Board of which four are mandatory and two are voluntary. These Committees ensure the Company's adherence to best practices of corporate governance in conducting business.	Complied
A.1.1	During the year, four scheduled Board meetings were conducted, all of which were well planned and informed in advance and all Members were eligible to attend. Attendance of Members at meetings is given on page 210. As and when the need arise Special Board meetings are also conveyed though no such meeting was held during the year under review. In addition to the above, the Board Subcommittees also met at various frequencies to discuss matters under their purview as elaborated in detail under their respective Reports.	Complied
A.1.2	Refer Corporate Governance Section	Complied
A.1.3	The Board collectively and the Directors individually, have recognised their duty to act in accordance with the prevailing Laws of the Country. The Board also complies with the sound framework of business practices in place, which further strengthens compliance with existing laws and regulations. In matters of strategic importance to the company, the Board obtains independent professional advice, if it deems necessary, at the expense of the Company.	Complied
A.1.4	All Directors had access to the services of a professional Company secretarial body, which ensured that the Board received information on a timely manner for the effective conduct of meetings. The firm also provided the Board with advice on matters relating to compliance with rules and regulations, proper conduct of meetings and the adoption of best practices of corporate governance. The firm is also responsible for the distribution of the Company's Annual Report to its shareholders.	Complied

CORPORATE GOVERNANCE

Principal	Comment	Compliance Status
A.1.5	All Directors are encouraged to bring independent judgment on matters relating to strategic direction of the Company, effective utilisation of resources, performance and business conduct. The vast experience and knowledge they possess in their specialised fields ensure the execution of this judgment. Transparency of the judgments is further enhanced with the existence of three Independent Non-Executive Directors who continue to critically evaluate the decisions of the Executive Directors. The Board has put in place a culture of accepting the contribution of each member and all Directors have an equal opportunity to express their views and ideas. The composition of the Board is sufficient enough to ensure balance of power and no Director dominates the conduct of meetings or the Board's decision-making process.	Complied
A.1.6	All Directors dedicated an adequate amount of time on matters relating to the Company and the Board. Their contribution to the Company was evident in the participation at Board meetings, Board Subcommittee meetings and in the decisions passed through circular resolution. Relevant Board Papers, together with supplementary information, were sent at least a week prior to the Board meetings so as to give them adequate time to critically review and study the contents. In the event additional information was requested by the Board through the Company Secretary the same was made available at the earliest in order to enhance the effectiveness of Board decisions.	Complied
A.1.7	One third of the directors could request for a resolution to be presented to the Board for the best interest of the Company.	Complied
A.1.8	A new Director who is appointed to the Board receives an orientation on the operations, risk management, internal control and other areas from the Managing Director in order to familiarise the new Director with the Company. Majority of the Independent Non-Executive Directors are members of the Sri Lanka Institute of Directors. Each Director was well aware of the need to continuously enhance his knowledge and skills so as to effectively perform his duties as a Director. Knowledge sharing among members, attending seminars organised by relevant professional bodies, participating in industry advancement sessions and policy making initiatives are some of the methods adopted during the year with respect to training and development.	Complied
A.2 Chairman and Chief Executive Officer (CEO)		
A.2	The Chairman is responsible for the effective conduct of the business of the Board, while the executive responsibility for management of the Company's business is vested with the Managing Director. Hence there is a balance of power and authority. The Managing Director is supported by the Corporate Management in managing the day-to-day affairs of the Company. Decision-making at the highest level happens by adopting the rule of simple majority. No one individual is vested with unfettered powers of decision-making.	Complied
A.2.1	The Chairman is mainly responsible for leading, directing and controlling the affairs of the Board including the Board Balance, effective conduct of Board meetings and Special meetings of the Board. He is also responsible for maintaining effective external relationships. Day-to-day affairs of the Company are headed by the Executive Vice Chairman (EVC) who is supported by the Managing Director (MD). The EVC and MD give leadership to the Corporate Management team who is collectively responsible for the conduct of day-to-day operations.	Complied

Principal	Comment	Compliance Status
A.3 Chairman's Role		
A.3	As the highest member of the organisation, the Chairman is committed to the practice of good corporate governance. As the head at the Board meetings, the Chairman ensures that the Board members receive adequate information prior to every meeting together with the agenda to enable them to take accurate decisions about the Company, facilitates discussions at the meetings to include the views of all Members, encourages participation of all members in the decision-making process and ensures accurate recording of proceedings via minutes through the Company Secretary. He is responsible for ensuring that the objectives of the meeting are achieved and adequately discussed among its members. The Chairman is also responsible for the composition and the structure of the Board, representing the views of the Company to the public, maintaining relationships with shareholders and overseeing the self-evaluation of Board members performance.	Complied
A.3.1	The Chairman is responsible for making sure that the agenda, minutes of prior meetings, Board papers and supplementary information are circulated among the members in advance, giving sufficient time for preparation. Agenda for each Board Meeting is finalised by the Chairman in consultation with the Company Secretary and where necessary, feedback from the other Members is taken.	Complied
A.4 Financial Acumen		
A.4	A brief profile of each member of the Board of directors is given on pages 34 to 37.	Complied
A.5 Board Balance		
A.5	The Board compromises of ten Directors of which five are Executive Directors and five are Non-Executive. This ratio was maintained throughout the Financial Year. Composition of the Board is set out on page 202 No individual or small group of individuals can dominate the Board's decision-taking. Non-Executive Directors are not involved in the day-to-day operations of the Company, thus ensures independent judgment. Non-Executive Directors are also veterans in their respective fields both academically and professionally thus deemed suitable to hold office.	Complied
A.5.1	50% of the Board of Directors of the Company operates in a Non-Executive capacity. Every Non-Executive Directors on the Board has excelled in their respective discipline. Thus their contribution to the decision-making of the Board was noteworthy during the year, both quantitatively as well as qualitatively.	Complied
A.5.2	The Board of Directors of the company Comprises five Non-Executive Directors out of which three are Independent. Composition of the Board is set out on page 202 (five NED in which three should be independent)	Complied
A.5.3	Three Independent Non-Executive Directors on the Board are not involved in day-to-day affairs of the Company and they do not have any business or other relationship that could materially interfere with the exercise of their unfettered and independent judgment. Additionally, each Independent Non-Executive Directors submits a written declaration of his independence to the Board on an annual basis. This written annual submission is also considered as a part of their annual performance evaluation. Based on the written declaration submitted by the Independent Non-Executive Directors for the financial year 2025/26, they were considered as continuing to be independent.	Complied
A.5.4	During the year, each Non-Executive Director submitted a dated and signed declaration regarding their independence against the specified criteria set out in the Code. While this declaration fulfilled the requirements of Schedule C of this Code, no circumstance rose for the determination of independence by the Board outside the criteria set out by the Code.	Complied

CORPORATE GOVERNANCE

Principal	Comment	Compliance Status
A.5.5	Based on the declarations submitted to the Board and other information available, the following Non-Executive Directors' of the Board were decided to be independent as at the end of the Financial Year. » Mr. M J S Rajakariar » Mr. R P Pathirana » Mr. C V Kulatilaka The Board considered the annual declaration made by the Non-Executive Directors' to be a fair representation of their independence.	Complied
A.5.6	This is not applicable as there are no Alternate Directors in the Company	N/A
A.5.7	The SID was appointed to the board because Chairman is not an independent director	Complied
A.5.8	Please refer "Statement by the SID" in this report	Complied
A.5.9	The Chairman holds meetings with the NEDs' without the presence of Executive Directors as and when necessary. During the year one such meeting was held.	Complied
A.5.10	During the year, there were no matters of the Company that the Board was unable to resolve unanimously. However, in the event such matter arises, the Company Secretary records same in sufficient detail in the Board minutes. These minutes are circulated among Board members prior to the next meeting.	Complied
A.6 Supply of Information		
A.6	The Board was provided with timely information by way of Management Reports, Proposals and Board Papers during the year. The information was made available by the Company Secretary along with the agenda at least seven days prior to the meeting in order to provide sufficient, time for preparation. In the event, information provided was not sufficient supplementary information was provided on the request of Board Members.	Complied
A.6.1	Members of the Board (mainly Executive) are provided with Management Reports, Proposals and Project Performance Reports on a monthly basis, both in a quantitative and qualitative manner. In addition to this, the entire Board is provided with Board Papers and other relevant information by the Corporate Management. The Board is also appraised on areas such as CSR, Risk Management, Corporate Governance, Human Resources and Legal Compliance by the Corporate Management time to time. Instances where additional information is required the same is requested, from the Corporate Management or the responsible individuals. As and when necessary, the Corporate Management also makes presentations to the Board in order to enable sound decision-making. The Board has free and open access to all Corporate Management members. The Chairman ensured that all Board Members were briefed sufficiently on any matter/s arising from the meeting/s. Any Director who was unable to attend a particular Board meeting is briefed on the proceedings before the next meeting by the Chairman and through the minutes of the meeting.	Complied
A.6.2	As a norm, all board papers are circulated to the Board members seven working days before hand for them to study the materials and prepare themselves for the meeting and the within two weeks of the meeting the decisions taken and the discussion points are minute and circulated for their review/comments and finalisation.	Complied

Principal	Comment	Compliance Status
A.7 Appointments to the Board; Nomination Committee		
A.7	All Board appointments are based on the capacity of the individual concerned to pass the 'fit and proper' test, which in turn is based on the qualifications, experience and the value that can be added by the individual to the Board as well as to the Company. Existing Directors are vested with the autonomy to critically evaluate the potential candidate in the above test and a final decision is taken by the Board collectively.	Complied
A.7.1	The Company has established a Nomination and Governance Committee. Refer Nomination and Governance Committee Report	Complied
A.7.2	During the year, the Board critically evaluated the 'quality' of the Board in terms of their qualifications, experience, independence and the value that can be added to the Company to effectively meet the demands of the Company. The Board is satisfied with its composition and the level of qualifications, knowledge and experience it possesses as a whole in order to meet strategic demands facing the Company.	Complied
A.7.3	The Committee ensures that succession plans are established for the key management personnel and supports the identification of training and development requirements for potential successors.	Complied
A.7.4	No new appointments were made to the Board during the year under review.	Complied
A.7.5 and A.7.6	Refer Nomination and Governance Committee Report	Complied
A.8 Re-Election		
A.8	Directors are re-elected with the sanction of the shareholders at the Annual General Meeting of the Company. The Articles of Association of the Company requires one NED to appear for re-election every year and as such 2025 saw the re-election of Company Mr. Shamal J S Perera who retired by rotation. Generally, Directors who retire are the ones who have held office for the longest period since election and reappointment. Recommendations on the re-election of Directors are given by the Company Secretary and the same is reviewed by the Board. In terms of the Articles of Association of the Company Mr. S D Perera will retire by rotation and being eligible will offer him-self for re-election at the forthcoming Annual General Meeting.	Complied
A.8.1	In terms of the Articles of Association of the Company, one NED is required to retire by rotation every year. The re-election of NEDs' is sanctioned by the shareholders at the AGM of the Company.	Complied
A.8.2	Refer Nomination and Governance Committee Report	Complied
A.8.3 Resignation	No resignations were made from the Board during the year under review.	Complied
A.9 Appraisal of Board Performance		
A.9	Performance of the Board is evaluated from time to time with at least once a year to ensure that responsibilities are satisfactorily discharged. Appraisal of Board performance is usually coordinated by the Company Secretary and overseen by the Chairman.	Complied
A.9.1	In order to retain the enthusiasm in company operations overall the Board members meet the chairman and conduct face to face discussions on the members anticipated suggestions for the betterment of the Company and the Chairman there address the performance remarks of the individual Board members that he has observed during the year.	Complied

CORPORATE GOVERNANCE

Principal	Comment	Compliance Status
A.9.2	The Board carried out an annual evaluation of its performance, including that of its Committees, Chairman, Executive Directors, and Non-Executive Directors. The results of these evaluations were reviewed to enhance Board effectiveness, governance processes, and the overall balance of skills, experience, and expertise within the Company.	Complied
A.9.3	When a member's name is up for re-election the rest of the Board members discuss the value addition brought by that particular member to the Board and the contribution made thereof. And based on the discussion points the decision is made as to re-elect the member or not to. The discussion points are being minuted under the Board meeting minutes.	Complied
A.9.4	The performance of the Board has been appraised though a formalised process of individual appraisal by enabling each member to self-appraise on an anonymous basis	Complied
A. 10 Disclosure of Information in Respect of Directors		
A.10	Shareholders are informed as and when necessary about changes to the Board, interest in the shares of the Company and other relevant details through disclosures and financial results released to the CSE for public dissemination.	Complied
A.10.1	Please refer the following pages 34 to 37 for the information relating to Directors of the Company.	Complied
A.11 Appraisal of Chief Executive Officer	Not applicable as the Company doesn't have a CEO.	N/A
B. Directors' Remuneration		
B.1 Remuneration Procedure		
B.1	Remuneration payable to the Executive Directors of the Company is recommended by the Remuneration Committee. Remuneration payable to the Non-Executive Directors of the Company is recommended by the Board as a whole. No Director is involved in deciding his own remuneration.	Complied
B.2 Remuneration Committee		
B.2	The remuneration package of both Executive and Non-Executive Directors is based on a variety of factors including their contribution to the Company, market rates of remuneration and their expectation. The Board is aware of the fact that the level of remuneration should be sufficient enough to attract and retain Directors of high calibre to direct the Company. Portion of the remuneration of the Executive Directors' is linked to their performance which is evaluated against targets set and agreed at the beginning of the period.	Complied
B.2.1	The Board has established a Remuneration Committee responsible for recommending remuneration policies and frameworks for Directors and senior management, ensuring fair, transparent, and effective remuneration practices, including post-employment and terminal benefits.	Complied
B.2.2	Refer Remuneration Committee Report in this report	Complied
B.2.3	The Remuneration Committee consulted the Chairman and the Vice Chairman in providing recommendations regarding the remuneration of other Executive Directors. The Chairman and the Vice Chairman are not remunerated by the Company.	Complied

Principal	Comment	Compliance Status
B.2.4	The Remuneration Committee considers the value addition of Executive Directors and their contribution to the achievement of short and long-term objectives in structuring their remuneration packages so as to ensure that nothing is paid more than necessary.	Complied
B.2.5	As the remuneration of the key personnel are being decided and approved by the Board based on the evaluation and recommendation made by the Remuneration committee in parity with the current market rates and packages provided, the executive Directors' remuneration also followed by the same process, also providing specific targets in the ED's TOR which directs the ED in achieving the organisational performance goals in overall.	Complied
B.2.6	The Committee conducts an analysis of other companies in the industry in deciding the levels of remuneration of the Company. If the need arises the Company carries out an annual salary survey in determining the level of remuneration of key positions and their increment.	Complied
B.2.7	Companies within the Group operate in different industry and market sectors where the remuneration and employment conditions are substantially different to those of the Company.	Complied
B.2.8	The extent of contribution and value addition towards achieving the set targets and objectives of a particular year is the key determinant in deciding the performance related element of the remuneration of the Executive Directors.	Complied
B.2.9	Not applicable as there are no Executive share options in the Company.	N/A
B.2.10	Provisions of Schedule G of the Code were followed in designing schemes of performance related remuneration.	Complied
B.2.11	There are no compensation commitments (including pension contributions) in Directors contracts of service.	N/A
B.2.12	Not applicable as the Company's objective is to avoid early termination by all means.	Complied
B.2.13	The Board has established a Remuneration Committee to recommend remuneration policies and frameworks for Directors and senior management, ensuring remuneration practices are fair, transparent, and aligned with the Company's objectives, including post-employment and terminal benefits.	Complied
B.2.14	The remuneration of Non-Executive Directors reflects the degree of responsibilities and the level of time commitment extended by them in contributing and adding value to the Company's decision-making. The NEDs' do not have any share options in the Company.	Complied
B.2.15 and B.2.16	Refer Remuneration Committee Report in this report	Complied
B.3 Disclosure of Remuneration		
B.3	Compensation paid to Key Management Personnel is given in page 318 of this Report. Remuneration committee Report is given in the page no. 241	Complied
B.3.1	Names of the members of the Remuneration Committee and the remuneration paid to executive and non-executive directors are given in pages 241 and 314 of this Report respectively.	Complied
B.3.2	Refer B.3.1	Complied

CORPORATE GOVERNANCE

Principal	Comment	Compliance Status
C Relations with Shareholders		
C.1 Constructive Use of the Annual General Meeting (AGM) and conduct of General Meetings		
C.1	The Company considers the AGM as the primary tool of communication with shareholders. The Notice of Meeting inviting all shareholders is given on page 352 of this Report. All shareholders are free to raise any queries from the Board, on matters relating to the Company at the AGM. The Board encourages an open dialogue with shareholders at the AGM. Usual proposals adopted at the AGM include the Annual Report and the Accounts, reappointment of Directors and Auditors and any other matter that require shareholder approval as per the provisions of the Articles Association of the Company.	Complied
C.1.1	All related papers and the Notice of Meeting are sent to the shareholders 15 days before the AGM through the Company Secretary.	Complied
C.1.2	To receive and consider the Annual Report and Accounts is the first resolution adopted at every AGM. Further, the Company proposes separate resolutions on each substantially separate issue. Hence shareholders are given the opportunity to vote separately on each substantial issue.	Complied
C.1.3	The secretariat and admin teams have strict follow up from the day the notice of the meeting along with the Annual report is sent to the shareholders. They track the appointed proxies at the time of the registration of the AGM and the Secretary teams do note the casted votes in favour of the passed resolutions accordingly.	Complied
C.1.4	Before the AGM date, the company Board and the respective sub committees meet and organise how the AGM should process and run through the possible questions that the management may face. Accordingly all the committee heads are prepared in an instance where a related question is post to answer them.	Complied
C.1.5	The notice of meeting and related documents is circulated to the Shareholders 15 working days prior to the AGM. Summary of the procedures governing voting at the AGM is provided in the proxy form, which is circulated to Shareholders together with the notice of meeting 15 working days prior to the AGM. The Board encourages all Shareholders to attend and actively participate in the AGM. The Shareholders may raise any queries they have with the Directors.	Complied
C.2 Communication with Shareholders		
C.2	The AGM, Annual Report and other General Meetings (as and when required) are the primary means of communication with shareholders. Additionally, the Company makes disclosures on Material and price sensitive matters from time to time to the CSE for dissemination among the public. Similarly the Company's website www.accessengsl.com is updated with financial and project related information, corporate disclosures and other press releases for public viewing.	Complied
C.2.1	Refer comment given under C.2. Complied	Complied
C.2.2	The Company's policy on information dissemination is based on the prime need of creating a fair market for the Company's securities among all market participants. Hence the Company focuses on accurate, timely, relevant and open information dissemination and communication so as to avoid any market malpractice or doubt.	Complied
C.2.3	The Company has disclosed the contact information in all their publications and always encourages our shareholders to connect with us. Apart from that in our website we have allocated a separate page indicating Investor information such as the market price per share	Complied
C.2.4	The point of contact is given in page 7 of this Report	Complied

Principal	Comment	Compliance Status
C.2.5	The shareholders are free to correspond with the Board either directly or through the Company Secretary as they wish. The Directors can also be met by the shareholders on appointment. The Company Secretary keeps a record of all valid correspondence from the shareholders and directs them to the appropriate Board member who in return would respond as necessary. The Company also has a dedicated investor relations email that could be equally utilised by any shareholder to correspond.	Complied
C.2.6	Both the Company Secretary as well as members of the Board acts as contacts points in relation to shareholder matters.	Complied
C.2.7	Responses to shareholder queries addressed directly to individual members of the Board are provided by the respective Board members, whereas queries addressed to the Company Secretary are responded to by the relevant Director through the Company Secretary.	Complied
C.3 Major and Material Transactions		
C.3	Refer the Related Party Transactions Review Committee Report on page 239 and Note 29 of Notes to the Financial Statements.	Complied
C.3.1	Refer the Related Party Transactions Review Committee Report on page 239 and Note 29 of Notes to the Financial Statements.	Complied
C.3.3	Refer the Related Party Transactions Review Committee Report on page 239 and Note 29 of Notes to the Financial Statements.	Complied
D Accountability and Audit		
D.1 Financial and Business Reporting (The Annual Report)		
D.1	The Annual Report of the Board of Directors on the Affairs of the Company making the relevant declarations is given on page 252-258 of this Report.	Complied
D.1.1	All related papers and the notice of the meeting are sent to the shareholders 15 days before the AGM through the company secretaries.	Complied
D.1.2	Audited Financial Statements giving a true and fair view of the operations of the Company, Interim Financial Statements and other price sensitive disclosures are made by the Company periodically and as and when required in accordance with the applicable rules and regulations. In these aspects the Company complied with the requirements of the Companies Act No. 07 of 2007, Registrar of Companies, Department of Inland Revenue and Sri Lanka Accounting Standards, Sustainability Disclosure Standards and reporting requirements of the Colombo Stock Exchange and the Securities and Exchange Commission of Sri Lanka.	Complied
D.1.3	The Financial statements itself has the respective declaration stating that all standards, legal requirements are met with and the General Manager - Finance and the Managing Director signs the financial statements below that declaration. Apart from that and annual declaration is also signed by the GM – Finance and the MD confirming the same.	Complied
D.1.4	The Annual Report of the Board of Directors on the Affairs of the Company making the relevant declarations is given on page 252-258 of this Report.	Complied

CORPORATE GOVERNANCE

Principal	Comment	Compliance Status
D.1.5	'Directors responsibility for Financial Reporting', 'Statement of Auditors' and the 'Directors Statement on Internal Control' are given on pages 259, 261 to 264 and 260 respectively.	Complied
D.1.6	'Management Discussion and Analysis' is given on pages 95 of this Report	Complied
D.1.7	Not applicable as there was no serious loss of capital during the year.	N/A
D.1.8	The Company has set in place an effective and comprehensive system of internal control for identifying, recording and disclosing related party transactions. This system ratified by the Board ensures that there is no conflict of interest when transacting with related parties and that there will be no bias favourable treatment. All related party transactions as defined in Sri Lanka Accounting Standards - LKAS 24 'Related Party Transactions' are disclosed in Note 29 to the Financial Statements.	Complied
D.2 Risk Management and Internal Control		
D.2	The Company operates with a sound system of internal control within an integrated risk management framework that is formulated and ratified by the Board. This system ensures that shareholders interests and Company assets are safeguarded. The Board Audit Committee is responsible to the Board for ensuring the effective operation of the system of internal controls to achieve objectives of the Company. Refer the 'Directors Statement on Internal Controls', Report of the Audit Committee, Enterprise Risk Management report in this report	Complied
D.3 Audit Committee		
D.3	Accounting policies and financial reporting principles of the Company are formulated so as to ensure compliance with all applicable standards, rules and other regulations. At times the guidance of the External Auditors is also sought in this process.	Complied
D.3.1	The Audit Committee comprises three Independent Non-Executive Directors and two Non-Executive Director of the Board. The Chairman of the Committee is an Independent Non-Executive Director	Complied
D.3.2	AEL has developed a Charter for the Audit Committee clearly defining the objective/ Duties of the Committee, each member's duties and responsibilities and administrative arrangements etc.	Complied
D.3.3 Disclosures		
D.3.3	The Audit committee report enhances a descriptive note regarding the Audit committee and how they discharge their duties and also show how they have allocated their valuable time by participating to the meetings and decision making. (Ref. Page No. 236)	Complied
D.4 Risk Committee		
D.4	Risk committee was formed with effect from 3rd February 2026. Refer Corporate Governance Section	Complied
D.5 Related Party Transaction Review Committee		
D.5	As a group norm when transacting with Related parties of the group the responsible parties stress on the price at which the transaction takes place to make sure that neither the buyer nor the seller will gain extra ordinary gain through the same.	Complied
D.5.1	Company has considered the guidelines provided in the LKAS 24 in defining the Related parties, in developing the charter for the Related Party Transaction committee.	Complied

Principal	Comment	Compliance Status
D.5.2	In compliance with the requirements of the voluntary code of the Corporate Governance the Related Party Transaction Review Committee comprise of three Non-Executive Directors who are also independent. Also the Managing Director attends the meetings upon invitation by the committee.	Complied
D.5.3	Company has developed a Charter for the Related Party Transaction Review Committee clearly defining the objective/ Duties of the Committee, each member's duties and responsibilities and administrative arrangements etc.	Complied
D.6 Code of Business Conduct and Ethics		
D.6	Refer page 200 to 213 of this Report. – Corporate governance section.	Complied
D.6.1	AEL has a Code of Ethics which includes the code of conduct and is circulated to Directors and all employees. The Board ensures that the Directors and the employees strictly adhere to the Code of Ethics of the Company in their duties so as not to adversely affect the brand of access in any manner. The violation of the code of ethics is an offence which is subject to disciplinary action.	Complied
D.6.2	The price sensitive transactions relating to Investments are monitored through the Investment Evaluation and Monitoring committee and through the Audit Committee. Significant matters are informed to the board for further action	Complied
D.6.3	Refer the report of the Related Party Transaction Review Committee on page no 239 to 240	Complied
D.6.4	The Company has established procedures for receiving and addressing whistle blowing complaints from employees and other stakeholders relating to non-compliance with the Company's Code of Business Conduct and Ethics, ensuring appropriate handling and confidentiality.	Complied
D.6.5	Training on the Code of Business Conduct and Ethics is provided to new employees as part of the induction process, and annual confirmations of compliance are obtained from all employees.	Complied
D.6.6	The Company ensures companywide communication of its policies and conducts regular awareness initiatives to support compliance. Non-compliance incidents and corrective actions are periodically reported to the Board, while any exemptions or waivers are subject to Board approval with appropriate justification.	Complied
D.6.7	Refer page 200 to 213 of this Report. - Corporate governance section.	Complied
D.7 Corporate Governance Disclosures		
D.7	This Report on the Company's compliance with the CA Sri Lanka/SEC 'Code of Corporate Governance' meets this requirement.	Complied
E Institutional Investors		
E.1 Shareholder Voting		
E.1	Board encourages the active participation of Institutional shareholders at the AGM. In addition, Executive Directors meet institutional shareholders upon their request to discuss about the Company's past performance and future strategies.	Complied
E.1.1	The most structured and continuous dialogue the Company has with the shareholders is the AGM. The Chairman is available to meet shareholders at the end of each AGM and can be met on appointment on other occasions. The Chairman then communicates the views and concerns of shareholders to the Board as a whole.	Complied
E.2 Evaluation of Governance Disclosure		
E.2	Institutional investors are encouraged to give due weight to all relevant factors drawn to their attention in evaluating Companies' governance arrangements.	Complied

CORPORATE GOVERNANCE

Principal	Comment	Compliance Status
F Other Investors		
F.1 Investing/ Divesting Decisions	The Company encourages individual shareholders to carry-out adequate analysis or seek independent advice in investing or divesting decisions. The Company facilitates this process by providing information necessary for the same on a timely and unbiased basis. This Integrated Report prepared by the Company gives sufficient information to shareholders to carry out their own analysis of the Company and its operations.	Complied
F.2 Shareholder Voting	The Company encourages individual shareholders to participate in Annual General Meetings and exercise their voting rights.	Complied
G Internet of things and cyber security		
G.1	Refer Risk Management on page 79 of this Annual Report (Cyber Security Risk)	Complied
G.2	The functions of the CISO are carried out by the Manager IT reporting to the Senior General Manager. The Manager IT is responsible for assessing various Internets of things and Cyber security requirements and to implement necessary strategies, which is discussed with the Senior General Manager to aid in handling unforeseen events such as data loss, data and security breaches.	Complied
G.3	Relevant risks are discussed at Internal Audit Report and reported the same to Audit Committee. The Audit Committee along with the Manager IT reviews potential and ongoing cyber security risks and strategises a course of action. High risk matters are referred to the Board for further actions.	Complied
G.4	Issues are addressed at the Integrated Risk Management audit annually carried out by an independent third party and identified issues are reported through the management letter. The audit findings are thoroughly and periodically reviewed in order to mitigate any potential or ongoing risks as, Internet of Things and Cyber security has become an essential part of the business model due to the ongoing global conditions.	Complied
G.5	The Company adheres to the required level of cyber security by analysing the gravity of the requirement and the IT department does continuous monitoring to mitigate the identified risk.	Complied
H Sustainability: ESG Risk and Opportunities		
H.1 to H.5	Refer Page 81-94 of the Annual Report	Complied
I Special Consideration for Listed Entities		
I.1 Establishment and Maintenance of Policies		
I.2 Policy on matters relating to the Board of Directors		
I.1 and I.2	The Company maintains governance policies and procedures relating to the Board of Directors in compliance with the Listing Rules of the CSE and the applicable Code, ensuring effective governance practices and regulatory adherence.	Complied

Statement of Compliance under Section 168 of Companies Act No. 7 of 2007

Principal	Description	Comment	Compliance Status
Section 168 - Contents of Annual Report			
(1) (a)	The nature of the business of the Group and the Company together with any change thereof during the accounting period	Notes to the Financial Statements	Complied
(1) (b)	Signed Financial Statements of the Group and the Company for the accounting period completed	Financial Statements	Complied
(1) (c)	Auditor's Report on the Financial Statements and any group Financial Statements	Independent Auditors' Report	Complied
(1) (d)	Change in accounting policies made during the accounting period	Notes to the Financial Statements	Complied
(1) (e)	Particulars of entries in the interests register made during the accounting period	Annual Report of the Board of Directors	Complied
(1) (f)	Remuneration and other benefits of Directors during the accounting period	Notes to the Financial Statements	Complied
(1) (g)	Total amount of donations made by the Company during the accounting period	Annual Report of the Board of Directors	Complied
(1) (h)	Names of the persons holding office as Directors of the Company as at the end of the accounting period and the names of any persons who ceased to hold office as Directors of the Company during the accounting period	Board of Directors	Complied
(1) (i)	Amounts payable by the Company to the person or firm holding office as Auditor of the Company as audit fees and as a separate item, fees payable by the Company for other services provided by that person or firm	Notes to the Financial Statements	Complied
(1) (j)	Particulars of any relationship (other than that of Auditor) which the Auditor has with or any interests which the Auditor has in, the Company or any of its subsidiaries	Annual Report of the Board of Directors	Complied
(1) (k)	Be signed on behalf of the Board by two Directors of the Company and the secretary of the company	Financial Statements	Complied

STATEMENT BY THE SENIOR INDEPENDENT DIRECTOR

In accordance with Section 9.6.3 of the Listing Rules of the Colombo Stock Exchange, the Board of Directors designated me as the Senior Independent Director (SID) of the Company.

In accordance with the CSE Listing Rule No. 9.6.3, it is required that a Senior Independent Director (SID) be appointed in the event when the Chairman and CEO is the same person or the Chairman is not an Independent Non-Executive Director, or the Chairman and CEO are closely related parties. As per this Listing Rule, Access Engineering PLC is required to have a SID due to Chairman, Mr. Sumal Perera, being an Executive Director.

ROLE OF THE SENIOR INDEPENDENT DIRECTOR

The Senior Independent Director (SID) plays a key advisory role to the Chairman on matters related to corporate governance and Board effectiveness.

The SID is responsible for upholding the highest standards of transparency and integrity, and is facilitating periodic reviews of the Board's performance and effectiveness.

The SID remains accessible to Director and employee for confidential discussions concerning Company affairs, when required.

ACTIVITIES DURING THE FINANCIAL YEAR

To address matters and concerns related to the organisation and the operations of the Board, I chaired a meeting exclusively with the Independent Directors, held in the absence of the other Directors. The observations and recommendations arising from this meeting were subsequently communicated to the Chairman and the Board.

A separate meeting of the Non-Executive Directors was held without the presence of the Chairman for the purpose of evaluating the Chairman's performance.

As the SID, I affirm that AEL remains committed to upholding the highest standards of corporate governance and adherence to the principles of good governance. The Board of Directors, through its collective responsibility, continues to foster a culture of integrity, accountability, and compliance by fulfilling all legal and regulatory obligations while voluntarily adopting governance best practices. This commitment is intended to strengthen stakeholder confidence and support long-term value creation.

I am confident that I have effectively discharged the responsibilities entrusted to me as the Senior Independent Director in line with the principles and expectations set out in the Corporate Governance guidelines.

VAJIRA KULATILAKA
Senior Independent Director

30 June 2026

NOMINATIONS AND GOVERNANCE COMMITTEE REPORT

GRI 2-10

In terms of Section 9 of the Listing Rules of the Colombo Stock Exchange the Nominations and Governance Committee of the company was formed.

COMPOSITION

The composition of the Nominations and Governance Committee is as below;

Names of the Directors	Directorship Status	Membership Status
Mr. C V Kulatilaka	Senior Independent Non-Executive Director	Chairman
Mr. R P Pathirana	Independent Non-Executive Director	Member
Mr. Shamal J S Perera	Non-Executive Director	Member

KEY RESPONSIBILITIES

The principal responsibilities of the committee include:

- Establish a formal and transparent procedure to evaluate, select and appoint/re-appoint Directors of the Company
- Develop succession plan for Board of Directors and Key Management Personnel of the company
- Review the structure, size and composition of the Board and Board Committees with regard to effective discharge of duties and responsibilities.
- Review and recommended 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.
- Receive reports from the Management on compliance with the corporate governance framework of the company including the company'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 rationale for same.

RE-APPOINTMENTS/ RE-ELECTIONS

According to the Articles of Association, the Committee has recommended the re-election of Mr. Suresh Dilhan Perera to the Board at the Annual General Meeting to be held on 24th July 2026, taking into consideration his performance and the contribution made to achieve the objectives of the Board. He was appointed to the Board in December 2013, and last re-appointed as a Director in September 2024. His directorship and other principal commitments are given in the profile on pages 34 - 37 of this report.

Mr. S D Perera is the brother of the Chairman of Access Engineering PLC and is therefore considered a close family member of key management personnel. Other than this relationship, no directors or their close family members hold more than 10% of the shares of the company.

The committee remains committed to maintaining a robust governance framework and ensuring that the Board possesses an appropriate balance of skills, experience, independence, and diversity. The Company complies with the Corporate Governance requirements set out in the Listing Rules of the Colombo Stock Exchange, with further details provided on pages 214 to 233 of this Annual Report.

VAJIRA KULATILAKA
Chairman
Nomination and Governance Committee

30 June 2026

AUDIT COMMITTEE REPORT

INTRODUCTION

The Audit Committee was established under the Corporate Governance rules of the Colombo Stock Exchange and the Code of Best Practice on Corporate Governance issued jointly by The Institute of Chartered Accountants of Sri Lanka and the Securities and Exchange Commission of Sri Lanka, to assist the board in fulfilling its oversight responsibilities relating to financial and non-financial reporting. The Committee continued to review and report to the Board on the company's financial reporting, internal control system, internal and external audits, risk management processes, compliance with legal and regulatory requirements. These endeavours aim to safeguard the interests of shareholders and all other stakeholders.

The committee functions in accordance with a formal Charter sanctioned by the Board and fully adhere to the stipulations of the Colombo Stock Exchange listing rules, the Companies Act No. 07 of 2007, and the principles of sound governance outlined in the Code of Best Practices on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka.

COMPOSITION

The composition of the Audit Committee is as below.

Names of the Directors	Directorship Status	Membership Status
Mr. M J S Rajakariar	Independent Non-Executive Director	Chairman
Mr. R P Pathirana	Independent Non-Executive Director	Member
Mr. C V Kulatilaka	Senior Independent Non-Executive Director	Member
Mr. S D Perera	Non-Executive Director	Member
Mr. Shamal J S Perera	Non-Executive Director	Member

The Audit Committee comprises of three (3) Independent Non-Executive Directors and Two (2) Non-Executive Directors.

The chairperson of the audit committee possesses the required qualifications and experience in finance and accounting. Further, all members possess financial and or relevant business expertise as required. The Board is satisfied that the committee has an adequate combination of skills and commercial experience to facilitate a satisfactory level of discharge of their responsibilities

COMMITTEE MEETING

The Audit Committee remained active throughout the financial year and convened five (05) times. During these meetings, the Committee reviewed and assessed the effectiveness of the internal control systems to ensure that appropriate safeguards were in place for the Company's assets and the financial reporting processes remained reliable.

All other matters, including the interim Financial Statements, were approved through Circular Resolution, where necessary.

In addition to the Committee members, the Managing Director and the General Manager Finance attended the meetings by invitation. The Head of Internal Audit attended all meetings, and the Company Secretaries attended each meeting.

The attendance at the Audit Committee meetings held during the year under review was as follows;

Names of the Directors	20.05.2025	22.05.2025	14.08.2025	14.11.2025	11.02.2026
Mr. M J S Rajakariar	√	√	√	√	√
Mr. R P Pathirana	x	x	√	√	√
Mr. C V Kulatilaka	√	√	√	√	√
Mr. S D Perera	√	√	√	√	√
Mr. Shamal J S Perera	x	√	√	√	√

* Audit Committee chairman had a meeting with the External Auditors on 20th June 2025

ROLE OF THE AUDIT COMMITTEE

- The Audit Committee supports the Board in fulfilling its overall independent oversight responsibilities, particularly in relation to the accuracy and integrity of the Financial Statements, the effectiveness of internal control systems, and compliance with company policies, as well as applicable legal and regulatory requirements. These efforts aim to safeguard the interests of shareholders and other stakeholders. The scope of the Committee's functions and responsibilities is clearly defined in its Terms of Reference, which are approved by the Board and reviewed periodically to ensure continued relevance and effectiveness.
- Ensuring the effectiveness of the company's systems of internal control, financial reporting, and risk management, as well as compliance with applicable laws and regulations, and evaluating the adequacy and effectiveness of the company's overall governance processes.
- Reviewing all matters related to the company's adopted accounting principles and practices, and evaluating all significant financial, operational, and compliance controls. The Committee is provided with adequate resources to effectively carry out its responsibilities, including necessary support from the internal audit department, external auditors, and senior management.
- Reviewing and recommending the appointment of external auditors and implement policies governing the provision of non-audit services by the external auditors, ensuring alignment with applicable ethical standards and regulatory guidelines. The Committee is also responsible for the pre-approval of all audit and permissible non-audit services provided by the external audit firm, to safeguard auditor independence and maintain the integrity of the financial reporting process.
- Overseeing the integrity and accuracy of sustainability related financial disclosures.

ACTIVITIES DURING THE YEAR 2025/26

Financial Reporting and Significant Judgment

The Committee is responsible for reviewing whether suitable accounting policies have been adopted and whether Management has made appropriate estimates and judgments in the preparation of the Financial Statements. As part of its review the Committee considers the clarity and completeness of disclosures in the Financial Statements to assess whether these have been set appropriately in the context. The Committee also keeps under review the impact of any actual or expected changes to accounting standards applicable to the company and provides general oversight in relation to the financial policies of the company.

The Audit Committee reviewed the quarterly and annual Financial Statements prior to its publication and the review included:

- Appropriateness and changes in accounting policies
- Significant estimates and judgments made by the Management
- Compliance with relevant accounting standards and applicable regulatory requirements
- Impairment of assets
- Issues arising from the internal audit and independent external audit
- The Company's ability to continue as a going concern

External Audit

The Audit Committee reviewed the independence and objectivity of the External Auditors, Messrs KPMG Sri Lanka, and Chartered Accountants. The Audit Committee has met with the External Auditors to review their audit plan and any observations made by them. The Committee has received a declaration from the External Auditors, confirming that they do not have any relationship or interest in the Company or its subsidiaries. The Committee reviewed the non-audit services and its impact on the independence of the External Auditors. The Audit Committee has recommended to the Board that Messrs KPMG be reappointed as the Independent External Auditor and that the reappointment be included in the agenda of the Annual General Meeting.

The current External Auditors, Messrs KPMG Sri Lanka, and Chartered Accountants, have served as the company's auditors since its inception and continued in this capacity to date. In line with applicable regulatory requirements and established best practices, the audit partner is rotated periodically to ensure continued independence and objectivity. The most recent partner rotation took place during the financial year 2024/25

Internal Audit

The Committee reviewed and approved the 2025/26 Internal Audit Plan and continuously monitored progress against the Plan throughout the year. The results of the audits conducted during 2025/26, along with the corresponding management actions, were discussed in detail at each Committee meeting. The Head of Internal Audit attended all of the Committee's meetings during the year and also held discussions with the Committee in the absence of Management.

Risk Management and Internal Control

The Audit Committee played an active role in overseeing the company's risk management and internal control frameworks. The Committee obtained and reviewed statements from the Heads of Business Units, each identifying their key business risks along with the mitigatory actions taken or planned to address those risks. In addition, the Committee conducted assessments of Environment, Social, and Governance (ESG) risks, with a focus on identifying, prioritising, and monitoring sustainability-related risks and opportunities.

To strengthen risk oversight, the Board established a Risk Committee under the oversight of the Audit Committee. The Risk committee is responsible for monitoring risk management activities and supporting the implementation of risk governance practices.

AUDIT COMMITTEE REPORT

The Committee also reviewed the effectiveness of internal control systems, business continuity planning, and information security measures. Where necessary, the Committee recommended appropriate remedial actions to the Board to strengthen these frameworks.

The effectiveness of the company's system of internal controls was assessed through reports submitted by Management, Internal Auditors, and the Independent External Auditors. Based on these evaluations, the Committee was satisfied that a sound internal control system was in place, providing reasonable assurance regarding the safeguarding of the Company's assets and the reliability of its Financial Statements.

ETHICS AND GOOD GOVERNANCE

The Audit Committee remained firmly committed to upholding the highest ethical standards across the company's operations. In support of this objective, the company has implemented a comprehensive Code of Ethics and Professional Conduct, along with robust policies such as the Whistle blowing Policy and the Anti-Bribery and Anti-Corruption Policy. These frameworks require all employees to act with integrity, transparency, and accountability, and to report any suspected misconduct or unethical behaviour through the established whistle blowing channels.

The Committee ensured continued compliance with the company's Code of Ethics and maintained oversight of corporate governance practices to uphold stakeholder trust. All necessary procedures were in place to conduct independent and impartial investigations into concerns raised through whistle blowing or identified by other means, ensuring appropriate action is taken where required.

Support to the Committee

The Committee was supported by the Head of Internal Audit and had unrestricted access to management, Company records, and external advisors. The Chairman wishes to thank fellow Committee members, management, and the external auditors for their continued support and contributions.

CONCLUSION

Based on the information made available to the Committee and the reviews carried out during the year, the Committee is satisfied that the Company's financial reporting process is sound, and that the system of internal controls is adequate and effective. The Committee is also satisfied that the Company has complied, in all material respects, with the requirements of the Companies Act No. 07 of 2007, the Colombo Stock Exchange Listing Rules, and other applicable regulatory requirements.

MANO RAJAKARIAR
Chairman
Audit Committee

30 June 2026

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE REPORT

The Related Party Transactions (RPT) Review Committee was established to advise the Board in relation to transactions with the related parties as defined by LKAS 24. The Committee also exercises oversight function on behalf of the Board in complying with the Listing Rules of the Colombo Stock Exchange and with the Code of Best Practices on Related Party Transactions issued by the Securities and Exchange Commission of Sri Lanka. The Committee has also adopted best practices as recommended by The Institute of Chartered Accountants of Sri Lanka.

COMPOSITION

Composition of the Related Party Transactions Review Committee is as follows;

Names of the Directors	Directorship Status	Membership Status
Mr. M J S Rajakariar	Independent Non-Executive Director	Chairman
Mr. R P Pathirana	Independent Non-Executive Director	Member
Mr. C V Kulatilaka	Senior Independent Non-Executive Director	Member
Mr. D A R Fernando	Managing Director	Member

MEETING ATTENDANCE

The Committee met on the following occasions to discuss matters relating to the financial year of which the members' attendance was as follows:

Names of the Directors	22.05.2025	14.08.2025	14.11.2025	11.02.2026
Mr. M J S Rajakariar	√	√	√	√
Mr. R P Pathirana	√	√	√	√
Mr. C V Kulatilaka	√	√	√	√
Mr. D A R Fernando	√	√	√	√

The Managing Director and the General Manager - Finance and other relevant senior management attended meetings upon invitation to provide necessary clarifications.

ROLE OF THE COMMITTEE

Review in advance all proposed Related Party Transactions of the Company except those explicitly exempted by the Code.

- Ensuring such transactions is at arm's length and on normal commercial terms.
- Ensuring that RPT's are in the best interest of the company and its shareholders.
- Ensuring that all material related party transactions are reviewed prior to execution
- Determine whether related party transactions that are to be entered into by the Company require the approval of the Board or shareholders of the Company, based on applicable thresholds.
- Ensuring compliance with the CSE listing rules, the Companies Act, and the company's RPT policy.
- Ensure that no Director of the Company shall participate in any discussion of a proposed related party transaction for which he or she is a related party, unless such a Director is requested to do so by the Committee for the express purpose of providing information concerning the related party transaction to the Committee.
- Establishing guidelines to be followed by the Management in the event related party transactions are ongoing. Thereafter, the Committee, on an annual basis, shall review and assess ongoing relationships and transactions with the related party to determine whether they are in compliance with the Committee's guidelines and that the related party transaction remains appropriate.

POLICIES AND PROCEDURES

As per the existing practice, all related party transactions must be reported to the RPT review Committee and referred for approval by the Committee in accordance with this Policy. Such transactions are also disclosed to stakeholders through the Company's Financial Statements. In case of frequent/repetitive/regular transactions which are in the normal course of business of the Company, the Committee may grant standing pre-approval.

PERFORMANCE REVIEWED DURING THE YEAR

During the year, the Committee reviewed the related party transactions and their compliances of the Company and communicated same to the Board. The Committee in its review process recognised the adequacy of the content and the quality of the information forwarded to its members by the management. The committee confirmed that all RPT's were conducted at arm's length and on terms no less favourable that those available to unrelated parties. The committee also ensured that below transaction which require immediate disclosure under section 9 of the CSE listing rules.

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE REPORT

DISCLOSURES

Non-Recurrent Related Party Transactions

A declaration of Non-recurrent Related Party Transactions during the year is given in below table;

Name of the Related Party	Harbour Village (Private) Limited
Relationship	Fully owned subsidiary
Value of the Related Party Transaction(s) entered into during the Financial year	LKR 6,823,029,080
Value of the Related Party Transaction(s) as a % of Equity and as a % of Total Assets	Equity 16%
Terms and conditions of the Related Party Transaction(s)	Total Assets 6%
The Rationale for entering into the Transaction(s)	Transactions are entered into normal course of the business
	Access Engineering PLC, as the parent Company of Harbour Village (Pvt) Ltd. to provide the required funding to meet the operational expenses of Harbour Village (Pvt) Ltd which are of a recurrent nature

Recurrent Related Party Transactions

A declaration of significant Recurrent Related Party Transactions during the year is given in below table;

Name of the Related Party	Harbour Village (Private) Limited
Relationship	Fully owned subsidiary
Nature of the Transaction/s	Construction and other related services
Aggregate value of recurrent Related Party Transaction/s	LKR 3,934,897,100
Aggregate value of recurrent Related Party Transaction/s as a % of Gross Revenue / Income	Gross Revenue 11%
Terms and conditions of the Related Party Transaction/s	Access Engineering PLC, being the parent Company of Harbour Village (Pvt) Ltd, provides construction and other related services required for the construction of Harbour Village (Pvt) Ltd. These transactions are entered into normal course of the business.

The aggregate value of the above Recurrent Related Party Transactions for the financial year LKR 10,757,926,180 and the detailed related party transactions entered into by the Company/Group during the year are disclosed in Note 29 to the Financial Statements.

POLICY AND TERMS OF REFERENCE

The committee has developed a comprehensive policy and terms of reference approved by the board, setting out the procedure to identify the related parties and the process of reporting the transactions with related parties to the committee on a quarterly basis. The policy outlines the composition of the committee, meeting procedures and the responsibilities of the committee. The policy guides the committee and makes them responsible for ensuring that no director or major shareholder takes advantage of their position to the detriment of the minority shareholders' interests.

SUPPORT TO THE COMMITTEE

The committee was supported by the Company Secretary, Managing Director and General Manager Finance, along with the head of internal audit and other relevant members of senior management. The committee was provided with unrestricted access to records, management and external parties when necessary.

MANO RAJAKARIAR
Chairman
Related Party Transaction Review Committee

30 June 2026

REMUNERATION COMMITTEE REPORT

GRI 2-19, 2-20

Remuneration Committee was established to ensure compliance with the requirements of Section 9.12 of the Listing Rules of the Colombo Stock Exchange and the Code of Best Practices on Corporate Governance issued jointly by the Institute of Chartered Accountants of Sri Lanka and the Securities Exchange Commission of Sri Lanka.

COMPOSITION

Composition of the Remuneration Committee is as follows;

Names of the Directors	Directorship Status	Membership Status
Mr. R P Pathirana	Independent Non-Executive Director	Chairman
Mr. C V Kulatilaka	Senior Independent Non-Executive Director	Member
Mr. M J S Rajakariar	Independent Non-Executive Director	Member
Mr. Shamal J S Perera	Non-Executive Director	Member

The Committee's composition met the requirements of the Rule 9.12.6 of Listing Rules of the Colombo Stock Exchange. The brief profiles of the existing members of the Committee are given on pages 34 to 37 of the Annual Report.

MEETING

The committee met in accordance with its TOR, to review and approve the annual increments and related benefits proposed by the management for the financial year 2025/26.

ROLE OF THE COMMITTEE

The role of the Remuneration Committee is to set up the remuneration policy for the Management and make recommendations to the Board on recruitment, remuneration and performance evaluation of the Management including Executive Directors of the Company.

Responsibilities include:

- Preparation of the remuneration framework
- Review compensation surveys
- Recommend to the Board on the remuneration payable to the Executive Directors and the Management
- The evaluation of performance of the Management
- Preparation of performance based remuneration plans including performance incentives
- Making amendments to the remuneration policy

The Committee is authorised by the Board to seek appropriate professional advice inside and outside the Company as and when it considers necessary.

TERMS OF REFERENCE

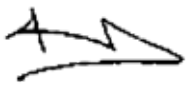
The Remuneration Committee has its terms of reference, dealing with its authority and duties, which is established for the purpose of assisting the Board in fulfilling their oversight responsibilities that include setting up the remuneration policy and making recommendations to the Board on recruitment, remuneration and performance evaluation.

REMUNERATION POLICY

The Remuneration Committee of the Board approved the remuneration philosophy, strategy, and the rewards policy of the Company. The Company's remuneration philosophy is anchored on the total reward approach. The remuneration strategy's main aim is to enable the Company to develop, motivate and retain an internal talent pipeline, and when necessary attract the requisite skills from the labour market to support the company's growth strategy. The remuneration policy codifies the remuneration principles, processes, practices and procedures to give effect to the company's remuneration philosophy and strategy. The pay mix may comprise a combination of guaranteed pay (fixed pay and bonus) and variable pay (short-term incentives) depending on the level in the organisational hierarchy and performance.

DISCLOSURES

The aggregate remuneration of the Executive and Non-Executive Directors for the Financial Year is disclosed under key management personnel compensation in note 29 to the Financial Statements given in page 318



RANIL PATHIRANA
Chairman
Remuneration Committee

30 June 2026

RISK COMMITTEE REPORT

The Risk Committee assists the Board in fulfilling its oversight responsibilities relating to the company's Enterprise Risk Management (ERM) framework, internal control environment, and sustainability-related risks and opportunities. The Committee is responsible for reviewing the adequacy and effectiveness of risk management processes to ensure that significant strategic, operational, financial, compliance, environmental, social, governance (ESG), and climate-related risks are appropriately identified, assessed, monitored, and managed.

The Committee supports the Board in fostering a risk-aware culture across the Company and ensuring that risk management practices remain aligned with the Company's strategic objectives, business resilience requirements, and long-term value creation goals.

COMPOSITION

The Risk committee was formed on 03rd February 2026 and composition of the Risk Committee is as follows:

Names of the Directors	Directorship Status	Membership Status
Mr. C V Kulatilaka	Senior Independent Non-Executive Director	Chairman
Mr. M J S Rajakariar	Independent Non-Executive Director	Member
Mr. R P Pathirana	Independent Non-Executive Director	Member
Mr. D A R Fernando	Managing Director	Member

MEETING ATTENDANCE

Names of the Directors	05.02.2026
Mr. C V Kulatilaka	√
Mr. M J S Rajakariar	√
Mr. R P Pathirana	√
Mr. D A R Fernando	√

The General Manager - Finance attended meetings by invitation to provide information and clarifications on matters under review.

ROLE OF THE COMMITTEE

The principal responsibilities of the Committee include:

- Reviewing and recommending improvements to the Company's Enterprise Risk Management framework.
- Monitoring strategic, operational, financial, compliance, reputational, and emerging risks that may affect the achievement of the Company's objectives.
- Reviewing the effectiveness of risk mitigation measures and internal control systems implemented by management.
- Overseeing business continuity planning and crisis management arrangements.
- Reviewing sustainability-related risks and opportunities, including environmental, social, governance, and climate-related matters.
- Monitoring the integration of sustainability-related and climate-related risks into the Company's risk management processes.
- Reviewing the effectiveness of policies relating to risk management, climate risk management, health and safety, and environmental management.
- Reporting significant risk exposures, emerging risks, and mitigation actions to the Board.

ACTIVITIES DURING THE YEAR

As the Risk Committee was formally established on 03 February 2026, risk oversight responsibilities during the majority of the financial year were discharged by the Board and the Audit Committee as part of their governance and risk management oversight functions. Following its establishment, the Risk Committee assumed responsibility for overseeing the Company's Enterprise Risk Management framework and sustainability-related risks and opportunities, ensuring a more focused and structured approach to risk governance.

During the year, the Committee reviewed the company's risk profile and the effectiveness of management's actions to address key risks and opportunities.

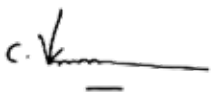
The Committee reviewed the impact of geopolitical developments and supply chain disruptions, including challenges associated with the importation of key construction materials such as Fuel, bitumen, and assessed management's contingency measures to minimise potential project delays and operational disruptions.

As part of its ESG oversight responsibilities, the Committee reviewed the outcomes of the Company's Double Materiality Assessment, the development of the Company's Scope 1 and Scope 2 greenhouse gas inventory, and the implementation of the Climate Risk Management Policy. The Committee also monitored the integration of climate-related risks and opportunities into the Enterprise Risk Management framework and reviewed progress against the Company's ESG implementation roadmap.

The Committee considered climate-related transition risks arising from evolving regulations, market expectations, fuel price volatility, and sustainability requirements, as well as physical climate risks associated with extreme weather events, flooding, landslides, and other climate-related disruptions. The Committee also reviewed opportunities arising from increasing demand for sustainable, climate-resilient, and low-carbon infrastructure solutions.

The Committee reviewed the adequacy of the company's Business Continuity Plan (BCP) and crisis management arrangements to enhance operational resilience and preparedness for potential disruptions.

Based on its reviews and deliberations, the Committee was satisfied that the Company maintained an effective risk management framework and appropriate internal control mechanisms to manage material risks within acceptable levels. The Committee remains committed to strengthening risk governance practices and supporting the Company's sustainable growth, resilience, and long-term value creation.



VAJIRA KULATILAKA
Chairman
Risk Committee

30 June 2026

INVESTMENT AND SUBSIDIARY PERFORMANCE MONITORING COMMITTEE

PURPOSE OF THE COMMITTEE

The Investment and Subsidiary Performance Monitoring Committee was established as a Board subcommittee to provide the Executive Directors and the Independent Non-Executive Directors with an opportunity to discuss prospective investments and performance monitoring of subsidiaries prior to discussion of relevant matters at Board meetings.

ROLE OF THE COMMITTEE

- Making an assessment and notifying their recommendations to the Board on major new investments in subsidiaries, associates, joint ventures and capital investments in the parent Company.
- Making an assessment and notifying their recommendations to the Board on divestment of subsidiaries in the parent Company.
- Monitoring the budgets of subsidiaries, associates and joint ventures which are approved by relevant responsible person/persons such as the Board of Directors, Managing Director or the nominated Head of the Business Unit and ratified by the Chairman or Managing Director.
- Reviewing the progress of subsidiary companies and sub subsidiaries.
- Advising the Management on what action should be taken for non-compliances noticed in investments.

COMPOSITION

Composition of the Investment and Subsidiary Performance Monitoring Committee is as follows;

Names of the Directors	Directorship Status	Membership Status
Mr. C V Kulatilaka	Senior Independent Non-Executive Director	Chairman
Mr. M J S Rajakariar	Independent Non-Executive Director	Member
Mr. R P Pathirana	Independent Non-Executive Director	Member
Mr. Shamal J S Perera	Non-Executive Director	Member
Mr. J C Joshua	Executive Director	Member
Mr. D A R Fernando	Executive Director	Member

The brief profiles of the existing members of the Committee are given on pages 34 to 37 of the Annual Report.

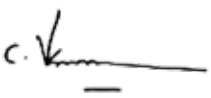
MEETING ATTENDANCE

The Committee met on the following occasions to discuss matters relating to the financial year of which the members' attendance was as follows:

Names of the Directors	14.05.2025	06.08.2025	06.11.2025	05.02.2026
Mr. C V Kulatilaka	√	√	√	√
Mr. M J S Rajakariar	√	√	√	√
Mr. R P Pathirana	√	x	√	√
Mr. J C Joshua	√	√	√	√
Mr. D A R Fernando	√	√	√	√
Mr. Shamal J S Perera	√	√	x	x

SUMMARY OF ACTIVITIES

During the year, the Committee comprehensively reviewed the new investment/divestment decisions of the Company and monitored budgets of subsidiaries/associates/joint ventures of the Company. The Committee decisions and discussions of the meetings were recorded and forwarded to the Board of Directors of the Company for further action.



VAJIRA KULATILAKA
Chairman
Investment and Subsidiary Performance Monitoring Committee

30 June 2026

INDEPENDENT PRACTITIONERS' LIMITED ASSURANCE REPORT TO ACCESS ENGINEERING PLC

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(Chartered Accountants)
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INDEPENDENT PRACTITIONERS' LIMITED ASSURANCE REPORT

TO THE BOARD OF DIRECTORS OF ACCESS ENGINEERING PLC

REPORT ON SELECTED INDICATORS INCLUDED IN ACCESS ENGINEERING PLC'S INTEGRATED ANNUAL REPORT FOR THE YEAR ENDED MARCH 31, 2026

CONCLUSION

We have performed a limited assurance engagement on whether the selected sustainability related indicators as defined in annexure A ("Subject matter Information" or "SMI") in Access Engineering PLC's ("the Company") Integrated annual report for the year ended March 31, 2026 have been prepared with reference to the selected Global Reporting Initiative Standards 2021 as mentioned in Annexure A ("Criteria").

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the selected sustainability related indicators as defined in annexure A of Access Engineering PLC for the year ended 31st March 2026 are not prepared, in all material respects, with reference to the Criteria.

The SMI subject to our limited assurance engagement are listed in Annexure A. The assured sustainability information is marked with italic font and marked with "LA" in the Integrated Annual Report, and the corresponding GRI indicators are also provided in Annexure A.

Our conclusion on the SMI as defined in Annexure A does not extend to other information that accompanies or contains the SMI as defined in Annexure A and our assurance report.

BASIS FOR CONCLUSION

We conducted our engagement in accordance with Sri Lanka Standard on Assurance Engagements (SLSAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the Institute of Chartered Accountants of Sri Lanka. Our responsibilities under this standard are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the Code of Ethics for professional Accountants issued by CA Sri Lanka (Code of Ethics).

Our firm applies Sri Lanka Standard on Quality Management (SLSQM) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for limited assurance conclusion.

INTENDED USE OR PURPOSE

We have been engaged by the Board of Directors of Access Engineering PLC to provide limited assurance on whether the selected SMI as defined in annexure A have been prepared with reference to the Criteria. In accordance with the terms of our engagement, this independent limited assurance report has been prepared for the sole use of the Board of Directors of the entity in connection with its oversight of the selected subject matter information included in the Integrated Annual Report.

RESTRICTION ON USE OR DISTRIBUTION

This report has been prepared for the Board of Directors of Access Engineering PLC for the purpose of providing an assurance conclusion on whether the selected SMI in the Access Engineering PLC's Integrated Annual Report for the Year ended 31st March 2026 has been prepared with reference to the Criteria and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than Access Engineering PLC, or for any other purpose than that for which it was prepared.

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than Access Engineering PLC, for any purpose or in any other context. Any party other than Access Engineering PLC who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than Access Engineering PLC for our work, for this independent assurance report, or for the conclusions we have reached.

Our conclusion is not modified in respect of this matter.

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T. J. S. Rajakarier FCA
W. K. D. C. Abeyrathne FCA
Ms. B.K.D.T.N. Rodrigo FCA
Ms. C.T.K.N. Perera ACA
R. G. H. Raddella ACA

W. W. J. C. Perera FCA
G. A. U. Karunaratne FCA
R. H. Rajan FCA
A.M.R.P. Alahakoon ACA
H.U.S.T Dayananda FCA

Ms. S. Joseph FCA
R.M.D.B. Rajapakse FCA
M.N.M. Shameel FCA
Ms. P.M.K. Sumanasekara FCA

Principals: S.R.I. Perera FCMA (UK), LLB, Attorney-at-Law, H.S. Goonewardene ACA, Ms. F R Zyard ACA, FCMA (UK), FCIT, K. Somasundaram ACMA (UK), Ms. D Corea Dharmaratne

INDEPENDENT PRACTITIONERS' LIMITED ASSURANCE REPORT TO ACCESS ENGINEERING PLC

RESPONSIBILITIES OF MANAGEMENT FOR THE SMI.

The management of the Company are responsible for:

- Designing, implementing and maintaining internal control relevant to the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error.
- Selecting or developing suitable criteria for preparing the Subject Matter Information and appropriately referring to or describing the criteria
- Preventing and detecting fraud and ensuring the Company's compliance with applicable laws and regulations to its activities.
- Ensuring that staff involved in preparation and presentation of the description and Report are properly trained, information systems are properly updated and that any changes in reporting encompass all significant business units; and
- Preparing the Subject Matter Information with reference to the criteria

Those charged with governance are responsible for overseeing the reporting process for the Company's SMI.

INHERENT LIMITATIONS

The preparation of SMI is subject to inherent limitations arising from the nature of non-financial data, including the use of estimates, assumptions, and third-party information. In addition, due to the inherent limitations of any internal control system, errors or irregularities may occur and not be detected. Our engagement was not designed to detect internal control weaknesses because the procedures were performed on a test basis and not continuous throughout the period.

OUR RESPONSIBILITIES

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the SMI is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained;
- reporting our conclusion to the Board of Directors of Access Engineering PLC.

SUMMARY OF THE WORK WE PERFORMED AS THE BASIS FOR OUR CONCLUSION

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the SMI that is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Our procedures selected depended on our understanding of the SMI, other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, the procedures we performed primarily consisted of:

- interviewed senior management and relevant staff at corporate and selected site level concerning sustainability strategy and policies for material issues, and the implementation of these across the business;
- enquired management to gain an understanding of the Company's processes for determining material issues for the Company's key stakeholder groups;
- enquired relevant staff at corporate and selected site level responsible for the preparation of the SMI in the Integrated Annual Report of Access Engineering PLC for the year ended 31st March 2026;
- enquired about the design and implementation of the systems and methods used to collect and report the SMI in the Integrated Annual Report of the Access Engineering PLC for the year ended 31st March 2026, including the aggregation of the reported information;
- compared the SMI in the Integrated Annual Report of Access Engineering PLC for the year ended 31st March 2026 to relevant underlying sources on a sample basis to determine whether the relevant information has been appropriately included in the Report; and was not designed to test the completeness of the relevant data collection systems.

- recalculated the Information subject to Limited Assurance based on the criteria;

- evaluated the overall presentation of the SMI to determine whether it is consistent with the criteria and in line with our overall knowledge of, and experience with, the sustainability performance of the Company; and - read the remainder of the Report to determine whether there are any material misstatements of fact or material inconsistencies based on our understanding obtained as part of our assurance engagement.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

CHARTERED ACCOUNTANTS
Colombo

30th June 2026

ANNEXURE A TO OUR LIMITED ASSURANCE REPORT DATED 30TH JUNE 2026

The numbers in this annexure have been included in the Integrated Annual Report prepared by the Management.
Our reporting boundary is limited to the Company's operations in Sri Lanka

GRI Standard (The criteria relevant to the information)		Reporting Boundary	Subject Matter Information (SMI)	Point in time or period subject to assurance	Page numbering
Disclosure 2-7 Employees	2-7 a	Company's operations in Sri Lanka	Employees Related Metrics	For the year ended 31st March 2026	121-122
	2-7 b				
	2-7 c				
	2-7 d				
Disclosure 2-8 Workers who are not employees	2-8 a	Company's operations in Sri Lanka	Workers who are not employees	For the year ended 31st March 2026	126
	2-8 b				
	2-8 c				
Disclosure 2-26 Mechanisms for seeking advice and raising concerns	2-26 a	Company's operations in Sri Lanka	Mechanisms for seeking advice and raising concerns	For the year ended 31st March 2026	132
Disclosure 2-27 Compliance with laws and regulations	2-27 a	Company's operations in Sri Lanka	Compliance with laws and regulations	For the year ended 31st March 2026	140
	2-27 b				
	2-27 c				
	2-27 d				
Disclosure 2-28 Membership associations	2-28 a	Company's operations in Sri Lanka	Membership associations	For the year ended 31st March 2026	119
Disclosure 201-1 Direct economic value generated and distributed	201-1 a	Company's operations in Sri Lanka	Direct economic value generated and distributed	For the year ended 31st March 2026	106
Disclosure 202-2 Proportion of senior management hired from the local community	202-2 a	Company's operations in Sri Lanka	Proportion of senior management hired from the local community	For the year ended 31st March 2026	126
	202-2 b				
	202-2 c				
	202-2 d				
Disclosure 203-1 Infrastructure investments and services supported	203-1 a	Company's operations in Sri Lanka	Infrastructure investments and services supported	For the year ended 31st March 2026	149 - 150
	203-1 b				
	203-1 c				
Disclosure 204-1 Proportion of spending on local suppliers	204-1 a	Company's operations in Sri Lanka	Proportion of spending on local suppliers	For the year ended 31st March 2026	145
	204-1 b				
	204-1 c				
Disclosure 205-3 Confirmed incidents of corruption and actions taken	205-3 a	Company's operations in Sri Lanka	Confirmed incidents of corruption and actions taken	For the year ended 31st March 2026	116
	205-3 b				
	205-3 c				
	205-3 d				

INDEPENDENT PRACTITIONERS' LIMITED ASSURANCE REPORT TO ACCESS ENGINEERING PLC

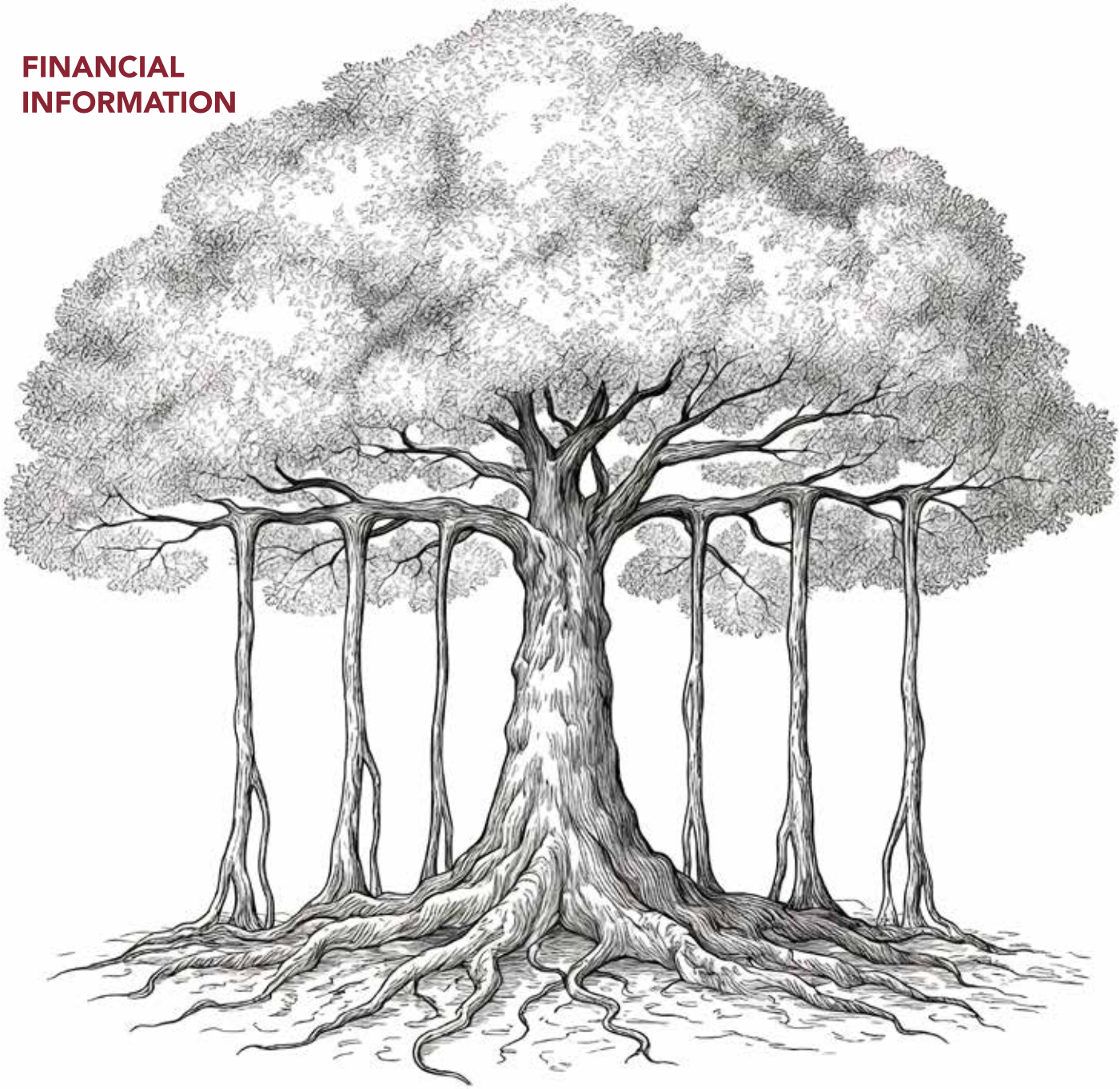
GRI Standard (The criteria relevant to the information)		Reporting Boundary	Subject Matter Information (SMI)	Point in time or period subject to assurance	Page numbering
Disclosure 302-1 Energy consumption within the organisation	302-1 a 302-1 c 302-1 e 302-1 f 302-1 g	Company's operations in Sri Lanka	Energy consumption within the organisation	For the year ended 31st March 2026	155
Disclosure 302-3 Energy Intensity	302-3 a 302-3 b 302-3 c 302-3 d	Company's operations in Sri Lanka	Energy Intensity	For the year ended 31st March 2026	155
Disclosure 303-3 Water withdrawal	303-3 a	Company's operations in Sri Lanka	Interactions with water as a shared resource	For the year ended 31st March 2026	157
Disclosure 306-2 Management of significant waste related impacts	306-2 a 306-2 b 306-2 c	Company's operations in Sri Lanka	Management of significant waste related impacts	For the year ended 31st March 2026	158 158
Disclosure 401-1 New employee hires and employee turnover	401-1 a 401-1 b	Company's operations in Sri Lanka	New employee hires and employee turnover	For the year ended 31st March 2026	127-128
Disclosure 401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	401-2 a 401-2 b	Company's operations in Sri Lanka	Benefits provided to full-time employees that are not provided to temporary or parttime employees	For the year ended 31st March 2026	129
Disclosure 401-3 Parental Leave	401-3 a 401-3 b 401-3 c 401-3 d 401-3 e	Company's operations in Sri Lanka	Parental leave	For the year ended 31st March 2026	129
Disclosure 403-1 Occupational health and safety management system	403-1 a 403-1 b	Company's operations in Sri Lanka	Occupational health and safety management system	For the year ended 31st March 2026	133
Disclosure 403-2 Hazard identification, risk assessment, and incident investigation	403-2 a 403-2 b 403-2 c 403-2 d	Company's operations in Sri Lanka	Hazard identification, risk assessment, and incident investigation	For the year ended 31st March 2026	133 134

GRI Standard (The criteria relevant to the information)		Reporting Boundary	Subject Matter Information (SMI)	Point in time or period subject to assurance	Page numbering
Disclosure 403-3 Occupational health services	403-3 a	Company's operations in Sri Lanka	Occupational health services	For the year ended 31st March 2026	133
Disclosure 403-5 Worker training on occupational health and safety	403-5 a	Company's operations in Sri Lanka	Worker training on occupational health and safety	For the year ended 31st March 2026	134
Disclosure 403-8 Workers covered by an occupational health and safety management system	403-8 a 403-8 b 403-8 c	Company's operations in Sri Lanka	Workers covered by an occupational health and safety management system	For the year ended 31st March 2026	134
Disclosure 403-9 Work-related injuries	403-9 a 403-9 b 403-9 c 403-9 d	Company's operations in Sri Lanka	Work-related injuries	For the year ended 31st March 2026	135 136
Disclosure 403-10 Work-related ill health	403-10 a 403-10 b 403-10 c 403-10 d 403-10 e	Company's operations in Sri Lanka	Work-related ill health	For the year ended 31st March 2026	134 136
Disclosure 404-1 Average hours of training per year per employee	404-1 a	Company's operations in Sri Lanka	Average hours of training per year per employee	For the year ended 31st March 2026	125,131
Disclosure 404-2 Programs for upgrading employee skills and transition assistance programs	404-2 a	Company's operations in Sri Lanka	Programs for upgrading employee skills and transition assistance programs	For the year ended 31st March 2026	132
Disclosure 404-3 Percentage of employees receiving regular performance and career development reviews	404-3 a	Company's operations in Sri Lanka	Percentage of employees receiving regular performance and career development reviews'	For the year ended 31st March 2026	130

INDEPENDENT PRACTITIONERS' LIMITED ASSURANCE REPORT TO ACCESS ENGINEERING PLC

GRI Standard (The criteria relevant to the information)		Reporting Boundary	Subject Matter Information (SMI)	Point in time or period subject to assurance	Page numbering
Disclosure 405-2 Ratio of basic salary and remuneration of women to men	405-2 a 405-2 b	Company's operations in Sri Lanka	Ratio of basic salary and remuneration of women to men	For the year ended 31st March 2026	125 126
Disclosure 406-1 Incidents of discrimination and corrective actions taken	406-1 a 406-1 b	Company's operations in Sri Lanka	Incidents of discrimination and corrective actions taken	For the year ended 31st March 2026	124
Disclosure 408-1 Operations and suppliers at significant risk for incidents of child labour	408-1 a 408-1 b 408-1 c	Company's operations in Sri Lanka	Operations and suppliers at significant risk for incidents of child labour	For the year ended 31st March 2026	124
Disclosure 416-1 Assessment of the health and safety impacts of product and service categories	416-1 a	Company's operations in Sri Lanka	Assessment of the health and safety impacts of product and service categories	For the year ended 31st March 2026	140
Disclosure 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	416-2 a 416-2 b	Company's operations in Sri Lanka	Incidents of non-compliance concerning the health and safety impacts of products and services	For the year ended 31st March 2026	140
Disclosure 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	418-1 a	Company's operations in Sri Lanka	Substantiated complaints concerning breaches of customer privacy and losses of customer data	For the year ended 31st March 2026	140

The assured sustainability information is marked with italic font and marked with "LA" in the Integrated Annual Report.



DIVERSIFYING WITH PURPOSE

As the banyan tree grows, its aerial roots descend from the branches and gradually transform into new trunks, creating interconnected yet independent structures that strengthen the tree over time. This natural evolution allows the banyan to expand continuously while reinforcing its stability, endurance, and capacity to thrive across generations.

At Access Engineering, our diversified business model and our ability to strengthen multiple pillars of growth simultaneously is a result of our strategic investments, expanding capabilities, and a growing presence across sectors. This ensures that we continue to build interconnected streams of value creation that reinforce our financial strength, resilience, and long-term sustainability.

ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

The Board of Directors of Access Engineering PLC has pleasure in presenting to the shareholders their Annual Report on the affairs of the Company together with the Audited Financial Statements of the Company and the Consolidated Financial Statements of the Company and its subsidiaries for the financial year ended 31st March 2026, which conform to all relevant statutory requirements.

This Report provides the information as required by the Companies Act, No. 7 of 2007, Listing Rules of the Colombo Stock Exchange and the recommended Best Practices.

GENERAL

Access Engineering PLC was incorporated in terms of the Companies Act No.17 of 1982 on 31 July 2001 and was re-registered as per the Companies Act No.7 of 2007 on 6 February 2008 with PB200 as the new number assigned to the Company. The Company obtained a listing on the Diri Savi Board of the Colombo Stock Exchange on 27 March 2012 and changed its name to Access Engineering PLC on 12 June 2012. The registration number of the Company changed to PB 200 PQ.

Access Engineering PLC is now listed on the Main Board of the Colombo Stock Exchange with effect from 8 January 2013.

PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY AND THE GROUP

Access Engineering PLC is a holding company and manages a portfolio of diverse range of business including Civil Engineering, Construction Material Production, Mechanical Engineering, Properties commercial offices, Properties - commercial warehouses, Condominium Properties, Renewable Energy, Automobile and Radiopharmaceutical. Refer Note no 32 to the Financial Statements on page 324 for a brief description of the principal activities of the Company, subsidiaries and Associates.

INVESTMENT ACTIVITIES DURING THE YEAR

The Company has further invested LKR 4,823 Mn in Harbour Village (Private) Limited (HV), which is fully owned subsidiary of the company. Refer Note no. 33.1.

REVIEW OF THE PERFORMANCE OF THE COMPANY AND THE GROUP

Review of the financial and operational performance of the Company and the Group are described in the joint statements of Executive Vice Chairman and Managing Director and under the review of business operations in Page 27 to 33 The Segment-wise contribution to Group revenue, results, assets and liabilities are provided in Note 4.1 to the Financial Statements on page 275.

FINANCIAL STATEMENTS

The Financial Statements of the Group and the Company have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRs/ LKASs) and comply with requirements of the Companies Act No. 07 of 2007 and, fulfills all disclosure requirements stipulated by above and the Listing Rules of the Colombo Stock Exchange. The Financial Statements for the year ended 31st March 2026 signed on behalf of the Board by the Executive Vice Chairman and Managing Director, are given on page 266.

FINANCIAL RESULTS AND APPROPRIATIONS

Revenue

Revenue generated by the Group amounting to LKR 49,661 Mn (2025 – LKR 34,511 Mn). Similarly the Company revenue amounted to LKR 24,092 Mn (2025 – LKR 29,321 Mn). A detailed revenue analysis is presented in Note 5 (Page 278) to the Financial Statements.

Profits and appropriations

Group profit after tax and Group profit attributable to equity holders of the Parent for the year depicted a figure of LKR 7,746 Mn (2025 – LKR 6,291 Mn) and LKR 7,169 Mn (2025 – LKR 6,310 Mn) respectively. In addition, the profit after tax of the Company was LKR 3,130 Mn (2025 – LKR 4,547 Mn).

Furthermore, the Group total comprehensive income attributable to parent was LKR 7,314 Mn (2025 – LKR 6,293 Mn). The Company's total comprehensive income for the year was LKR 3,148 Mn (2025 – LKR 4,533 Mn).

Access Engineering PLC for the year ended 31 March 2026

	2026 LKR'000	2025 LKR'000
Balance brought forward from the previous year	17,665,390	15,132,028
Profit after tax	3,130,194	4,547,413
Other adjustments	(50,209)	(14,051)
Amount available for appropriation	20,745,375	19,665,390
1st interim dividend	1,000,000	1,000,000
2nd interim dividend	-	1,000,000
Final Dividend	1,000,000	
Balance carried forward to the following year	18,745,375	17,665,390

**In accordance with LKAS 10 – Events after the Reporting Period, Final dividend (2025/26) has not been recognised as liability in the financial statements as at 31 March 2026.*

Dividends

First interim dividend of LKR 1 Per Share was declared on 12 December 2025 and paid on 13 January 2026.

Final dividend of LKR 1 Per Share was declared on 17 June 2026 and will be paid on 16 July 2026.

Revenue Reserves

The Revenue reserves of the Group and the Company as at 31 March 2026 amounted to LKR 32,148 Mn (2025 – LKR 31,127 Mn) and LKR 20,142 Mn (2025 – 18,995 Mn) respectively. The movement during the year is disclosed in the Statement of Changes in Equity on page 267.

Accounting Policies

The accounting policies adopted by the Company in the preparation of Financial Statements are given on pages 271 to 342 and are consistent with those of the previous period.

Donations

As at 31 March 2026 total donations made by the Group and the Company amounted to LKR 15,257,860/- (2025– LKR 11,542,559/-) and LKR 5,374,797/- (2025 – LKR 3,438,654/-) respectively. (Note 8.1 of page no. 282)

Taxation

A detailed statement of the income tax and deferred tax applicable to the Group and Company disclosed with a reconciliation of the accounting profits with the taxable profits are provided in Note 9 to the Financial Statements.

Corporate Social Responsibility

The Company continued its respective CSR initiatives with a range of programs activities and specifications. Further details of the same are displayed on pages 138 to 150 in this annual report.

Property, Plant and Equipment [PPE] and Intangible Assets

The capital expenditure on property, plant, and equipment in terms of the Group and the Company equaled to LKR 3,220 Mn (2025 – LKR 4,598 Mn.) and LKR 230 Mn (2025 – LKR 293 Mn) respectively (Net of WIP). Related information and movements have been disclosed in Note 11 (pages 288 to 294) to the Financial Statements.

The Group has been further invested LKR 24 Mn for intangible assets during the year and all other related details to intangible assets are disclosed under the Note 14 (page 300) to the Financial Statements.

MARKET VALUE OF PROPERTIES

Market value of property, plant and equipment

Freehold land and buildings owned by the Group companies were revalued as at 31 March 2026 and the carrying value was adjusted accordingly. The Group's accounting policy on Property, Plant and Equipment is disclosed under Note 11 (page 288 to 294). The information relating to freehold land and buildings are enclosed in Note 11.3 (page 294) to the Financial Statements.

Land holdings

The extents, locations and valuations of the Group's freehold land holdings are given below:

Location	Extent			Carrying value of Land
	A	R	P	LKR
Access Engineering PLC				
No. 336/1, Low Level Road, Jalthara, Ranala	-	3	38.4	90,000,000
No. 267, Dehiwala Road, Maharagama	-	3	1	338,000,000
No. 278, Alubogahalanda,Jalthara,Ranala	3	2	39.42	233,000,000
Dickowita – Hendala	2	-	3.68	19,400,000
Weliwita – Kaduwela	1	3	36.7	72,000,000
Divigalahena – Hakmana	10	-	-	15,000,000
Dombawinne Estate, Heeralugedara, Kotadeniyawa	50	1	8.7	417,000,000
Access Realties (Private) Limited				
Land depicted at Nos.266, 268, 278 and 278/4 Dr. Colvin R De Silva Mawatha (Union Place) and No 116 and 118 Dawson street, Colombo 2		2	20.22	2,000,000,000
30 Stories Buildings at No 116, 118, 264/5 and 278/4 Dawson street, Colombo 2		2	5.43	1,500,000,000
Sathosa Motors PLC				
No. 86, Vauxhall Street, Colombo 02	-	2	3.07	1,014,000,000
Access Projects (Private) Limited				
No. 278, Kekulanvila Road, Jaltara, Ranala	2	1	38.38	212,000,000
No. 281, Kekulanvila Road, Jaltara, Ranala	-	-	20	6,000,000
No. 301/1/C, Jaltara,Ranala.		3	21.26	9,000,000
WUS Logistics (Private) Limited				
No. 540, MaligagodellaWatta, Aswedduma Junction, Aluthapola, Negambo	41	2	27.45	9,275,000,000
Kimbulapitiya, Negambo	-	3	16.25	13,008,718
Access Logistics (Private) Limited				
Kimbulapitiya South, Kimbulapitiya, Negombo	-	2	31.8	51,794,950
Access Medical Tracers (Private) Limited				
No 214, Welmulla Road, Kimbulapitiya, Negombo	1	-	3.35	60,000,000
Access Motors (Private) Limited				
No 117, Dehiwala Road, Boralasgamuwa	1	3	9.6	1,061,505,100

ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

INVESTMENT PROPERTIES

The investment properties of business units, when significantly occupied by Group companies, are classified as PPE in the consolidated Financial Statements in compliance with LKAS 40.

The Group revalued its investment properties in line with the policies adopted by the Group and the carrying value at Group and Company level is LKR 40,758 Mn (2025 – LKR 36,699 Mn.) and LKR 774 Mn (2025 – LKR 774 Mn) respectively. All information related to revaluation of the investment properties are provided in Note 13 (page 298) to the Financial Statements.

STATED CAPITAL

The Stated Capital of the Company as at 31st March 2026 was LKR 9,000 Mn representing 1,000 Mn ordinary shares. There were no changes in the Stated Capital of the Company during the year. Details are disclosed in Note 24 to the Financial Statements on page 311.

SHARE INFORMATION

Shareholders

There were Fourteen Thousand Seven Hundred and Twenty-Six shareholders registered as at 31st March 2026 (9,806 shareholders as at 31st March 2025). The details of distribution are given on page 54-55 of this Report.

Major shareholders, distribution schedule and other information

Information on the distribution of shareholding, analysis of shareholders, market values per share, earnings, dividends, net assets per share, twenty largest shareholders of the Company, percentage of shares held by the public as per the Listing Rules of the Colombo Stock Exchange are given on Pages 54 to 55 under Investor Capital.

THE BOARD OF DIRECTORS

Directors' responsibility for Financial Reporting

The Directors are responsible for the preparation of the Financial Statements of the company to reflect a true and fair view of the state of its affairs. The Directors are of the view that these financial statements have been prepared in conformity with the requirements of the Sri Lanka Accounting Standards (SLFRSs/LKASs), the Companies Act No. 07 of 2007 and the Listing Rules of the Colombo Stock Exchange.

Further information pertaining to the Directors' Responsibility is enclosed in the Statement of Directors' Responsibility on page 259.

Names of Directors

The names of the Directors who held office as at the end of the accounting period are given below and their brief profiles appear on pages 34 to 37

For the year ended 31 March 2026	Executive	Non-Executive	Independent Non Executive
S J S Perera (Chairman)	✓		
J C Joshua (Executive Vice Chairman)	✓		
D A R Fernando (Managing Director)	✓		
S H S Mendis	✓		
S D Munasinghe	✓		
S D Perera		✓	
Shamal J S Perera		✓	
C V Kulatilaka			✓
M J S Rajakariar			✓
R P Pathirana			✓

Recommendation for Re-election of Directors retire by rotation

Mr Suresh Dilhan Perera retires by rotation in terms of Articles 88 and 89 of the Articles of Association and being eligible, consequent to review by the Nominations and Governance Committee is recommended by the Board for re-election.

Directors of Subsidiary Companies as at 31st March 2026 are given in the page 346 of this Annual Report.

Review of the Performance of the Board

The performance of the Board has been appraised through a formalised process of individual appraisal by enabling each member to self-appraise on an anonymous basis and it is mentioned in Page 211.

Policies in terms of Rule 9.2 of the Listing Rules

In terms of Rule 9.2.1 of the Listing Rules, the Company established, adopted and published on the Company website (www.accessengsl.com) the following policies, ensuring adherence to best practices in corporate governance, ethical conduct, and regulatory compliance:

a) Policy on the matters relating to the Board of Directors
b) Policy on Board Committees
c) Policy on Corporate Governance, Nominations and Re-election
d) Policy on Remuneration
e) Policy on Internal Code of Business conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities
f) Policy on Risk Management and Internal controls
g) Policy on Relations with Shareholders and Investors
h) Policy on Environmental, Social and Governance Sustainability
i) Policy on Control and Management of Company Assets and Shareholder Investments
j) Policy on Corporate Disclosures
k) Policy on Whistleblowing
l) Policy on Anti-Bribery and Corruption

There were no significant changes to the above policies adopted by the Company during the year under review.

Fit and Proper Assessment of Directors

In terms of Rule 9.7.4 of the Listing Rules of the Colombo Stock Exchange, declarations were obtained from the Directors who confirmed that they have continuously satisfied the Fit and Proper Assessment Criteria set out in the Listing Rules during the Financial Year under review and as at the date of such declarations. These Declarations were placed before the Nominations and Governance Committee, and upon review by the Nominations and Governance Committee, where no member participated in decisions relating to his/her continuation, were then presented to the Board.

Independence of Directors

The Board, based on the Declarations submitted by the Independent Directors declaring his/her independence against the criteria specified in Rule 9.8.3 of the Listing Rules and such other information available to the Board that could reasonably be constructed to have a bearing on the independence of such Directors, determined that the Three (3) Independent Directors namely C V Kulatilaka, M J S Rajakariar and R P Pathirana are 'Independent' in terms of the Listing Rules.

Policy on Relations with Shareholders and Investors

The Company has established a process for effective communication and relations with shareholders and investors. Accordingly, the shareholders have access to the Company as set out in Investor Capital on page 53 of this Report.

Other Directorships held by the Directors

The Board, based on the recommendations of the Nominations and Governance Committee, and considering the time allocation required of the Directors for the Board related matters of the Company decided that a Director of the Company shall not hold more than six (06) directorships in Listed Companies.

Policy on Matters relating to the Board of Directors

The Company has in terms of the above Policy, acted in compliance with the requirements set out in Rule 9.5.1 of the Listing Rules.

Additional disclosures by / pertaining to Directors

a) Material Interests in Contracts involving the Company

The Directors have declared all material interests in contracts involving the Company in terms of the Companies Act and the Articles of the Association of the Company and have acted as prescribed therein, and where relevant have refrained from voting on matters in which they were materially interested.

b) Material Business Relationships with each other

None of the Directors or close family members have any material business relationships with the other Directors of the Company.

c) Other Directorships held by the Directors

Other Directorships held by Directors are disclosed on pages 321.

d) Review of Internal Controls

The Directors have, through the Audit Committee, conducted a review of the Internal controls covering financial, operational and compliance control and risk management and thereby obtained reasonable assurance of their effectiveness and successful adherence therewith.

e) Applicable Laws Rules and Regulations

The Directors have made arrangements to make themselves aware of applicable laws, rules and regulations and are aware of the changes, particularly to Listing Rules and applicable capital market provisions.

There were no material non-compliance with law or regulation or any fines, which are material, imposed by any Government or regulatory authority in any jurisdiction where the Company has operations

Directors' Remuneration

The Company has adopted a Remuneration Policy and established a formal procedure for determination of remuneration of Directors including Executive Directors. No Director is involved in deciding his or her own remuneration.

The Directors' remuneration is disclosed under key management personnel compensation in Note 29.1.3to the Financial Statements on page 318.

ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

Directors' Interests in Contracts

Directors' interests in contracts with the Company are stated below. The Directors have no direct or indirect interest in any other contract or proposed contract with the Company. Except for the transactions referred to in Note 29 (page 318) to the Financial Statements, the Company did not carry out any transaction with any of the Directors.

Directors' Shareholding

The relevant interests of Directors in the shares of the Company as at 31 March 2026 and 31 March 2025 are as follows.

	Shareholding as at 31/03/2026	Shareholding as at 31/03/2025
S J S Perera	250,000,000	250,000,000
J C Joshua	102,000,000	102,000,000
D A R Fernando	30,150,000	30,150,000
S H S Mendis	30,150,000	30,150,000
S D Munasinghe	30,150,000	30,150,000
S D Perera	2,000,000	2,000,000
Shamal J S Perera	51,159,365	51,159,365
R P Pathirana	500	500
C V Kulatilaka	Nil	Nil
M J S Rajakariar	Nil	Nil

Board Committees

The Audit Committee, Remuneration Committee, Related Party Transactions Review Committee, Investment and Subsidiary Performance Monitoring Committee, Strategic Planning Committee and Nominations and Governance Committee function as Board Sub Committees, with Directors, who possess the requisite qualifications and experience. The composition of the said Committees is as follows:

Audit Committee

M J S Rajakariar - Chairman
C V Kulatilaka
R P Pathirana
S D Perera
Shamal J S Perera

Remuneration Committee

R P Pathirana - Chairman
M J S Rajakariar
C V Kulatilaka
Shamal J S Perera

Related Party Transactions Review Committee

M J S Rajakariar - Chairman
C V Kulatilaka
R P Pathirana
D A R Fernando

Investment & Subsidiary Performance Monitoring Committee

C V Kulatilaka – Chairman
R P Pathirana
M J S Rajakariar
J C Joshua
D A R Fernando
Shamal J S Perera

Nominations and Governance Committee

C V Kulatilaka – Chairman
R P Pathirana
Shamal J S Perera

Risk Committee

C V Kulatilaka – Chairman
M J S Rajakariar
R P Pathirana
D A R Fernando

Declaration - Compliance with the Listing Rules on Related Party Transactions

In terms of Rule 9.14.8(4) of the Listing Rules, the Directors declare that the Company is in compliance with Rule 9.14 of the Listing Rules of the Colombo Stock Exchange pertaining to Related Party Transactions during the financial year ended 31st March 2026.

INTEREST REGISTER

The Company maintains an Interests Register in terms of the Companies Act, No. 7 of 2007, which is deemed to form part and parcel of the Annual Report and available for inspection upon request.

All related party transactions which encompass the transactions of Directors who were directly or indirectly interested in a contract or a related party transaction with the Company during the accounting period are recorded in the Interests Register in due compliance with the applicable rules and regulations of the relevant regulatory authorities.

The relevant interests of Directors in the shares of the Company as at 31 March 2026 as recorded in the Interests Register are given in this Report under Directors' shareholding.

EMPLOYEE SHARE OWNERSHIP PLANS

The Group does not operate any share option scheme.

RELATED PARTY TRANSACTIONS

The Company's transactions with Related Parties, given in Note 29.4 (page 320) to the Financial Statements

Non-Recurrent Related Party Transactions – Disclosure in terms of Rule 9.14.8 (1) of the Listing Rules

For disclosure of non-recurrent related party transactions which aggregate value exceeded 10% of the equity or 5% of the total assets whichever is lower of the Group as per latest Audited Financial Statements as at 31st March 2025, which required additional disclosures in this Annual Report in terms of Rule 9.14.8 (1) of the Listing Rules of the Colombo Stock Exchange and Code of Best Practices on Related Party Transactions under the Securities and Exchange Commission Directive issued under Section 13(c) of the Securities and Exchange Commission Act. Refer Related Party Transaction Review Committee Report in pages 239-240.

Recurrent Related Party Transactions – Disclosure in terms of Rule 9.14.8 (2) of the Listing Rules

There were no recurrent related party transactions which aggregate value exceeded 10% of the consolidated revenue of the Group as per latest Audited Financial Statements as at 31st March 2025, which required additional disclosures in this Annual Report in terms of Rule 9.14.8 (2) of the Listing Rules of the Colombo Stock Exchange and Code of Best Practices on Related Party Transactions under the Securities and Exchange Commission Directive issued under Section 13(c) of the Securities and Exchange Commission Act.

CORPORATE GOVERNANCE

The Board of Directors confirms that they are in compliance with section 7.10 of the Listing Rules of the CSE. The Chairman, the Board of Directors and the Key Management Personnel are dedicated towards upholding an effective Corporate Governance Framework in compliance with the Code of Business Conduct, Ethics of the Company and in implementing systems and structures required to ensuring best practices within the Company.

The corporate governance of the Company reflects the efforts taken to enhance and protect the interests of the stakeholders of the Company. Prudent internal controls ensure professionalism, integrity and commitment of the Board of Directors, Management and employees.

The Corporate Governance Statement on pages 200 to 233 explains the measures adopted by the Company during the year of review.

INTERNAL CONTROLS

The Directors acknowledge their responsibility for the Group's system of internal control. The system is designed to give assurance, inter alia, regarding the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information generated. However, any system can only ensure reasonable and not absolute assurance that errors and irregularities are either prevented or detected within a reasonable time period.

The Board, having reviewed the system of internal controls, is satisfied with the Group's adherence to and effectiveness of these controls for the period up to the date of signing the Financial Statements.

SUSTAINABILITY

The Group pursues its business goals based on a model of stakeholder governance. Findings from continuous stakeholder engagement have enabled the Group to focus on material matters relevant to its operations, including those highlighted by employees, customers, suppliers, regulators, business partners and the communities it serves. These considerations have been embedded into a Group-wide approach to sustainable development, which continues to evolve in response to stakeholder expectations, regulatory developments and emerging environmental, social and governance priorities.

This Integrated Annual Report presents a comprehensive discussion of the Group's financial and non-financial performance, with the objective of providing stakeholders with a holistic view of the Group's value creation process through the six capitals. The Group's sustainability-related performance, material topics, stakeholder engagement outcomes and capital formation and distribution are discussed in detail in the relevant sections of this report.

ADOPTION OF SLFRS S1 & S2

During the year, the Group also advanced its implementation of SLFRS S1 and SLFRS S2, the local sustainability disclosure standards introduced in Sri Lanka for sustainability-related financial disclosures and climate-related disclosures. The Group continued to strengthen its internal ESG data collection, monitoring and governance processes to support the progressive alignment of its reporting practices with these requirements.

In line with the applicable reporting expectations for the year, the relevant sustainability and climate-related disclosures are presented in the SLFRS S1 and S2 Disclosures section of this Annual Report on pages 83 to 94.

EMPLOYMENT POLICY

The Company's employment policy is totally non-discriminatory which respects individuals and provides carrier opportunities irrespective of the gender, race or religion.

At Company level as at 31 March 2026 a total of 1,480 Persons were in employment (1,333 persons as at 31 March 2025). Refer Human Capital on Pages 120 to 137 for more information.

SUPPLIER POLICY

AEL relates an overall policy of agreeing and clearing communicating terms of payment as per the commercial agreements approved upon and pays for all items in accordance with the same. As at 31 March 2026 the trade and other payables in terms of the Group and the Company amounted to LKR 42,143 Mn (2025 – LKR 32,015 Mn) and LKR 8,910 Mn (2025 – LKR 10,010 Mn) respectively. Details of the same are given on Note 28 on page 317.

AEL further makes every effort in order to follow the value of effective stakeholder engagement in order to establish an enhanced value added model as a result.

ENVIRONMENTAL PROTECTION

The Group complies with appropriate environmental laws and regulations to fulfil the best practices applicable in the country of operation. After making adequate enquiries from the management, the Directors are satisfied that the Company operates in a manner that minimises the detrimental effects on the environment and provides products and services that have a beneficial effect on the customers and the communities within, which the Company operates. Refer Natural Capital on Pages 151 to 159 for more information.

ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

STATUTORY PAYMENTS

The Directors confirm that to the best of their knowledge, all taxes, duties and levies payable by the Company and its subsidiaries, all contributions, levies and taxes payable on behalf of, and in respect of employees of the Group and the Company and all other known statutory dues as were due and payable by the Group and the Company as at the Statement of Financial Position date have been paid or, where relevant provided for, except as specified in Note 30 (Page 322) to the Financial Statements covering commitments and contingencies.

CONTINGENT LIABILITIES

Except as disclosed in Note 30 (Page 322) to the Financial Statements, there were no material Contingent liabilities as at the reporting date.

RISK MANAGEMENT

An ongoing process is in place to identify and manage the risks that are associated with the business and operations of the Company and the Group on a quarter basis. The Directors review this process through the Audit Committee, to identify the competence and success of internal controls.

Specific steps taken by the Company in managing the risks are detailed in the section on Enterprise Risk Management on Pages 69 to 82.

EVENTS OCCURRING AFTER THE REPORTING PERIOD

Except for the matters disclosed in Note 31 (Page 323) to the Financial Statements, there were no material events as at the date, which require adjustment to or disclosure in the Financial Statements.

GOING CONCERN

The Financial Statements are prepared on going concern principles. After making adequate enquires from the Management, the Directors are satisfied that the Company and its subsidiaries have adequate resources to continue its operations in the foreseeable future.

INDEPENDENT AUDITORS' REPORT

The Report of the Independent Auditor on the Financial Statements of the Company is given on Pages 261 to 264.

Independent Auditors

Messrs KPMG, Chartered Accountants served as the Auditors of the Company during the year under review. The Auditors do not have any other relationship with the Company other than as Auditors of the Company who have also provided certain non-audit services.

A total amount of LKR 5,897,500/- is payable by the Company to the Auditors for the year under review. LKR 5,197,500/- as audit fees and LKR 700,000/- as non-audit fees respectively.

The Auditors have expressed their willingness to continue in office. The Audit Committee at a meeting held on 30th June 2026 recommended that they be re-appointed as Auditors. A resolution to re-appoint the Auditors and to authorise the Directors to determine their remuneration will be proposed at the forthcoming Annual General Meeting.

Group

The statutory audits of the subsidiary companies are carried out by independent firms of Chartered Accountants in Sri Lanka.

Details of payments to such audit firms on account of audit fees and for permitted non audit services are set out in Note 8.1 to the Financial Statements on page 282.

Independence of Auditors

Based on the declaration provided by Messrs KPMG, Chartered Accountants and to the extent that the Directors are aware, the Auditors do not have any relationship with (other than that of the Auditor), or interest in, the Company, which in the opinion of the Board, may reasonably be considered to have a bearing on their independence within the meaning of the Code of Professional Conduct and Ethics issued by the Institute of Chartered Accountant of Sri Lanka as at the reporting date.

COMPLIANCE WITH LAWS AND REGULATIONS

To the best of the knowledge and belief of the Directors, the Group/Company has not engaged in any activity, which contravenes laws and regulations of the country.

ANNUAL GENERAL MEETING

The Fifteenth Annual General Meeting will be held on 24 July 2026 at 2.00 P.M at the Ceylon Chamber of Commerce, No. 50, Nawam Mawatha, Colombo 02.

The notice of the Annual General Meeting appears on page 352.

ACKNOWLEDGEMENT OF THE CONTENT OF THE REPORT

As required by the section 168(1)(k) of the Companies Act No. 07 of 2007, the Board of Directors do hereby acknowledge the content of this Annual Report.

The Board of Directors have approved the Audited Financial Statements together with the Annual Report of the Board of Directors and the Reviews which form part of the Annual Report on 30th June 2026.

This Annual Report is signed for and on behalf of the Board of Directors by;

J C Joshua
Executive Vice Chairman

D A R Fernando
Managing Director

P W Corporate Secretarial (Pvt) Ltd
Secretaries

30 June 2026
Colombo

STATEMENT OF DIRECTORS' RESPONSIBILITY

This Statement sets out the responsibility of the Board of Directors in respect to the Financial Statements of the Company and its Subsidiaries. The responsibility of the Auditors in relation to the Financial Statements of the Company and its Subsidiaries is specified in the "Independent Auditors Report"given in pages 261 to 264.

As per the provisions of sections 150 (1), 151, 152 and 153 (1) & (2) of the Companies Act No 07 of 2007, (the "Companies Act") the Directors are responsible to prepare and present Financial Statements for each financial year giving a true and fair view of the state of affairs of the Company and the Group and the profit or loss of the Company and the Group for the financial year.

The Financial Statements comprise of,

Statement of Profit or Loss and Other Comprehensive Income of the Group and the Company

Statement of Financial Position of the Group and the Company

Statement of Changes in Equity of the Group and the Company

Statement of Cash Flows of the Group and the Company

Notes to the Financial Statements comprising Principal Business Activities, Accounting Policies and other disclosures.

Further, under Section 148 of the Companies Act, the Directors are responsible for ensuring that proper accounting records are maintained to enable the determination of the financial position with reasonable accuracy, facilitate the preparation of Financial Statements, and enable the audit of such statements to be carried out readily and properly.

During the course of preparation of the Financial Statements the Directors confirm that:

- Appropriate accounting policies have been selected and applied in a consistent manner and material departures, if any, have been disclosed and explained;
- Financial Statements are presented in accordance with Sri Lanka Accounting Standards (SLFRSs/LKASs) and reasonable and prudent judgments and estimates have been made so that the form and substance of transactions are properly reflected;
- Financial Statements provide information required by and otherwise comply with the Companies Act and the Listing Rules of the Colombo Stock Exchange;
- The Company maintains with reasonable accuracy sufficient accounting records to disclose the financial position of the Company and the Group;
- Financial Statements have been prepared on a going concern basis and they are of the view that sufficient resources are available to justify.

The Board of Directors confirm that they have taken reasonable measures to safeguard the assets of the Company and the Group in this regard have established appropriate systems of internal control with a view to preventing and detecting fraud and other irregularities.

As required by the Section 56(2) of the Companies Act No. 07 of 2007, the Board of Directors have confirmed that the Company, based on the information available, satisfied the solvency test immediately after the distribution, in accordance with Section 57 of the Companies Act No.07 of 2007, and have obtained a certificate from the Auditors, prior to declaring all dividends. The Directors are of the view that they have discharged their responsibilities as set out in this Statement.

The External Auditors, Messrs KPMG who were deemed re–appointed in terms of Section 158 of the Companies Act No. 07 of 2007 were provided with every opportunity to undertake the inspections they considered appropriate to enable them to form their opinion on the Financial Statements. The Report of the Auditors, shown on pages 261 to 264 sets out their responsibilities in relation to the Financial Statements.

COMPLIANCE REPORT

The Directors confirm that to the best of their knowledge all contributions, levies and taxes payable on behalf of and in respect of the employees of the Company and its Subsidiaries and all other known statutory dues as were due and payable by the Company and its Subsidiaries as at reporting date have been paid or, where relevant, provided for, except as specified in Note 30 (page 322) to the Financial Statements covering commitments and contingencies.

By Order of the Board,

P W Corporate Secretarial (Pvt) Ltd
Secretaries

30 June 2026
Colombo

DIRECTORS' STATEMENT ON INTERNAL CONTROL

The following Statement fulfils the requirement to publish the Directors' Statement on Internal Control as per the Code of Best Practice on Corporate Governance 2023 jointly issued by The Institute of Chartered Accountants of Sri Lanka and the Securities and Exchange Commission of Sri Lanka.

The Board of Directors are responsible for maintaining a sound system of internal controls to safeguard shareholders' investments and the Company's assets. The Board has established an ongoing process for identifying, evaluating and managing the significant risks faced by the Company and Group. This process includes enhancing the system of internal controls as and when there are changes to business environment or regulatory guidelines. The process is regularly reviewed by the Board.

The Board is of the view that the system of internal controls in place is sound and adequate to provide reasonable assurance regarding the reliability of financial reporting, and the preparation of Financial Statements for external purposes and is in accordance with relevant accounting principles and regulatory requirements.

KEY INTERNAL CONTROL PROCESSES

Following features of the system of Internal Control that have been introduced by the Board to obtain reasonable assurance that proper system are in place:

- Committees appointed by Board to assist them in ensuring the effectiveness of Company's daily operations and to ensure that these daily operations are within the corporate objectives, strategies and annual budget ratified by the Board.
- The Head of Internal Auditor who heads the Internal Audit Department bears the responsibility of carrying out periodic audits on an ongoing basis covering all operational projects/ units to ensure the effectiveness of the system of internal control. These audits are carried out in accordance with the Internal Annual Audit Plan approved by the Board of Audit Committee for their review on a quarterly basis. In addition special audits are conducted as and when the need arises and findings of the same are submitted to the Board of Audit Committee for their review.
- The Board Audit Committee reviews internal control issues identified by the Internal Audit Department, regulatory bodies and the Management and evaluates the adequacy and effectiveness of the risk management and internal control systems. They further review the internal audit functions with particular emphasis on the scope of audits and quality of internal audits. The minutes of the Board Audit Committee meetings are tabled at the Board meetings of the Company.
- In accordance, with Sri Lankan Accounting Standards comprising SLFRS and LKAS, processes that are required to comply with requirements of recognition, measurement, presentation and disclosures were introduced and implemented. Consistent and continuous monitoring is in progress to enhance the system's effectiveness and efficiency.
- The comments made by External Auditors in relation with the internal control system during the financial year 2025/26 were taken into significant consideration and the necessary steps have been taken to incorporate them where applicable.

CONFIRMATION STATEMENT

The Board having implemented the above is aware that such systems are designed to manage rather than eliminate the risk of failure to achieve business objective and can only provide reasonable and not absolute assurance against material misstatements of loss.

Based on the above processes, the Board of Directors confirms that the financial reporting system of the Company has been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes has been done in accordance with the Sri Lankan Accounting Standards (SLFRSs/LKASs), requirements of the Companies Act No. 07 of 2007 and Listing Rules of the Colombo Stock Exchange. The Consolidated Financial Statements for the year ended 31 March 2026 have been audited by Messrs KPMG, Chartered Accountants.

S J S Perera
Chairman

D A R Fernando
Managing Director

M J S Rajakariar
Chairman- Audit Committee

30 June 2026

INDEPENDENT AUDITORS' REPORT

KPMG
(Chartered Accountants)
32A, Sir Mohamed Macan Markar Mawatha,
P. 0. Box 186,
Colombo 00300, Sri Lanka.

Tel +94 - 11 542 6426
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Internet www.kpmg.com/lk

TO THE SHAREHOLDERS OF ACCESS ENGINEERING PLC

Report on the Audit of the Financial Statements

OPINION

We have audited the financial statements of Access Engineering 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 March 31, 2026, and statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information as set out on pages 271-342.

In our opinion, the accompanying financial statements of the Company and the Group give a true and fair view of the financial position of the Company and the Group as of March 31, 2026, and of their financial performance and 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 Group in accordance with the Code of Ethics for professional Accountants issued by CA Sri Lanka (Code of Ethics), and we have fulfilled our other ethical responsibilities in accordance with the 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 Company financial statements and the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Company financial statements and the consolidated financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Recognition of Revenue

Refer Note 5 to the consolidated financial statements

Risk Description

The major components of the Group's revenue comprises of revenue recognized overtime from construction contracts amounting to Rs. 12 Bn for the year ended 31 March 2026. Construction revenue is recognized overtime by reference to the Group's progress toward completing the contracts.

Management judgment is required to estimate the total construction costs, variations or claims recognized as contract revenue, and provision for liquidated damages that will affect the measure of progress and revenue and profit margins recognized from construction contracts.

We identified construction revenue recognized overtime as a key audit matter because of the revenue recognition is inherently subjective and requires significant management judgment and errors in the recognition of revenue could have a material impact on the Group profit for the year.

Our audit procedures included

- Obtaining an understanding and assessing the design, implementation and operating effectiveness of the management's key internal controls over revenue recognition.
- Discussing with the Group management and project managers the performance of the major contracts in progress during the year and comparing the contract revenue recognized for a sample of contracts in progress during the year with certifications from quantity surveyors appointed by the customers or payment applications from the in-house surveyor.
- On a sample basis, inspecting of project contract agreements with customers and subcontractors to identify key terms and conditions, including contracting parties, contract period, contract sum, scope of the work and evaluating whether these key terms and conditions had been appropriately reflected in the total estimated revenue and cost to complete under the forecasts of contracts.

KPMG, a Sri Lankan partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

T.J.S. Rajakarier FCA
W.K.D.C. Abeyrathne FCA
Ms. B.K.D.T.N. Rodrigo FCA
Ms. C.T.K.N. Perera ACA
R. G. H. Raddella ACA

W.W.J.C. Perera FCA
G.A.U. Karunaratne FCA
R.H. Rajan FCA
A.M.R.P. Alahakoon ACA
H.U.S.T Dayananda FCA

Ms. S. Joseph FCA
R.M.D.B. Rajapakse FCA
M.N.M. Shameel FCA
Ms. P.M.K. Sumanasekara FCA

Principals: S.R.I. Perera FCMA(UK), LLB, Attorney-at-Law, H.S. Goonewardene ACA, Ms. F.R. Ziyard FCMA (UK), FCIT, K. Somasundaram ACMA(UK), Ms. D Corea Dharmaratne

- Assessing the adequacy of financial statements disclosure as per the required accounting standards.

2. Recoverability of Trade Receivables

Refer Note 19 to the consolidated financial statements

Risk Description

The Group trade receivables are stated in the financial position at their fair value less any provision for irrecoverable amounts. As at 31 March 2026 net of trade receivables were Rs. 9.38 Bn after provisions of Rs. 0.89 Bn.

There are inherent risks relating to customer's credit risk profile which varies due to the size of each customer and the industries that the customers operate in. The risk is whether the trade receivables are recoverable and determining an appropriate provision for potentially impaired trade receivables requires significant management judgment.

Impairment allowances represent management's best estimate of the losses expected within receivables as at the financial position date. Management has assessed the receivable balances

individually & collectively based on the age of debts to identify any objective evidence of impairment.

Given the level of subjectivity nature of significant management judgments involved and transition adjustments are likely to be subject to scrutiny from investors/ regulators resulted in impairment of trade receivables being considered as a key audit matter.

Our audit procedures included:

- Evaluating the appropriateness of the impairment methodology adopted by the Group in accordance with SLFRS 9 and challenging the key assumptions and evaluating the reasonableness of the key judgments and methodology used by the management.
- Assessing the appropriateness of impairment allowance by considering the estimation uncertainties by management pursuant to the current economic situation in determining loss allowances, including assessing the appropriateness of the key parameters and assumptions used in the expected credit loss model.
- Evaluating the completeness, accuracy, and relevance of data used in preparation of the impairment provision.
- Comparing the economic factors used in the models to market information to assess whether they are aligned with the market and economic development.
- Evaluating the adequacy of the disclosures in the financial statements in accordance with the relevant accounting standards.

3. Impairment Assessment of Goodwill

Refer Note 14 to the consolidated financial statements

Risk Description

As at 31 March 2026, the goodwill is stated at Rs. 523 Mn.

Management allocated goodwill to the automobile sector ("CGU"), and the recoverable amounts of the identified CGUs have been determined based on value-in-use calculation.

Management performed the impairment assessment for goodwill with indicators of impairment and determined their recoverable amounts based on value-in-use calculations.

We have identified the assessment of impairment of goodwill as a key audit matter because judgment is required in identifying indicators of impairment and required the management to make various assumptions in the underlying cash flow forecasts.

Our audit procedures included:

- Obtaining an understanding of management's impairment assessment process.
- Evaluating the reasonableness of the Group's key assumptions for its cash flow projection by considering macro-economic environment factors such as discount rates, cost inflation and business growth with reference to the internally and externally derived sources including Group budgetary process and reasonableness of historical forecasts.
- Considering the adequacy of the Group disclosures in the financial statements in respect of impairment testing.

4. Valuation of Investment Properties

Refer Note 13 to the consolidated financial statements

Risk Description

The Group investment properties are stated at their fair value in the amount of Rs. 40.7 Bn as at 31 March 2026.

Management's assessment of fair value of investment property is based on valuations performed by a qualified independent property valuer in accordance with recognized industry standards.

Furthers, the prevailing uncertain and volatile macro-economic environment introduced significant estimation uncertainty in relation to the measurement of the market value of investment properties.

We identified fair valuation of Investment properties as a key audit matter due to the use of significant estimates such as per perch price and value per square foot involved in assessing the fair value of the investment property.

Our audit procedures included:

- Assessing the objectivity, independence, competence and qualifications of the external valuers.
- Assessing the key assumptions applied and conclusion made by the external valuer in deriving the fair value of the Investment properties and comparing the same with evidence of current market values.
- Engaging our own internal specialized resources to assess the reasonability of the valuation technique, discount rates, per perch and square feet prices.
- Challenging how valuers had assessed the impact of the prevailing uncertain and volatile macro-economic environment to assess whether that it was appropriately considered in the measurement in valuing properties to determine the fair value of the investment property.
- Assessing the adequacy of disclosure in relation to fair value of investment property in the financial statements.

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 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, management is responsible for assessing the 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 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.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements 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 skepticism 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 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 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 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 Group to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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 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 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 3272.

KPMG
Colombo, Sri Lanka

30th June 2026.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March	Note	Group		Company	
		2026 LKR	2025 LKR	2026 LKR	2025 LKR
Revenue	5.1	49,660,591,585	34,510,580,202	24,091,511,087	29,320,910,792
Cost of sales		(36,810,232,157)	(22,614,426,611)	(19,079,327,047)	(21,405,668,968)
Gross profit		12,850,359,428	11,896,153,591	5,012,184,040	7,915,241,824
Other income	6.1	490,647,915	317,667,162	1,026,260,889	1,841,323,717
Change in fair value of investment property	6.2	4,011,496,402	96,900,000	-	43,900,000
Administrative expenses		(2,591,656,895)	(2,343,445,432)	(1,162,548,354)	(1,367,448,325)
Selling and distribution expenses		(494,839,034)	(558,415,529)	-	-
Other expenses		(77,839,903)	(38,460,647)	(133,713,055)	(123,109,410)
Operating profit		14,188,167,913	9,370,399,145	4,742,183,520	8,309,907,806
Finance cost	7.1	(3,074,970,317)	(2,338,039,693)	(1,979,441,229)	(2,331,344,787)
Finance income	7.1	682,956,504	620,709,335	1,249,358,420	146,843,745
Share of results of equity-accounted investees, net of tax	16.2	(251,748,223)	130,460,270	-	-
Profit before tax		11,544,405,877	7,783,529,057	4,012,100,711	6,125,406,764
Income tax (expense) / reversal	9.1	(3,798,208,417)	(1,492,431,221)	(881,906,487)	(1,577,993,920)
Profit for the period		7,746,197,460	6,291,097,836	3,130,194,224	4,547,412,844
Profit attributable to:					
Equity holders of the parent		7,169,124,457	6,310,062,416	3,130,194,224	4,547,412,844
Non-controlling interest		577,073,003	(18,964,580)	-	-
Profit for the period		7,746,197,460	6,291,097,836	3,130,194,224	4,547,412,844
Other comprehensive income					
Items that will not be reclassified to profit or loss in subsequent periods					
Remeasurement of defined benefit liabilities	27.1	(48,016,173)	(23,454,753)	(42,521,107)	(20,000,296)
Revaluation of Land and Buildings	11.1/11.2	253,206,912	-	67,729,378	-
Non quoted equity investments at FVOCI – net change in fair value		(125,698)	(50,461)	(125,698)	(50,461)
Related tax	9.1	(61,546,361)	7,081,118	(7,562,481)	6,000,089
Items that will be reclassified to profit or loss in subsequent periods					
Foreign currency translation difference of foreign operations		6,663,714	(37,397)	-	-
Other comprehensive income for the period, net of tax		150,182,394	(16,461,493)	17,520,092	(14,050,668)
Total comprehensive income for the period, net of tax		7,896,379,854	6,274,636,343	3,147,714,316	4,533,362,176
Total comprehensive income attributable to;					
Equity holders of the parent		7,314,021,253	6,293,252,570	3,147,714,316	4,533,362,176
Non-controlling interest		582,358,601	(18,616,227)	-	-
Total comprehensive income for the period, net of tax		7,896,379,854	6,274,636,343	3,147,714,316	4,533,362,176
Basic/diluted earnings per share	10	7.17	6.31	3.13	4.55
Dividend per share	24.3			2.00	2.00

The Accounting Policies and Notes form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

STATEMENT OF FINANCIAL POSITION

As at 31 March	Note	Group 2026 LKR	Group 2025 LKR	Company 2026 LKR	Company 2025 LKR
Non-current assets					
Property, plant and equipment	11.1/11.2	11,426,834,013	9,181,889,471	3,101,421,968	3,496,374,404
Right of use assets	12.1	2,318,570,672	2,405,629,765	260,869,006	189,546,639
Investment property	13.1	40,758,129,693	36,699,491,876	774,400,000	774,400,000
Investment property- work in progress	13.3	8,391,030,284	3,733,498,714	-	-
Intangible assets and goodwill	14.1	661,971,304	658,773,662	39,681,467	24,793,516
Investments in subsidiaries	15.1	-	-	37,369,848,656	26,938,411,343
Equity-accounted investees	16.1	1,912,454,107	2,249,839,125	1,818,100,056	1,818,100,056
Non-current financial assets	17	1,232,209	1,385,605	1,232,209	1,385,605
Deferred tax assets	9.4	3,298,003,219	4,786,845,070	7,251,234	192,043,005
		68,768,225,501	59,717,353,288	43,372,804,596	33,435,054,568
Current assets					
Inventories	18.1	43,393,952,483	25,193,767,102	2,628,399,966	2,735,111,351
Trade and other receivables	19.1	14,933,570,774	18,807,497,447	8,768,551,375	11,822,381,264
Amount due from related parties	29.2	43,555,223	125,566,918	5,781,004,844	5,556,566,655
Current tax assets	9.3	471,008,747	319,904,331	-	-
Other current financial assets	20	2,175,474,740	3,328,216,090	1,963,421,149	3,018,279,530
Short term investments	21	2,323,895	31,273,333	2,323,895	31,273,333
Short term deposits	22	164,993	153,284	-	-
Cash and cash equivalents	23	3,787,618,275	2,455,741,459	1,627,113,725	1,088,950,579
		64,807,669,130	50,262,119,964	20,770,814,954	24,252,562,712
Total assets		133,575,894,631	109,979,473,252	64,143,619,550	57,687,617,280
Equity and liabilities					
Equity					
Stated capital	24.1	9,000,000,000	9,000,000,000	9,000,000,000	9,000,000,000
Other components of equity	24.2	1,075,876,686	816,006,060	397,022,624	329,293,246
Retained earnings		31,072,453,441	30,311,485,773	19,745,375,006	18,665,390,068
Equity attributable to equity holders of the parent		41,148,330,127	40,127,491,833	29,142,397,630	27,994,683,314
Non-controlling interests	34	1,748,264,785	2,585,486,101	-	-
Total equity		42,896,594,912	42,712,977,934	29,142,397,630	27,994,683,314
Non-current liabilities					
Government grants	25	4,168,401	4,387,782	-	-
Loans and borrowings	26	32,165,119,507	19,995,881,139	19,920,005,096	13,166,884,191
Lease liabilities	12.2	136,370,343	127,280,529	91,248,103	97,181,039
Employee benefit liabilities	27	547,015,865	447,477,664	465,535,940	379,801,969
Deferred tax liabilities	9.4	3,861,855,443	3,295,796,615	-	-
		36,714,529,559	23,870,823,729	20,476,789,139	13,643,867,199
Current liabilities					
Trade and other payables	28	42,142,960,094	32,015,164,690	8,910,442,508	10,010,153,368
Amount due to related parties	29.3	438,347,816	591,922,227	170,714,116	384,453,829
Loans and borrowings	26	9,594,431,087	6,844,525,550	5,104,983,343	2,511,453,152
Lease liabilities	12.2	36,659,420	78,569,029	139,344,509	31,408,608
Current tax liabilities	9.3	966,038,511	1,439,796,089	183,392,536	1,416,317,193
Deferred revenue		-	1,680,755,398	-	1,680,755,398
Unclaimed dividends		62,434,226	18,918,459	15,555,769	14,525,219
Bank overdraft	23	723,899,006	726,020,147	-	-
		53,964,770,160	43,395,671,589	14,524,432,781	16,049,066,767
Total liabilities		90,679,299,719	67,266,495,318	35,001,221,920	29,692,933,966
Total equity and liabilities		133,575,894,631	109,979,473,252	64,143,619,550	57,687,617,280
Net asset per share		41.15	40.13	29.14	27.99

The Accounting Policies and Notes form an integral part of these Financial Statements.

The Financial Statements have been prepared in compliance with the requirements of the Companies Act No.7 of 2007.

N Iddagodage
General Manager -Finance

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 of Access Engineering PLC.

J C Joshua
Executive Vice Chairman

D A R Fernando
Managing Director

30 June 2026
Colombo.

STATEMENT OF CHANGES IN EQUITY

Group	Attributable to equity holders of the parent					Non -controlling interests	Total equity
	Stated capital	Revaluation reserve	Foreign currency translation reserve	Retained earnings	Total		
	LKR	LKR	LKR	LKR	LKR	LKR	LKR
Balance as at 1 April 2024	9,000,000,000	817,841,594	(1,798,137)	26,018,195,806	35,834,239,263	2,408,801,713	38,243,040,976
Profit for the year	-	-	-	6,310,062,416	6,310,062,416	(18,964,580)	6,291,097,836
Other comprehensive income for the year, net of tax	-	-	(37,397)	(16,772,449)	(16,809,846)	348,353	(16,461,493)
Total comprehensive income for the year	-	-	(37,397)	6,293,289,967	6,293,252,570	(18,616,227)	6,274,636,343
Cash dividends (Note 24.3)	-	-	-	(2,000,000,000)	(2,000,000,000)	-	(2,000,000,000)
Non-controlling interest of Access Medical Tracers (Private) Limited	-	-	-	-	-	200,000,000	200,000,000
Dividend paid to Non-Controlling Interest	-	-	-	-	-	(4,699,385)	(4,699,385)
Balance at 31 March 2025	9,000,000,000	817,841,594	(1,835,534)	30,311,485,773	40,127,491,833	2,585,486,101	42,712,977,934
Profit for the year	-	-	-	7,169,124,457	7,169,124,457	577,073,003	7,746,197,460
Other comprehensive income for the year, net of tax	-	253,206,912	6,663,714	(114,973,830)	144,896,796	5,285,598	150,182,394
Total comprehensive income for the year	-	253,206,912	6,663,714	7,054,150,626	7,314,021,253	582,358,601	7,896,379,854
Cash dividends (Note 24.3)	-	-	-	(2,000,000,000)	(2,000,000,000)	-	(2,000,000,000)
Dividend paid to Non-Controlling Interest		-	-	-	-	(23,496,925)	(23,496,925)
Acquistion of NCI - Harbour Village (Private) Limited	-	-	-	(4,293,182,958)	(4,293,182,958)	(1,396,082,992)	(5,689,265,950)
Balance at 31 March 2026	9,000,000,000	1,071,048,506	4,828,180	31,072,453,441	41,148,330,127	1,748,264,785	42,896,594,912

Company	Stated capital	Revaluation reserve	Retained earnings	Total equity
	LKR	LKR	LKR	LKR
Balance at 1 April 2024	9,000,000,000	329,293,246	16,132,027,892	25,461,321,138
Profit for the year	-	-	4,547,412,844	4,547,412,844
Other comprehensive income for the year, net of tax	-	-	(14,050,668)	(14,050,668)
Total comprehensive income for the year	-	-	4,533,362,176	4,533,362,176
Cash dividends (Note 24.3)	-	-	(2,000,000,000)	(2,000,000,000)
Balance at 31 March 2025	9,000,000,000	329,293,246	18,665,390,068	27,994,683,314
Profit for the year	-	-	3,130,194,224	3,130,194,224
Other comprehensive income for the year, net of tax	-	67,729,378	(50,209,286)	17,520,092
Total comprehensive income for the year	-	67,729,378	3,079,984,937	3,147,714,316
Cash dividends (Note 24.3)	-	-	(2,000,000,000)	(2,000,000,000)
Balance at 31 March 2026	9,000,000,000	397,022,624	19,745,375,006	29,142,397,629

The Accounting Policies and Notes form an integral part of these financial statements.

Figures in brackets indicate deductions.

STATEMENT OF CASH FLOWS

For the year ended 31 March	Note	Group		Company	
		2026 LKR	2025 LKR	2026 LKR	2025 LKR
Cash flows from operating activities					
Profit before tax		11,544,405,877	7,783,529,057	4,012,100,711	6,125,406,764
Adjustments for:					
Depreciation of property plant and equipment	11.1/11.2	1,138,594,210	1,067,319,005	692,227,396	786,367,862
Depreciation of right- of - use assets	12.1	100,094,800	91,495,164	108,624,371	7,197,974
Amortisation and impairment of intangible assets	14.1	18,297,971	8,081,846	4,515,728	5,159,159
Provision for employee benefits	27.1	96,767,096	84,690,187	82,553,974	70,025,759
Impairment losses/ write-off of trade and other receivables/inventories		210,214,474	456,811,613	26,758,036	385,951,137
Increase in fair value of investment properties	13.1	(4,011,496,402)	(96,900,000)	-	(43,900,000)
Fair value adjustment on other receivable		22,745,893	141,967,992	22,745,893	774,330,852
Reversal for Impairment of financial assets		-	-	(632,362,860)	-
Impairment of Investment in Subsidiaries		-	-	80,857,721	102,997,155
Impairment of Goodwill		2,413,066	-	-	-
Gain on disposal of property, plant and equipment	6.1	(65,725,378)	(158,897,328)	(18,502,540)	(140,752,116)
Gain on derecognition of ROU assets		(5,073,667)	(15,578,794)	-	-
Loss on asset write off		148	342	148	342
Amortisation of government grant	25	(219,381)	(219,381)	-	-
Share of results of equity-accounted investees, net of tax	16.2	251,748,223	(130,460,270)	-	-
Dividend income from investments in subsidiaries	6.1	-	-	(940,700,281)	(1,642,356,867)
Net finance cost		2,369,267,920	1,575,362,366	1,570,570,099	1,410,170,190
Operating profit before working capital changes		11,672,034,850	10,807,201,799	5,009,388,396	7,840,598,211
Changes in:					
Inventories		(18,294,089,189)	(4,890,986,351)	89,453,125	184,239,338
Trade and other receivables		3,891,645,455	(2,087,727,123)	2,985,808,521	(1,291,618,067)
Other current financial assets		1,152,741,350	(407,461,984)	1,054,858,381	(400,065,305)
Amounts due from related parties		82,011,695	13,819,165	407,924,671	(2,672,215,981)
Trade and other payables		7,353,804,204	(2,065,027,825)	(4,230,196,778)	(3,617,753,607)
Amounts due to related parties		(153,574,411)	206,487,228	11,260,287	(13,281,085)
Cash generated from/ (used in) operating activities		5,704,573,955	1,576,304,909	5,328,496,601	29,903,504
Finance cost paid		(2,837,617,576)	(1,901,298,056)	(1,733,991,025)	(1,280,040,897)
Interest Paid on Lease Liabilities		(13,272,716)	(15,494,486)	(16,778,364)	-
Income tax paid	9.3	(2,212,533,455)	(894,831,194)	(1,889,977,733)	(824,938,152)
Gratuity paid	27	(45,245,068)	(26,934,386)	(39,341,110)	(17,009,926)
Net cash flows generated from/ (used in) operating activities		595,905,141	(1,262,253,213)	1,648,408,370	(2,092,085,471)

For the year ended 31 March	Note	Group		Company	
		2026 LKR	2025 LKR	2026 LKR	2025 LKR
Cash flows from investing activities					
Purchase of property, plant and equipment		(3,133,934,506)	(4,464,253,430)	(229,566,353)	(292,901,478)
Purchase of intangible assets	14.1	(23,908,679)	(103,139,957)	(19,403,679)	-
Purchase of investment properties	13.1	(85,131,415)	(240,016,318)	-	-
Disposal of investment properties		-	-	-	465,000,000
Purchase of investment properties - work in progress	13.3	(4,657,531,570)	(1,470,140,487)	-	-
Proceeds from sale of property, plant and equipment		67,987,048	631,650,934	18,523,311	142,886,645
Divestment in equity-accounted investees		-	59,999,400	-	59,999,400
Investment in subsidiaries		-	-	(5,048,029,084)	(105,000,000)
Investment/Withdrawal in short term deposits		-	1,416,732,748	-	-
Net investment in equity instrument		20,628,538	(12,606,830)	20,628,538	(12,606,830)
Dividend income received		-	-	940,700,281	1,491,844,469
Finance Income received		50,877,351	122,097,588	9,762,534	68,540,971
Net cash flows used in investing activities		(7,761,013,233)	(4,059,676,352)	(4,307,384,451)	1,817,763,177
Cash flows from financing activities					
Dividend paid to equity holders of the parent		(2,000,000,000)	(2,000,000,000)	(2,000,000,000)	(2,000,000,000)
Acquisition of non-controlling interests		(4,078,284,750)		(4,078,284,750)	
Dividend Paid to Non-Controlling Interests		(23,496,925)	(4,699,385)	-	-
Proceeds from issue of shares to Non-Controlling Interest		-	200,000,000	-	-
Proceeds from loans & borrowings	26.1	95,947,571,703	79,719,276,030	74,270,000,000	66,465,000,000
Repayment of loans & borrowings	26.1	(81,291,319,723)	(74,083,089,703)	(64,905,000,000)	(64,763,746,000)
Repayment of lease liabilities		(55,364,256)	(36,970,416)	(89,576,021)	-
Net cash flows generated from/ (used in) financing activities		8,499,106,049	3,794,516,526	3,197,139,229	(298,746,000)
Increase in cash and cash equivalents		1,333,997,957	(1,527,413,037)	538,163,146	(573,068,293)
Cash and cash equivalent at the beginning of the year		1,729,721,312	3,257,134,349	1,088,950,579	1,662,018,872
Cash and cash equivalent at 31st March	23	3,063,719,269	1,729,721,312	1,627,113,725	1,088,950,579

The Accounting Policies and Notes form an integral part of these financial statements.

Figures in brackets indicate deductions.

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NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE AND GROUP INFORMATION

This section provides Corporate and Group information about Access Engineering PLC, its subsidiaries, joint venture and associate.

1.1. Reporting Entity

Access Engineering PLC ("Company") is a public limited liability company, incorporated on 31 July 2001 and domiciled in Sri Lanka. The Company was re-registered under the Companies Act No. 07 of 2007 on 06 February 2008. The ordinary shares of the Company are listed at the Colombo Stock Exchange. The Company's registered office and the principal place of business are located at "Access Towers", 278, Union Place, Colombo 02.

The principal activities and nature of operations of the Company, its subsidiaries and equity accounted investees are given on Note 32 to the Financial Statements.

Access Engineering PLC does not have any identifiable parent of its own. The Company is the ultimate parent of the Group.

1.2. Consolidated Financial Statements

The Financial Statements for the year ended 31 March 2026 comprise "the Company" referring to Access Engineering PLC as the holding Company and "the Group" referring to companies that have been consolidated therein together with the Group's interests in Equity-accounted Investees.

The Financial Statements of all Companies in the Group have a common financial year which ends on 31 March.

1.3. Approval of Financial Statements

The Consolidated Financial Statements of Access Engineering PLC and its subsidiaries (collectively the Group) for the year ended 31 March 2026 were authorised for issue by the Board of Directors on 30 June 2026.

1.4. Responsibilities for the Financial Statements

The Board of Directors is responsible for the preparation and presentation of the Financial Statements of the Company and its subsidiaries as per provisions of the Companies Act No, 07 of 2007 and the Sri Lanka Accounting Standards (SLFRSs / LKASs).

The Board of Directors acknowledges this responsibility for Financial Statements as set out in the "Statement of Directors' Responsibility for Financial Statements" (Refer page 259), 'Annual Report of the Board of Directors' (Refer page 252 to 258) and in the statement appearing with the Statement of Financial Position (Refer page 266) of this Annual Report.

2. BASIS OF ACCOUNTING

This section covers the basis of preparation of Financial Statements including policies, assumptions, judgements, estimates, and adoption of Sri Lanka Accounting Standards (SLFRSs/LKASs). Accounting policies and basis for judgements and estimates that are specific to notes in section 4, is given in the relevant note.

2.1. Statement of compliance

The Financial Statements of the Company and the Consolidated Financial Statements of the Group comprise Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows together with the Accounting Policies and Notes (the Financial Statements) which have been prepared in accordance with Sri Lanka Accounting Standards (SLFRSs / LKASs) laid down by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and further, these statement comply with the requirement of the Companies Act No. 7 of 2007, provide appropriate disclosures as required by Listing Rules of Colombo Stock Exchange.

These Financial Statements except for information on cash flows have been prepared following the accrual basis of accounting.

The Group did not adopt any inappropriate accounting treatments which are not in compliance with the requirements of SLFRSs and LKASs, regulations governing the preparation of Financial Statements.

2.2. Components of Financial Statements

The consolidated financial statements include the following components:

- a Statement of Profit or Loss and Other Comprehensive Income providing information on the financial performance of the Group and the Company for the year under review.
- a Statement of Financial Position providing information on the financial position of the Group and the Company as at the year end.
- a Statement of Changes in Equity depicting all changes in shareholders' funds during the year under review for the Group and the Company.
- a Statement of Cash Flow providing information to users on the ability of the of the Group and the Company to generate cash and cash equivalents and utilisation of those cash flows.
- notes to the financial statements comprising material accounting policies and other explanatory information.

2.3. Basis of Measurement

The Financial Statements have been prepared on the historical cost basis except for the following material items.

- Lands and buildings which are recognised as property plant and equipment which are measured at cost on initial recognition and subsequently carried at fair value.
- Lands and buildings which are recognised as investment property which are measured at cost on initial recognition and subsequently carried at fair value.
- Financial instruments classified as fair value through profit or loss which are measured at fair value.
- Retirement benefit obligations measured at the present value of the defined benefit
- Lease liabilities measured at amortised cost using effective interest method where appropriate, the specific policies are explained in the succeeding notes. No adjustments have been made for inflationary factors in the Financial Statements.
- Fair value through other comprehensive income financial assets which are measured at fair value

NOTES TO THE FINANCIAL STATEMENTS

2.4.Functional and Presentation Currency

Items included in these Financial Statements are measured using the currency of primary economic environment in which the Company operates (functional currency).

Each entity in the Group determines its own functional currency and items included in the Financial Statements of these entities are measured using that functional currency. There were no change in the Group's presentation and functional currency during the year under review.

These Financial Statements are presented in Sri Lankan Rupees, the Group's functional and presentation currency.

The following subsidiary company is using different functional currency other than Sri Lankan Rupees (LKR):

Country of incorporation	Functional Currency	Name of the Subsidiary
Republic of Kenya	Kenyan Shilling	AEL East Africa Limited

2.5. Materiality and Aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or function are presented separately unless they are immaterial as permitted by the Sri Lanka Accounting Standard - LKAS 1 on "Presentation of Financial Statements".

Notes to the Financial Statements are presented in a systematic manner that ensure the understandability and comparability of Financial Statements of the Group and the Company. Understandability of the financial statements is not compromised by obscuring material information with immaterial information or by aggregating material items that have different natures or functions.

2.6. COMPARATIVE INFORMATION

The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year. The presentation and classification of the financial statements of the previous period, have been adjusted, where relevant, for better presentation.

2.7 Summary of Significant accounting judgments, estimates and assumptions

The preparation of the Group's Consolidated Financial Statements requires Management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Group's accounting policies, Management has made various judgments. Those which Management has assessed to have the most significant effect on the amounts recognised in the Consolidated Financial Statements have been discussed in the individual Notes of the related Financial Statement line items.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are also described in the individual Notes of the related Financial Statement line items below. The Group based its assumptions and estimates on parameters available when the Consolidated Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the year ending 31 March 2026 is included in the following notes.

Accounting Policies	Note
Revenue recognition	Note 5
Revaluation of Property, plant and equipment	Note 11
Fair value of the investment property	Note 13
Impairment of non financial assets: key assumption underlying recoverable amount	Note 2.9.5
Measurement of defined benefit obligation: key actuarial assumptions	Note 27
Measurement of ECL allowance for trade receivables	Note 19
Fair value measurement of financial instruments	Note 36
Impairment of financial assets	Note 35
Income Tax (current tax and deferred tax)	Note 9
Recognition and measurement of provisions and contingencies: key assumption about the likelihood and magnitude of an outflow of resources	Note 30
Recognition of subsidiaries based on de facto control over an investee	Note 33

2.8. Going concern

The Directors have made an assessment of the Company, its subsidiaries, associates and joint ventures have adequate resources to continue in operational existence and ability to continue as a going concern for the foreseeable future.

In making this assessment the management has considered the potential negative impact that the current economic conditions could bring to the business operation of the Group. Furthermore, changes in underlying economic factors have fluctuated the prices of inputs and outputs of automobile and property sectors.

Having evaluated the future outlook of the Group, the Directors have made an assessment of the Group's ability to continue as a going concern, and being satisfied that it has the resources to continue in business for the foreseeable future confirmed that they do not intend either to liquidate or to cease operations of the Group.

Furthermore, management is not aware of any material uncertainties relating to event or condition that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going concern basis.

2.9. Summary of material accounting policies

Summary of material accounting policies have been disclosed along with the relevant individual notes in the subsequent pages.

Following accounting policies which have been applied consistently by the Group, are considered to be material but are not covered in any other sections.

2.9.1 Basis of consolidation

The Consolidated Financial Statements comprise the Financial Statements of the Company, its subsidiaries and the Group's interest in equity accounted investees (associates and joint ventures). Subsidiaries and equity accounted investees are disclosed in Note 15, Note 16 and Note 33 to the Financial Statements respectively.

Subsidiaries are those entities controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee. (i.e., existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of Other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2.9.2Current versus non-current classification

The Group presents assets and liabilities in the Statement of Financial Position based on current/ non-current classification. An asset is current when it is:

- Expected to be realised or intended to sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non current assets and liabilities.

2.9.3 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. The amount of borrowing costs eligible for capitalisation is determined as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for its intended use are completed.

2.9.4 Foreign currencies

2.9.4.1 Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or profit or loss are also recognised in Other Comprehensive Income or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

2.9.4.2 Foreign operations

Subsidiaries incorporated outside Sri Lanka are treated as foreign operations. On consolidation, the assets and liabilities of foreign operations are translated into Sri Lanka Rupees at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in Other Comprehensive Income and presented in the foreign currency translation reserve in equity except to the extent the translation difference is allocated to the non-controlling interest. On disposal of a foreign operation, the component of Other Comprehensive Income relating to that particular foreign operation is reclassified to income statement as part of the gain or loss on disposal.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

2.9.5 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Impairment losses are recognised in the Statement of Profit or Loss in those expense categories consistent with the function of the impaired asset, except for a property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit or Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

2.9.6 Statement of cash flows

The Statement of Cash Flow has been prepared using the 'indirect method' in accordance with Sri Lanka Accounting Standard - LKAS 7 - "Statement of Cash Flows", whereby operating activities, investing activities and financing activities are separately recognised. Cash and cash equivalent comprise cash in hand, cash at bank and short term investments that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

Interest received and dividends received are classified as investing cash flows, while dividend paid is classified as financing cash flows and interest paid is classified under the operating cash flows for the purpose of presentation of Statement of Cash Flows.

Cash and cash equivalent includes bank overdrafts that are repayable on demand and form on integral part of the Group's cash management.

3. STANDARDS ISSUED BUT NOT EFFECTIVE AS AT THE REPORTING DATE

The Group has not early adopted the following new or amended accounting standards in preparing these consolidated financial statements.

The following amended standards and interpretations are not expected to have a significant impact on the Group's Financial Statements.

* SLFRS 18: Presentation and Disclosure in Financial Statements

The Group is in the process of assessing the potential impact of SLFRS 18 on its consolidated financial statements and related disclosures. A comprehensive evaluation of the standard, including transition and implementation considerations, is currently underway and is expected to be completed prior to its effective date. At this stage, the Group has not yet quantified the impact of adopting SLFRS 18.

* Amendments to SLFRS 9 and SLFRS 7: Classification and Measurement of Financial Instruments

The amendments clarify certain requirements relating to the classification and measurement of financial assets and introduce enhanced disclosure requirements for financial instruments. The Group is currently assessing the potential impact of these amendments on its financial statements and related disclosures. At this stage, the impact of adoption has not yet been determined.

* SLFRS 19: Subsidiaries without Public Accountability: Disclosures

SLFRS 19 permits eligible subsidiaries without public accountability to apply reduced disclosure requirements while continuing to apply the recognition, measurement, and presentation requirements of other SLFRSs. The Group is currently assessing the applicability of the standard and its potential impact on the disclosures included in the financial statements. At this stage, the impact of adoption has not yet been determined.

4 SEGMENT INFORMATION

Accounting policy

Operating Segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (Geographical Segment), which is subject to risks and returns that are different from those of the Segments. The Group's Primary Format for segmental reporting is based on Business Segments. The Business Segments are determined based on the Group's Management and internal reporting structure.

The activities of the Group are located mainly in Sri Lanka. Consequently, the economic environment in which the Group operated is not subject to risks and rewards that are significantly different on a geographical basis. Hence disclosure by geographical region is not provided.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

The Board of Directors monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the Consolidated Financial Statements.

The Group has the following nine strategic business segments which are reportable segments, namely

Business Segment	Operations
Civil Engineering	Multi-disciplinary construction and construction-related services
Construction Material Production	Production and supply of construction related material such as asphalt product, quarry products, crusher products, ready-mix concrete and other construction material.
Mechanical Engineering	Commission, repair, and maintenance of container handling equipment
Properties commercial offices	Focuses on the developing and managing of premium office spaces, designed to meet the evolving needs of modern businesses.
Properties - commercial warehouses	Provides modern warehousing and logistics facilities to support storage and supply chain management
Condominium Properties	Development, sale & leasing of residential and commercial properties
Renewable Energy	To engage in the generation and operation of renewable energy facilities.
Automobile	Importing and distribution or sale of three branded motor vehicles, selling spare parts and operates of work shops for services & repairs
Radiopharmaceutical	Involving in the manufacture and distribution of FDG radioisotope.

NOTES TO THE FINANCIAL STATEMENTS

4.1 Business segment

For the year ended 31 March 2026	Civil Engineering	Construction Material production	Mechanical Engineering	Properties	
				Commercial offices	Commercial warehouses
	LKR	LKR	LKR	LKR	LKR
Revenue					
External customers	12,965,532,687	7,363,400,079	259,140,212	1,295,135,925	2,133,704,055
Inter-segment	3,756,282,959	138,163,905	-	150,221,867	64,500,000
Total revenue	16,721,815,646	7,501,563,984	259,140,212	1,445,357,792	2,198,204,055
Segment operating profit	2,880,519,707	1,743,427,266	55,192,225	2,199,618,356	4,185,832,737
Net finance income / (cost)	(226,211,471)	(533,096,437)	1,928,387	(5,736,741)	(632,965,596)
Share of results of equity-accounted investees, net of tax (Note 16.2)	-	-	132,006,648	-	-
Income tax expense	(687,779,059)	(194,127,428)	(17,221,481)	(591,982,511)	(1,180,754,453)
Segment profit	1,966,529,177	1,016,203,401	171,905,780	1,601,899,105	2,372,112,687
Capital expenditure	99,489,900	236,659,209	1,676,138	7,118,985	44,405,608
Depreciation and amortisation	618,501,692	250,069,980	994,046	24,451,475	61,511,087
As at 31 March 2026					
Segment assets	59,648,476,906	5,790,798,214	113,575,512	14,394,283,810	32,896,447,899
Segment liabilities	33,692,478,579	2,222,027,126	38,697,788	4,599,828,416	6,853,966,916

For the year ended 31 March 2025	Civil Engineering	Construction Material production	Mechanical Engineering	Properties	
				Commercial offices	Commercial warehouses
	LKR	LKR	LKR	LKR	LKR
Revenue					
External customers	20,126,107,109	7,826,386,038	42,065,717	1,175,585,081	2,219,110,766
Inter-segment	2,038,112,929	134,322,051	-	127,154,355	60,000,000
Total revenue	22,164,220,038	7,960,708,089	42,065,717	1,302,739,436	2,279,110,766
Segment operating profit	6,502,920,805	1,687,833,884	6,876,183	824,063,915	1,767,158,741
Net finance income / (cost)	(1,892,453,324)	(337,001,116)	-	8,384,483	(333,279,634)
Share of results of equity-accounted investees, net of tax (Note 16.2)	-	-	141,405,251	-	
Income tax expense	(1,024,867,413)	(554,929,306)	(2,010,581)	(182,232,739)	(242,383,593)
Segment profit	3,585,600,068	795,903,462	146,270,854	650,215,660	1,191,495,514
Capital expenditure	231,464,925	72,357,814	1,487,471	120,728,275	3,089,722,795
Depreciation and amortisation	574,894,523	272,910,203	137,256	28,720,465	15,275,439
As at 31 March 2025					
Segment assets	53,588,472,206	5,692,032,699	48,833,882	12,874,420,530	31,599,185,722
Segment liabilities	28,238,295,275	2,568,253,973	13,855,289	3,955,933,708	7,433,170,895

Income tax expense and net finance income/ (cost) have been allocated to above on a pro-rata basis, for a better presentation.

	Condominium Properties	Renewable Energy	Automobile	Radiopharmaceutical	Adjustments & eliminations	Group Total
	LKR	LKR	LKR	LKR	LKR	LKR
	201,032,648	761,680,218	24,680,965,761	-	-	49,660,591,585
	-	-	40,831,769	-	(4,150,000,500)	-
	201,032,648	761,680,218	24,721,797,530	-	(4,150,000,500)	49,660,591,585
	(39,832,821)	516,896,168	3,584,272,123	(6,035,684)	(931,722,163)	14,188,167,913
	(80,754,759)	(144,652,259)	(159,608,815)	1,358,390	(612,274,513)	(2,392,013,814)
	3,697,672	-	-	-	(387,452,543)	(251,748,223)
	(10,303,060)	(111,673,173)	(1,046,626,791)	-	42,259,539	(3,798,208,417)
	(127,192,968)	260,570,736	2,378,036,517	(4,677,294)	(1,889,189,680)	7,746,197,460
	4,793,563,619	13,358,401	904,369,127	1,890,361,008	(88,985,068)	7,902,016,926
	18,134,486	148,374,318	223,976,858	5,176,184	(89,026,960)	1,256,986,980
	47,124,675,139	2,806,723,906	12,843,962,744	2,110,301,706	(44,153,351,202)	133,575,894,634
	38,256,601,174	1,555,400,000	8,122,994,460	1,614,742,545	(6,277,437,281)	90,679,299,721

	Condominium Properties	Renewable Energy	Automobile	Radiopharmaceutical	Adjustments & eliminations	Group Total
	LKR	LKR	LKR	LKR	LKR	LKR
	-	174,024,185	2,947,301,305	-	-	34,510,580,202
	-	-	25,551,183	-	(2,385,140,518)	-
	-	174,024,185	2,972,852,488	-	(2,385,140,518)	34,510,580,202
	(443,491,338)	173,115,038	574,064,558	-	(1,722,142,641)	9,370,399,145
	371,092,270	(42,916,241)	(126,090,977)	-	634,934,181	(1,717,330,358)
	(10,944,981)		-	-	-	130,460,270
	(13,196,647)	668,527,874	(141,338,816)	-	-	(1,492,431,221)
	(96,540,697)	798,726,671	306,634,764	-	(1,087,208,460)	6,291,097,836
	1,502,128,788	-	1,110,619,340	168,449,301	(19,408,516)	6,277,550,192
	6,792,223	31,869,586	133,278,962	29,032	11,522,195	1,075,400,852
	31,221,831,035	2,896,104,218	4,837,955,524	526,633,138	(33,305,995,701)	109,979,473,252
	27,045,895,803	2,409,879,738	2,338,019,512	26,172,014	(6,762,980,892)	67,266,495,318

NOTES TO THE FINANCIAL STATEMENTS

5. REVENUE

Accounting policy

Revenue represents the amounts derived from the construction contracts, sale of goods and provision of services, which fall within the Group's ordinary activities net of trade discounts and turnover related taxes.

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Timing of transferring the goods and services to the customer is determined based on judgments taking into the consideration of the nature of the goods and services that offers to the customers.

Where contracts contain multiple performance obligations, the transaction price is allocated by the Group based on standalone selling prices determined from observable selling prices or estimated using adjusted market assessment techniques.

The following specific criteria are used for the purpose of recognition of revenue:

Construction contracts

Revenue from construction related contracts is recognised upon satisfaction of a performance obligation agreed in the contract. At contract inception, the Group determines whether it satisfies the performance obligation over time or at a point in time. The revenue recognition occurs at a point in time when control of the asset is transferred to the customer. For each performance obligation satisfied over time, the Group recognises the revenue over time by measuring the progress towards complete satisfaction of that performance obligation.

The progress is assessed based on surveys of work performed. Payment application submitted to customers are generally certified within 30 to 45 days. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in statement of profit or loss. The Group's practice is not to recognise revenue relating to uncertain turnover until the associated uncertainty has been resolved.

As at 31 March 2026, the aggregate amount of the transaction price allocated to unsatisfied or partially unsatisfied performance obligations amounted to Rs. 3,180Mn (2025: LKR 4,271Mn).The Group expects to recognise substantially all of this amount as revenue over the next 12 months.

Sale of goods

The revenue recognition occurs at a point in time when control of the asset is transferred to the customer, generally, on delivery of the goods. Sales are measured at the fair value of the consideration received or receivable excluding amounts collected on behalf of third parties (e.g. Sales taxes) and variable consideration (e.g. discounts and rebates).

Rendering of services

Revenue from rendering of services is recognised when the Group satisfies all performance obligations by transferring a promised service to a customer.

Rental Income

Rental income arising from operating lease on investment properties is accounted for on a straight-line basis over the lease term and incurred in revenue in the Statement of Profit or Loss due to its operating nature.

Solar Income

Revenue from solar power generation is recognised based on the delivery of electricity to the national grid or to contracted customers. revenue is measured at the fair value of the consideration under the power purchase agreement

Maintenance Income

Revenue from maintenance income is recognised over time as the services are performed, reflecting the continuous transfer of benefits to the customer

Revenue from Sale of Apartments

Revenue from sale of apartments is recognised at the point in time when control of the property is substantially transferred to the buyer. This represents the transfer of significant risks and rewards of ownership

5.1 Revenue

For the year ended 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Roads and highways construction	2,111,300,788	2,469,256,465	2,111,300,788	2,469,256,464
Water and drainage construction	82,984,417	21,164,556	82,984,417	21,164,556
Bridge construction	1,225,351,148	940,667,456	1,225,351,148	940,667,456
Building and other construction	8,655,213,869	15,601,051,750	12,316,805,459	16,966,560,123
Design income	-	-	12,000,000	-
Sale of construction-related material	7,363,400,079	7,826,386,038	7,428,103,255	7,829,295,310
Hiring income	854,544,787	1,093,356,087	878,828,343	1,093,356,087
Fabrication income	36,137,677	610,797	36,137,677	610,796
Solar income	761,680,218	174,024,185	-	-
Maintenance income	259,140,212	42,065,717	-	-
Revenue from Apartment Sales	201,032,648	-	-	-
Vehicle sales and after sales services	24,680,965,761	2,947,301,305	-	-
Revenue from contracts with customers	46,231,751,604	31,115,884,356	24,091,511,087	29,320,910,792
Other Revenue				
Rental Income from Investment Property	3,428,839,981	3,394,695,846	-	-
Total Revenue	49,660,591,585	34,510,580,202	24,091,511,087	29,320,910,792

5.1.1 Timing of revenue recognition

For the year ended 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Revenue recognised at a point in time	33,897,761,171	12,041,678,412	8,343,069,275	8,923,262,193
Revenue recognised over time	12,333,990,433	19,074,205,944	15,748,441,812	20,397,648,599
Revenue from contracts with customers	46,231,751,604	31,115,884,356	24,091,511,087	29,320,910,792

NOTES TO THE FINANCIAL STATEMENTS

5.2 Contract Balances

Contract assets

Contract assets are entity's right to consideration in exchange for goods or services that the entity has transferred to a customer, when that right is conditioned on some criteria other than the passage of time. Upon satisfaction of the conditions, the amounts recognised as contract assets are reclassified to trade receivables. The contract assets primarily relate to the Group's right to consideration for work completed but not billed at the reporting date. The decrease was primarily attributable to the achievement of contractual billing milestones during the year, resulting in the reclassification of contract assets to trade receivables as the Group's right to consideration became unconditional.

Contract liability

The contract liabilities are entity's obligation to transfer goods and services to a customer for which the entity has received consideration (or the amount is due) from the customer. The contract liabilities primarily relate to the advance consideration received from customers for goods or services provided, for which revenue is recognised over the time.

Detail of contract assets, contract liabilities and amount recognised during the year as revenue are disclosed in the Note 19.5 and Note 28.1 respectively.

6. OTHER INCOME

Accounting policy

Income earned in other sources, which are not directly related to the ordinary course of business are recognised as other income.

The following specific criteria are used for the purpose of recognising income.

Gain on disposal of property, plant and equipment

The gain on disposal of property, plant and equipment is determined as the difference between the carrying amount of the property, plant and equipment at the time of disposal and the proceeds from disposal net of expenses incurred in disposal.

Dividend

Dividend income is recognised when the Group's/ Company's right to receive the payment is established.

Rent income

Rent income is accounted for on a straight-line basis over the lease term.

Sundry income

Sundry income includes the repair maintenance income,miscellaneous income and creditor write off on accrued basis.

Membership income

Membership income recognised on accrued basis

Change in fair value of investment property

Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in Statement of profit or loss. Details of Investment properties are disclosed in the Note 13

6.1 Other Income

For the year ended 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Dividend income from investments in subsidiaries, associates and joint ventures	-	-	940,700,281	1,642,356,867
Rent income	18,315,000	3,089,240	720,000	6,540,431
Gain on disposal of property, plant and equipment	65,725,378	158,897,328	18,502,540	140,752,116
Sundry income	339,774,194	112,518,170	11,736,084	19,618,295
Parking fee income	54,601,983	32,056,007	54,601,983	32,056,007
Membership income	12,231,360	11,106,417	-	-
	490,647,915	317,667,162	1,026,260,889	1,841,323,717

6.2 Change in fair value of investment property

For the year ended 31 March	Note	Group		Company	
		2026 LKR	2025 LKR	2026 LKR	2025 LKR
Gain on fair value changes of investment property	13.1	4,011,496,402	96,900,000	-	43,900,000
		4,011,496,402	96,900,000	-	43,900,000

Accounting policy and detailed note of the investment properties are disclosed on Note no 13

7. NET FINANCE INCOME / (COSTS)

Accounting policy

Finance income

Finance income comprises of interest income on funds invested, staff loan, retention receivable, foreign exchange gain, contract liability and dividend income, gains on the disposal of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in the Statement of Profit or Loss.

Interest income is recorded using the Effective Interest Rate (EIR) method, which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial asset.

Finance costs

Finance costs comprise interest expense on borrowings, staff loan, retention receivable, foreign exchange lose, contract liability and fair value losses on financial assets at fair value through profit or loss, are recognised in the Statement of Profit or Loss..

Interest expense is recorded as it accrues using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial liability.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

7.1 Net finance costs

For the year ended 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Finance income				
Interest income on fixed deposits	1,004,861	17,222,892	-	-
Interest income on repurchase agreements	-	-	-	-
Other interest income	49,134,150	33,200,016	9,024,195	10,369,109
Foreign exchange gain	255,716,452	433,811,791	230,870,324	-
Reversal of Impairment of financial assets	-	-	632,362,860	-
Interest Income on Promissory note	-	58,171,862	-	58,171,862
Dividend income on financial assets at fair value through profit or loss	738,340	427,427	738,340	427,427
	306,593,803	542,833,988	872,995,719	68,968,398
Interest income on retention receivable	38,276,307	50,649,989	38,276,307	50,649,989
Interest income on staff loans	9,179,889	11,494,585	9,179,889	11,494,585
Interest income on contract liability	328,906,505	15,730,773	328,906,505	15,730,773
Total finance income	682,956,504	620,709,335	1,249,358,420	146,843,745
Finance costs				
Interest on finance leases	(20,313,149)	(26,670,337)	(28,410,612)	(10,933,440)
Interest on bank overdraft	(40,136,926)	(25,115,223)	(2,506,894)	(1,443,465)
Interest on bank loan	(2,340,720,576)	(1,861,486,380)	(1,713,135,228)	(1,263,910,534)
Foreign exchange lose	(438,411,172)	(137,837,616)	-	(135,764,351)
Fair value adjustment on other receivable	(22,745,893)	(141,967,992)	(22,745,893)	(774,330,852)
Net change in fair value of financial assets at FVTPL	(8,320,900)	(36,125,024)	(8,320,900)	(36,125,024)
	(2,870,648,616)	(2,229,202,572)	(1,775,119,527)	(2,222,507,666)
Unwinding of prepaid retention receivable expenses	(38,276,307)	(50,649,989)	(38,276,307)	(50,649,989)
Unwinding of prepaid staff loan expenses	(9,179,889)	(11,494,585)	(9,179,889)	(11,494,585)
Unwinding of significant financing component	(156,865,505)	(46,692,547)	(156,865,505)	(46,692,547)
Total finance costs	(3,074,970,317)	(2,338,039,693)	(1,979,441,229)	(2,331,344,787)
Net finance costs	(2,392,013,813)	(1,717,330,358)	(730,082,809)	(2,184,501,042)

NOTES TO THE FINANCIAL STATEMENTS

8. PROFIT BEFORE TAX

Accounting policy

Expenditure recognition

Expenses are recognised in the Statement of Profit or Loss on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the property, plant and equipment in a state of efficiency has been charged to the Statement of Profit or Loss.

For the purpose of presentation of Statement of Profit or Loss, the Directors are of the opinion that "function of expenses" method presents fairly the elements of the enterprise's performance; hence such presentation method is adopted.

8.1 Profit before tax is stated after charging all expenses including following:

For the year ended 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Auditors' remuneration - statutory audit & related services	16,504,803	16,257,303	5,197,500	4,950,000
Auditors' remuneration - non-audit services	3,100,000	3,300,000	700,000	900,000
Net change in fair value of financial assets at FVTPL	8,320,900	36,125,024	8,320,900	36,125,024
Provision for/(reversal of) trade receivables	(112,964,582)	418,302,503	(135,815,764)	381,665,368
Provision for/(reversal of) write off of inventories	22,907,928	19,589,411	17,258,261	4,285,769
Impairment of Investment in subsidiaries	-	-	80,857,721	102,997,155
Donations	15,257,860	11,542,559	5,374,797	3,438,654
Staff expenses (Note 8.1.1)	3,216,821,567	2,941,829,626	2,788,282,902	2,510,030,745
CSR expense	29,994,271	4,250,410	19,510,279	250,000
Depreciation of property, plant and equipment (Note 11.1/11.2)	1,138,594,210	1,067,319,005	692,227,396	786,367,862
Amortisation of intangible assets (Note 14.1)	18,297,971	8,081,846	4,515,728	5,159,159
Amortisation of right-of-use-assets (Note 12.1)	100,094,800	91,495,164	108,624,371	7,197,974
Loss on asset write-off	148	342	148	342
8.1.1 Staff expenses				
Defined benefit plan costs - Gratuity (Note 27.1)	96,767,096	84,690,187	82,553,974	70,025,759
Defined contribution plan costs - EPF	122,339,442	112,218,823	103,809,149	93,688,530
Defined contribution plan costs - ETF	33,826,919	31,363,217	25,885,834	23,422,132
Directors' emoluments and fees (Note 29.1.3)	169,531,596	72,724,192	159,381,596	59,765,282
Staff cost	2,794,356,514	2,640,833,207	2,416,652,349	2,263,129,042
	3,216,821,567	2,941,829,626	2,788,282,902	2,510,030,745
Number of employees	2,004	2,083	1,480	1,574

9. INCOME TAX

Accounting policy

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other Comprehensive Income.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes and therefore accounted for them under LKAS 37 - "Provisions , Contingent Liabilities and Contingent Assets".

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Current tax relating to items recognised directly in equity is recognised in equity and not in the statement of Profit or Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

IFRIC 23 -"Uncertainty over income tax treatments"

IFRIC 23 - 'Uncertainty over income tax treatments' provides guidance on determining taxable profits, tax bases, unused tax credits and tax rates when there is an uncertainty over the income

tax treatment and Group adopted above interpretation from 01 April 2019.

No provision has been recognised to the financial year 2024/25 and 2025/26.

Deferred taxation

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in Subsidiaries, Associates and Joint Arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversal of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Significant judgments relating to deferred taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

Transfer pricing

As prescribed in Inland Revenue Act No. 24 of 2017 and gazette notification on transfer pricing Group and Company have complied with the arm's length principles relating to transfer pricing.

Sales tax

Expenses and assets are recognised net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of sales tax included

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

NOTES TO THE FINANCIAL STATEMENTS

9.1 The major components of income tax expense for the years ended 31 March 2026 and 2025 are:

For the year ended 31 March	Note	Group		Company	
		2026 LKR	2025 LKR	2026 LKR	2025 LKR
Current income tax:					
Current income tax charge	9.2	1,794,438,575	2,151,151,809	704,677,198	2,081,242,349
Under provision in prior year		10,415,524	13,477,595	-	-
Deferred tax:					
Relating to origination and reversal of temporary differences	9.4	1,993,354,318	(672,198,183)	177,229,289	(503,248,429)
Income tax expense/(reversal) reported in the Statement of Profit or Loss		3,798,208,417	1,492,431,221	881,906,487	1,577,993,920
Consolidated statement of other comprehensive income					
Deferred tax related to items recognised in other comprehensive income during in the year:					
Net loss / (gain) on actuarial and revaluation of land and building		61,546,361	(7,081,118)	7,562,481	(6,000,089)
Deferred tax charged to Comprehensive Income	9.4	61,546,361	(7,081,118)	7,562,481	(6,000,089)

9.2 Reconciliation between accounting profit and current tax expense

For the year ended 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Accounting profit before tax	11,544,405,877	7,783,529,057	4,012,100,711	6,125,406,764
Aggregate non-deductible expenses	4,585,360,814	4,930,822,233	1,425,830,318	2,441,106,148
Aggregate allowable items	(10,060,101,336)	(5,985,083,754)	(2,353,813,332)	(488,022,673)
Assessable income from Investment	112,590,561		64,346,178	
Current year tax losses not utilised	1,424,072,536	2,541,917,718	-	-
Tax losses set-off against the current taxable income (9.2.1)	(825,326,651)	(582,527,451)	-	-
Total statutory income	6,781,001,801	8,688,657,802	3,148,463,874	8,078.490,239
Exempted income	(657,641,139)	(669,674,621)	(657,641,139)	(669,674,621)
Taxable income	6,123,360,662	8,018,983,181	2,490,822,735	7,408,815,618
Taxable income at 2%	-	404,074,315	-	-
Taxable income at 30%	5,839,563,178	6,672,226,618	2,207,025,254	6,466,133,373
Dividend tax at 15%	283,797,484	942,682,248	283,797,481	942,682,245
	6,123,360,662	8,018,983,181	2,490,822,735	7,408,815,618
Tax @ 2%	-	8,081,486	-	-
Tax @ 30%	1,751,868,953	2,001,667,986	662,107,576	1,939,840,012
Dividend tax @ 15%	42,569,622	141,402,337	42,569,622	141,402,337
Current income tax charge	1,794,438,575	2,151,151,809	704,677,198	2,081,242,349

9.2.1 Tax loss reconciliation

As at 31st March	Group	
	2026 LKR	2025 LKR
Tax losses brought forward	20,015,593,833	17,485,570,971
Adjustments to tax loss brought forward and tax losses arising during the year	766,550,039	3,112,550,313
Utilisation of tax losses	(825,326,651)	(582,527,451)
Tax losses carried forward	19,956,817,221	20,015,593,833

Tax losses mainly generated from Access Logistic Park Ekala (Private) Limited and W U S logistic (Private) Limited,Detailed note of income and deffered tax rates are disclosed on Note No 9.6

9.3 Current tax liabilities / (assets)

As at 31st March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Balance at the beginning of the year	1,119,891,758	188,552,527	1,416,317,193	310,525,394
Provision made during the year (Note 9.2)	1,794,438,575	2,151,151,809	704,677,198	2,081,242,349
Adjustments for the prior year	10,415,524	13,477,595	-	-
Payments made during the year	(2,212,533,455)	(894,831,194)	(1,889,977,733)	(824,938,152)
WHT recoverable	(217,182,639)	(338,458,979)	(47,624,122)	(150,512,398)
Balance at the end of the year	495,029,764	1,119,891,758	183,392,536	1,416,317,193
Made-up as follows				
Current tax assets	(471,008,747)	(319,904,331)	-	-
Current tax liabilities	966,038,511	1,439,796,089	183,392,536	1,416,317,193
	495,029,764	1,119,891,758	183,392,536	1,416,317,193

9.4 Deferred tax liabilities / (assets)

As at 31st March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Balance at the beginning of the year	(1,491,048,455)	(811,769,153)	(192,043,005)	317,205,513
Expense for the year recognised in profit or loss	1,993,354,318	(672,198,183)	177,229,289	(503,248,429)
Expense for the year recognised in OCI	61,546,361	(7,081,118)	7,562,481	(6,000,089)
Balance at the end of the year	563,852,224	(1,491,048,455)	(7,251,234)	(192,043,005)
Made-up as follows				
Deferred tax assets	(3,298,003,219)	(4,786,845,070)	(7,251,234)	(192,043,005)
Deferred tax liabilities	3,861,855,443	3,295,796,615	-	-
	563,852,224	(1,491,048,455)	(7,251,234)	(192,043,005)

NOTES TO THE FINANCIAL STATEMENTS

9.5 Deferred tax provision as at the year end is made up as follows:

As at 31st March	2026		2025	
	Temporary difference	Tax effect on temporary difference	Temporary difference	Tax effect on temporary difference
	LKR	LKR	LKR	LKR
Group				
Accelerate depreciation for tax purpose	2,416,817,607	725,045,283	2,414,937,374	724,481,212
Revaluation of land and building to fair value	470,898,070	141,269,421	511,921,112	153,576,333
Revaluation of investment property to fair value	20,798,530,376	6,239,559,112	14,263,647,587	4,279,094,276
Leasehold land and buildings (right-of-use-assets)	316,437,926	94,931,378	280,533,537	84,160,062
Provision for impairment of trade & retention receivables	(840,223,905)	(252,067,172)	(973,576,148)	(292,072,845)
Provision for impairment of related party receivable	(5,081,375)	(1,524,413)	(637,444,235)	(191,233,271)
Provision for inventories and others	(253,015,040)	(75,904,510)	(32,894,698)	(6,308,766)
Unrealised exchange gain	(241,509,107)	(72,452,732)	(128,489,256)	(38,546,777)
Defined benefit obligations	(541,763,409)	(162,529,023)	(438,156,130)	(131,446,838)
Lease liabilities	(284,766,522)	(85,429,953)	(226,912,305)	(68,073,691)
Unutilised tax losses	(19,956,817,221)	(5,987,045,167)	(20,015,593,833)	(6,004,678,150)
	1,879,507,399	563,852,224	(4,982,026,995)	(1,491,048,455)
Company				
Accelerate depreciation for tax purpose	1,116,826,877	335,048,063	945,142,714	283,542,814
Revaluation of land and building to fair value	291,719,692	87,515,908	223,990,314	67,197,094
Revaluation of investment property to fair value	185,599,500	55,679,850	185,599,500	55,679,850
Leasehold land and buildings (right-of-use-assets)	260,869,007	78,260,702	189,546,638	56,863,992
Lease liabilities	(230,592,612)	(69,177,784)	(128,589,647)	(38,576,894)
Provision for impairment of trade & retention receivables	(774,281,645)	(232,284,494)	(910,097,409)	(273,029,223)
Provision for impairment of related party receivable	(5,081,375)	(1,524,413)	(637,444,235)	(191,233,271)
Unrealised exchange gain/loss	(241,509,107)	(72,452,732)	(128,489,256)	(38,546,777)
Provision for inventories and others	(162,185,180)	(48,655,552)	-	-
Defined benefit obligations	(465,535,939)	(139,660,782)	(379,801,968)	(113,940,590)
	(24,170,783)	(7,251,234)	(640,143,348)	(192,043,005)

Unutilised tax losses

A deferred tax asset is recognised only to the extent that it is probable that taxable profit will be available in the foreseeable future, against which such deductible temporary timing differences could be utilised. The deferred tax effect on undistributed reserves of subsidiaries has not been recognised where the parent can control the timing of the reversal of these temporary differences.

9.6 Applicable rates of income tax

Company

The Company has used the tax rate introduced by the Inland Revenue (Amendment) Act No. 45 of 2022. Accordingly, income tax rates standard rate of 30% has been used for profits of all segments for the year. The Rate of 30% has been used for Deferred Tax. The resultant impact has been recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Subsidiaries

Access Realties (Private) Limited

As per the agreement entered into with the Board of Investment (BOI) of Sri Lanka, under Section 17 of the BOI Act No. 04 of 1978, Access Realties (Private) Limited is exempted from Income Tax for the period of seven (07) years from the year of assessment in which the enterprise commences to make profit in relation to the transactions in that year or any year of assessment not later than five (05) years reckoned from the date of its operations whichever year is earlier. Accordingly, the seven (07) years Income Tax exemption period has commenced on 01 April 2003.

In accordance with the agreement entered into with the BOI of Sri Lanka, the Company is liable for Income Tax at 2% on its revenue for next fifteen (15) years immediately following the Seven (07) years Tax exemption period. On that basis, the revenue arising from the business shall be taxed at 2% during the concessionary rate period covering 01 April 2010 to 31 March 2025.

As per the provisions of new Inland Revenue Act No. 24 of 2017 and amendments thereto, the standard rate for corporate tax of Access Realties (Private) Limited is 30%.

As per the provisions of new Inland Revenue Act No. 24 of 2017 and amendments thereto, the Company has recognised Deferred Tax Liability at 30% amounting to LKR 1,662,394,066/- as at 31 March 2026.

Access Realties 2 (Private) Limited

According to the agreement entered into with the Board of Investment of Sri Lanka under Sec. 17 (A) of Inland Revenue (Amendment) Act No. 08 of 2012, the Company shall qualify for a tax exemption period of 12 years subject to the condition that over of Rs. 2,500 Mn is made in the project within a period of 3 years from the date of 04 April 2013.

Accordingly, the profit arising from the business is exempt from income tax for the period covering 01 April 2017 to 31 March 2029.

As per the provisions of new Inland Revenue Act No. 24 of 2017 and amendments thereto, the Company has recognised Deferred Tax Liability on 30% amounting to LKR 2,070,885,590/- as at 31 March 2026.

ARL Elevate (Private) Limited

In accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and amendments thereto, the Company is liable for income tax at 30%. Deferred tax assets arising from tax losses have not been recognised in the financial statements as at 31 March 2026 because the Board of Directors is of the opinion that the deferred tax assets would not be crystalised in the foreseeable future.

As per the provisions of new Inland Revenue Act No.24 of 2017 and amendments thereto, the standard rate for corporate tax of ARL Elevate (Private) Limited is 30%.

Sathosa Motors PLC and its Subsidiary

Income tax expense has been computed according to the provisions of the Inland Revenue Act No.24 of 2017 and its amendments thereto. Accordingly, the tax rate of 30% has been considered as at reporting date for the computation of current and deferred tax computation in these Financial Statements for the year ended 31 March 2026 and 31 March 2025.

Access Projects (Private) Limited

The Company has used the tax rate introduced by the Inland Revenue (Amendment) Act No. 45 of 2022. Accordingly, income tax rates standard rate of 30% has been used for profits of all segments for the year. The Rate of 30% has been used for Deferred Tax.

Access Projects (Private) Limited has recognised a LKR 56,179,943/- as at 31 March 2026 as a deferred tax asset on the deductible temporary arising from the tax losses, tax defined benefit obligations, obsolete stocks, debtor impairment.

Harbour Village (Private) Limited

The Company has entered into an agreement with BOI for ten (10) years tax holiday period during the year ended 31st March 2017, and the provisions of the Inland Revenue Act No. 24 of 2017 relating to the imposition, payment and recovery of income tax in respect of the profits and income of the enterprise shall not apply to the profits and income of the enterprise for the year ended 31st March 2026.

For the above purpose the year of assessment shall be commencing from the year of assessment in which the enterprise commences to make a profit or any year of assessment not later than two years reckoned from the date of commencement of commercial operations or production whichever is earlier.

The Company's liability to taxation has been computed in accordance with the provisions of the Inland Revenue Act No. 24 of 2017, and amendments thereto. Other income of Company is taxable at 30%.

WUS Logistics (Private) Limited

The Company has used the tax rate introduced by the Inland Revenue (Amendment) Act No. 45 of 2022. Accordingly, income tax standard rate of 30% has been used for profits of all segments for the year. The Rate of 30% has been used for Deferred Tax.

The Company entered in to an Agreement with the Board of Investment of Sri Lanka as per the section 17 of Board of Investment law number 4of 1978 . As per the Inland Revenue act number 24 of 2017 the Company shall qualify for a 100% enhanced capital allowance and any unrelieved losses can be deducted when computing income from business for ten(10) succeeding years.

The Company has recognised Unutilised tax loss amounting of LKR 3,679,831,488/- as at 31 March 2026 (LKR 3,961,106,305/- 2025) mainly due to the enhanced capital allowance claimed in computing assessable income.

Lanka AAC (Private) Limited

The Company has used the tax rate introduced by the Inland Revenue (Amendment) Act No. 45 of 2022. Accordingly, income tax rates standard rate of 30% has been used for profits of all segments for the year. The Rate of 30% has been used for Deferred Tax.

Access Logistics (Private) Limited

The Company has used the tax rate introduced by the Inland Revenue (Amendment) Act No. 45 of 2022. Accordingly, income tax rates standard rate of 30% has been used for profits of all segments for the year. The Rate of 30% has been used for Deferred Tax.

The company recognised unrealised tax loss amounting of LKR 1,166,361,517/- as at 31st March 2026 (LKR 1,123,036,242/- as at 31st March 2025) mainly due to enhance capital allowance claimed in computing assessable income.

Access Logistics Park Ekala (Private) Limited

The Company has used the tax rate introduced by the Inland Revenue (Amendment) Act No. 45 of 2022. Accordingly, income tax rates standard rate of 30% has been used for profits of all segments for the year. The Rate of 30% has been used for Deferred Tax.

The Company entered in to an Agreement with the Board of Investment of Sri Lanka as per the section 17 of Board of Investment law number 4of 1978 . As per the Inland Revenue act number 24 of 2017 the Company shall qualify for a 100% enhance capital allowance and any unrelieved loss can be deducted when computing income from business for ten succeeding years.

NOTES TO THE FINANCIAL STATEMENTS

The Company has recognised Unutilised tax loss amounting of LKR 14,923,853,928/- as at 31 March 2026 (LKR 15,403,419,734/- 2025) mainly due to the enhanced capital allowance of claimed in computing assessable income.

Based on the Company's strategic plans and related agreements, management has assessed that adequate future taxable profits will be available to utilise the carried-forward tax losses. Accordingly, the related deferred tax asset has been fully recognised in respect of these carried-forward tax losses.

Access Medical Tracers (Private) Limited

In accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and amendments thereto, the Company is liable for income tax at 30%.

Access Engineering Port Services (Private) Limited

In accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and amendments thereto, the Company is liable for income tax at 30%.

10 BASIC / DILUTED EARNINGS PER SHARE

Accounting Policy

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity holders of the Parent by the weighted average number of ordinary shares outstanding during the year.

The following reflects the income and share data used in the basic earning per share calculation.

	Group		Company	
For the year ended 31 March	2026	2025	2026	2025
Profit attributable to ordinary equity holders of the parent (LKR)	7,169,124,457	6,310,062,416	3,130,194,223	4,547,412,844
Weighted average number of ordinary shares of the parent	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Basic / Diluted Earnings Per Share (LKR)	7.17	6.31	3.13	4.55

10.1 Diluted Earnings Per Share

Diluted EPS is calculated by dividing the profit/(loss) attributable to ordinary equity holders of the parent (after adjusting outstanding share option scheme and warrants) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

There were no potentially dilutive ordinary share outstanding at any time during the year/ previous year.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these Financial Statements.

11. PROPERTY PLANT AND EQUIPMENT

Accounting policy

Property, plant and equipment are tangible items that are held for use in the production or supply of goods or services, for rental to others, or for administrative purpose and are expected to be used during more than one period. The Group applies the requirements of LKAS 16 in accounting of property, plant and equipment.

Recognition and measurement

Property, plant and equipment are recognised if it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be reliably measured.

Items of property, plant and equipment including construction in progress are stated at cost/revaluation less accumulated depreciation and accumulated impairment losses, if any.

Owned assets

An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost. Cost includes expenditure that is directly attributable to the acquisition of the asset and subsequent cost. The cost of self-constructed assets includes the cost of materials, direct labour, and any other costs directly attributable to bringing the asset to the working condition for its intended use. This also includes the cost of dismantling and removing the items and restoring in the site on which they are located and borrowing costs on qualifying assets.

Property, plant and equipment transferred from customers are initially measured at fair value at the date on which control is obtained.

Purchased software that is integrated to the functionality of the related equipment is capitalised as part of equipment.

When significant part of property, plant and equipment are required to be replaces at intervals, the Group derecognised the replaced part and recognises the new part with its own associated useful life and depreciation. Likewise when a major inspection is performed, its cost is recognised in the carrying amount of plant and equipment as a replacement if the recognition criteria are satisfied, All other repair and maintenance costs are recognised in the profit or loss as incurred.

Leased assets

The Group recognises a right-of-use asset and a corresponding lease liability at the commencement date of a lease contract. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, initial direct costs incurred, and an estimate of costs to dismantle and remove the underlying asset or restore the site on which it is located, less any lease incentives received.

Subsequent to initial recognition, right-of-use assets are measured at cost less accumulated depreciation and accumulated impairment losses, and adjusted for certain remeasurements of the related lease liability. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset.

The Group assesses right-of-use assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of day to day repair and maintenance are recognised in the Statement of Profit or Loss as incurred.

The carrying value of property plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Derecognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

Revaluation

Revaluation is performed on freehold land and building by professionally qualified valuers using the open market value at least once in every three years or when there is a substantial difference between the fair value and the carrying amount, to ensure that the fair value does not differ materially from its carrying amount.

A revaluation surplus is recorded in Other Comprehensive Income and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

Depreciation

Depreciation is recognised in profit or loss on straight-line basis over the estimated useful lives of each part of item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Depreciation of an asset begins when it is available for use whereas depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) and the date that the asset is derecognised. Depreciation is not charged on Freehold Land and capital work in progress.

The estimated useful lives are as follows:

Asset Category	Useful Life
Freehold building	15 - 50 years
Leasehold building	8-30 years
Plant and machinery	3 - 15 years
Motor vehicles	4 - 10 years
Leasehold Motor vehicles	5 years
Office equipment	3 - 12 years
Furniture & fittings	3 - 13 years
Tools	3 - 8 years
Other construction equipment	5 years

The residual value, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Capital work in progress

Capital expenses incurred during the year which are not completed as at the reporting date are shown as capital work in progress, whilst the capital assets which have been completed during the year and available to use have been transferred to property, plant and equipment.

Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising on this remeasurement is recognised in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in OCI and presented in the revaluation reserve. Any loss is recognised in profit or loss. However, to extent that an amount is included in the revaluation surplus for that property, the loss is recognised in OCI and reduces the revaluation surplus within the equity.

NOTES TO THE FINANCIAL STATEMENTS

RECONCILIATION OF BEGINNING AND ENDING BALANCES BY CLASSES OF ASSETS

11.1 Group

	Freehold					
	Land	Building	Plant and machinery	Motor vehicles	Office equipment	
In LKR	LKR	LKR	LKR	LKR	LKR	
Cost or Valuation						
Balance at 01 April 2024	787,393,210	746,459,733	7,189,247,372	1,503,278,160	796,274,036	
Additions	524,865,100	476,623,097	3,161,738,098	47,421,695	74,937,902	
CWIP Transfer to / (From)	-	57,243,042	-	-	-	
Disposals/derecognitions and adjustments	(365,000,000)	(102,031,563)	(285,812,401)	(4,226,378)	(5,580,306)	
Balance at 31 March 2025	947,258,310	1,178,294,309	10,065,173,068	1,546,473,477	865,631,632	
Additions	574,630,000	56,461,480	271,979,062	262,170,318	74,338,416	
CWIP Transfer to / (From)	-	-	-	-	-	
Disposals/derecognitions and adjustments	-	-	(94,628,017)	(24,250,000)	(3,405,573)	
Revaluation	39,641,100	213,565,812	-	-	-	
Transfers (from revaluation adjustment)	-	(100,721,858)	-	-	-	
Balance at 31 March 2026	**1,561,529,410**	**1,347,599,743**	**10,242,524,113**	**1,784,393,795**	**936,564,474**	
Accumulated Depreciation and Impairment Losses						
Balance at 01 April 2024	-	209,055,358	5,319,612,737	1,069,047,954	711,950,782	
Depreciation charge for the year	-	65,053,544	506,511,162	124,723,375	51,887,312	
Disposals/derecognition	-	(2,031,563)	(280,992,278)	(4,226,359)	(5,579,306)	
Balance at 31 March 2025	-	272,077,339	5,545,131,621	1,189,544,970	758,258,788	
Depreciation charge for the year	-	70,343,944	600,092,728	138,447,665	41,219,161	
Disposals/derecognitions and adjustments	-	-	(94,552,821)	(24,249,999)	(3,391,858)	
Transfers (from revaluation adjustment)	-	(100,775,216)	-	-	-	
Balance at 31 March 2026	**-**	**241,646,067**	**6,050,671,528**	**1,303,742,636**	**796,086,091**	
Carrying value						
At 31 March 2026	**1,561,529,410**	**1,105,953,676**	**4,191,852,585**	**480,651,159**	**140,478,383**	
At 31 March 2025	947,258,310	906,216,970	4,520,041,448	356,928,507	107,372,844	

There were no capitalised borrowing costs related to the acquisition of property, plant and equipment during the year 2025/26 (2024/25- Nil).

Capital work in progress

Capital work-in-progress represents costs incurred on the construction of a building for the production of FDG by Access Medical Tracers (Private) Limited, the construction of a car park building by the Company, and the construction of a workshop building by Access Motors (Private) Limited, all of which were under construction as at the reporting date.

Property, plant and equipment pledged as security

Details of properties pledged as security for loans and borrowings are disclosed in Note 26.2, where applicable.

	Furniture and fittings	Tools	Other construction equipment	Leasehold Building	Leasehold Motor Vehicles	Capital work-in-progress	Total
	LKR	LKR	LKR	LKR	LKR	LKR	LKR
	519,917,640	1,240,550,129	772,356,094	1,955,481,839	10,839,900	245,338,329	15,767,136,443
	31,129,079	47,847,740	646,750	15,432,334	-	217,295,007	4,597,936,801
	-	-	-	194,974,831	-	(252,217,873)	-
	(9,562,581)	(61,414,452)	(123,156,069)	-	-	-	(956,783,751)
	541,484,139	1,226,983,417	649,846,775	2,165,889,004	10,839,900	210,415,463	19,408,289,493
	33,295,717	38,114,124	1,542,798	1,510,756	-	1,905,807,756	3,219,850,426
	-	-	-	-	-	(87,310,276)	(87,310,276)
	(3,313,653)	(16,849,314)	(726,698)	-	-	-	(143,173,255)
	-	-	-	-	-	-	253,206,912
	-	-	-	-	-	-	(100,721,858)
	571,466,203	**1,248,248,227**	**650,662,875**	**2,167,399,760**	**10,839,900**	**2,028,912,943**	**22,550,141,442**
	434,477,435	1,107,695,454	500,357,175	289,589,001	1,324,924	-	9,643,110,819
	43,317,183	86,508,185	98,212,843	91,105,403	-	-	1,067,319,005
	(6,632,870)	(61,411,452)	(123,155,977)	-	-	-	(484,029,804)
	471,161,748	1,132,792,188	475,414,039	380,694,403	1,324,924	-	10,226,400,020
	42,310,840	42,725,488	96,557,964	106,896,420	-	-	1,138,594,210
	(1,173,095)	(16,817,116)	(726,696)	-	-	-	(140,911,585)
	-	-	-	-	-	-	-100,775,216.39
	512,299,493	**1,158,700,560**	**571,245,307**	**487,590,823**	**1,324,924**	**-**	**11,123,307,429**
	59,166,710	**89,547,667**	**79,417,568**	**1,679,808,937**	**9,514,976**	**2,028,912,943**	**11,426,834,013**
	70,322,391	94,191,230	174,432,736	1,785,194,601	9,514,976	142,236,162	9,181,889,471

Impairment

The Management has assessed the potential impairment loss of property, plant and equipment as at 31 March 2026. Based on the assessment, the Group does not foresee any indications of impairment as at the reporting date due to the economic uncertainties, and functions under the business continuity plan as per the Group's risk management strategy.

There were no restrictions existed on the title of the assets of the Group as at the reporting date.

There are no temporarily idle assets as at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

11.2 Company

	Freehold					
	Land	Building	Plant and machinery	Motor vehicles	Office equipment	
	LKR	LKR	LKR	LKR	LKR	
Cost or Valuation						
Balance at 01 April 2024	294,000,000	94,912,243	6,358,174,523	1,374,131,617	533,057,922	
Additions	-	-	187,054,353	7,811,695	40,797,295	
CWIP Transfer to / (From)	-	57,243,042	-	-	-	
Disposals / Derecognition	-	-	(253,119,350)	(4,226,378)	(2,401,391)	
Balance at 31 March 2025	294,000,000	152,155,285	6,292,109,525	1,377,716,934	571,453,826	
Additions	-	9,715,984	146,397,556	9,500,000	16,376,905	
Disposals / Derecognition	-	-	(59,172,607)	(4,750,000)	(3,243,925)	
Revaluation	32,649,200	35,080,178	-	-	-	
Transfers (from revaluation adjustment)	-	(49,655,955)	-	-	-	
Balance at 31 March 2026	**326,649,200**	**147,295,492**	**6,379,334,474**	**1,382,466,934**	**584,586,806**	
Accumulated Depreciation and Impairment Losses						
Balance at 01 April 2024	-	23,389,413	4,868,090,291	958,522,935	500,969,440	
Depreciation charge for the year	-	12,492,501	407,535,106	108,194,348	28,021,218	
Disposals / derecognition	-	-	(250,984,827)	(4,226,359)	(2,401,356)	
Balance at 31 March 2025	-	35,881,914	5,024,640,571	1,062,490,923	526,589,301	
Depreciation charge for the year	-	13,774,041	378,592,144	104,090,393	15,788,680	
Disposals / derecognition	-	-	(59,172,572)	(4,749,999)	(3,243,897)	
Transfers (from revaluation adjustment)	-	(49,655,955)	-	-	-	
Balance at 31 March 2026	**-**	**-**	**5,344,060,143**	**1,161,831,317**	**539,134,084**	
Carrying value						
At 31 March 2026	**326,649,200**	**147,295,492**	**1,035,274,331**	**220,635,617**	**45,452,722**	
At 31 March 2025	294,000,000	116,273,371	1,267,468,956	315,226,010	44,864,524	

Property, plant and equipment pledged as security

As at reporting date property, plant and equipment have not been pledged by the Company as securities against facilities obtained from banks.

Leasehold building

Leasehold building represents the value of building of the company in a leasehold land of UDA for 30 years period.

	Furniture and fittings	Tools	Other construction equipment	Leasehold Building	Capital work -in-progress	Total
	LKR	LKR	LKR	LKR	LKR	
	178,169,625	1,126,321,688	772,356,094	1,283,965,558	57,243,042	12,072,332,312
	6,751,310	41,469,521	-	12,718,963	-	296,603,137
	-	-	-	-	(57,243,042)	-
	(796,258)	(57,343,771)	(123,156,069)	-	-	(441,043,217)
	184,124,676	1,110,447,438	649,200,025	1,296,684,521	-	11,927,892,232
	5,425,050	12,895,788	641,698	-	28,613,372	229,566,353
	(982,939)	(16,366,785)	(726,698)	-	-	(85,242,954)
	-	-	-	-	-	67,729,378
	-	-	-	-	-	(49,655,955)
	188,566,787	**1,106,976,441**	**649,115,025**	**1,296,684,521**	**28,613,372**	**12,090,289,053**
	171,774,445	1,028,214,932	498,704,919	34,391,935	-	8,084,058,310
	5,349,044	80,761,835	98,157,898	45,855,913	-	786,367,862
	(796,236)	(57,343,590)	(123,155,977)	-	-	(438,908,344)
	176,327,253	1,051,633,178	473,706,839	80,247,847	-	8,431,517,828
	4,434,448	33,007,022	96,213,682	46,326,986	-	692,227,396
	(982,886)	(16,346,133)	(726,696)	-	-	(85,222,183)
	-	-	-	-	-	(49,655,955)
	179,778,815	**1,068,294,067**	**569,193,825**	**126,574,834**	**-**	**8,988,867,085**
	8,787,972	**38,682,374**	**79,921,200**	**1,170,109,688**	**28,613,372**	**3,101,421,968**
	7,797,424	58,814,261	175,493,185	1,216,436,673	-	3,496,374,404

11.3 Revaluation of Land and Building

Company

The freehold land and buildings of the Company were revalued as at 31 March 2026 by Mr A.V.U. Wasantha, FIV (Sri Lanka),M.R.I.C.S an independent professional valuer on an Comparison and contractors' method for existing use basis.

Subsidiaries

The freehold land and buildings of Access Projects (Private) Limited were revalued as at 31 March 2026 by Mr A.V.U. Wasantha, FIV (Sri Lanka),M.R.I.C.S an independent professional valuer on a depreciated replacement cost basis for buildings and market value basis for land as at the date of revaluation.

Details of Group's land and building stated at valuation are indicated below;

Location	Extent	Building square feet	Number of buildings	Valuation technique	Significant unobservable input			
					Estimated price per perch LKR	Estimated price per square feet LKR	Fair value LKR Mn.	Correlation to fair value
Access Engineering PLC								
Land depicted at No.236/1, Low Level Road, Jalthara, Ranala.	3 R and 38.4 P	9,070	1	Comparison method	550,000	330	90	Positive
Land depicted at No 278, Alubogahalanda, Jalthara, Ranala.	3 A 2 R and 39.42 P	39,572	1	Comparison and contractors' method	240,000 - 260,000	1000 - 2000	233	Positive
Land depicted at Weliwita, Kaduwela.	1 A 3R 36.7P	-	-	Comparison method	230,000	-	72	Positive
Land depicted at Divigalahena, Pananwela, Hakmana.	10 A	-	-	Comparison method	9,375	-	15	Positive
Access Projects (Private) Limited								
Land depicted at No: 278, Kekulanvila road, Jalthara, Ranala.	2 A 1 R and 38 P	54,038	1	Comparison and contractors' method	220,000	1,200 - 3000	212	Positive
Land depicted at No. 281, Kekulanvila road, Jalthara, Ranala.	20 P	1,506	1	Comparison and contractors' method	300,000	2000	9	Positive
Land depicted at No. 301/1/C, Jalthara, Ranala.	3 R 21.26 P	2,508	1	Comparison and contractors' method	65,000	600	10.5	Positive
Access Medical Tracers (Private) Limited								
Kimbulapitiya South, Kimbulapitiya, Negombo	1 R 9.4 P	-	-	Comparison method	1,200,000	-	60	Positive
Access Motors (Private) Limited								
No 117, Dehiwala Road, Boralasgamuwa	1 A 3 R and 9.6 P	33,600	1	Comparison and contractors' method	3,665,418	14,322	1,543	Positive

Summary description of valuation methodologies

Comparison and contractors' method

The land is valued using the Comparison method by reference to recent market transactions of comparable properties, while the buildings and other improvements are valued based on their current replacement cost less allowances for physical deterioration, functional obsolescence, and economic depreciation.

Comparison method

The value of the property is determined by reference to recent market transactions of comparable properties in similar locations, adjusted for differences in factors such as size, location, accessibility, and other relevant characteristics.

The fair value measurement for land and building has been categorised as level 3 fair value based on the input to the valuation technique used.

12. RIGHT OF USE ASSETS AND LEASES

Accounting policy

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	Years
Building	3 -10
Land	30

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Amounts recognised in the statement of financial position and profit or loss

Set out below are the carrying amounts and the movements of the Group's right of use assets and Lease liabilities for the year ended 31 March 2026 and 2025.

NOTES TO THE FINANCIAL STATEMENTS

12.1 Right-of-use-assets

As at 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Balance at the beginning of the year	2,772,083,481	2,885,686,982	215,939,209	215,939,209
Addition during the year	24,460,492	6,555,750	179,946,738	-
Prior year adjustment	4,059,450	(93,570,810)	-	-
Derecognition of ROU assets	(19,855,624)	(26,588,441)	-	-
Balance at the end of the year	2,780,747,799	2,772,083,481	395,885,947	215,939,209
Accumulated depreciation				
Balance at the beginning of the year	366,453,716	274,958,552	26,392,570	19,194,596
Amortisation expense	100,094,800	91,495,164	108,624,371	7,197,974
Prior year adjustment	7,541,986	-	-	-
Derecognition of ROU assets	(11,913,375)	-	-	-
Balance at the end of the year	462,177,127	366,453,716	135,016,941	26,392,570
Carrying value				
As at 31 March	2,318,570,672	2,405,629,765	260,869,006	189,546,639

Set out below is the movement in right-of-use assets by class for the year ended 31 March 2026.

As at 31 March	Group		Company	
	Land LKR	Building LKR	Land LKR	Building LKR
Balance at the beginning of the year	2,339,253,711	66,376,053	189,546,639	-
Addition during the year	-	24,460,493	-	179,946,739
Derecognition of ROU assets	-	(7,942,249)	-	-
Prior year adjustment	-	(3,482,536)	-	-
Amortisation expense	(52,936,422)	(47,158,378)	(7,197,974)	(101,426,398)
Balance at the end of the year	2,286,317,289	32,253,383	182,348,665	78,520,341

Set out below is the movement in right-of-use assets by class for the year ended 31 March 2025.

As at 31 March	Group		Company	
	Land LKR	Building LKR	Land LKR	Building LKR
Balance at the beginning of the year	2,392,190,133	218,538,295	196,744,613	-
Addition during the year	-	6,555,750	-	-
Derecognition of ROU assets	-	(26,588,441)	-	-
Prior year adjustment	-	(93,570,810)	-	-
Amortisation expense	(52,936,422)	(38,558,741)	(7,197,974)	-
Balance at the end of the year	2,339,253,711	66,376,053	189,546,639	-

12.2 Lease liabilities

As at 31st March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Balance at the beginning of the year	205,849,558	267,255,609	128,589,647	117,656,206
Additions during the year	24,460,493	6,555,750	179,946,739	-
Adjustment/ Cancellation and Termination	(8,956,466)	(42,167,236)	-	-
Interest expense	20,313,149	26,670,337	28,410,612	10,933,440
Payments made during the year	(68,636,972)	(52,464,902)	(106,354,385)	-
Balance at the end of the Year	173,029,763	205,849,558	230,592,612	128,589,647
Interest in Suspense	-	-	-	-
Balance at the end of the Year	173,029,763	205,849,558	230,592,612	128,589,647
Payable within one year	36,659,420	78,569,029	139,344,509	31,408,608
Payable after one year	136,370,343	127,280,529	91,248,103	97,181,039
Balance at the end of the Year	173,029,763	205,849,558	230,592,612	128,589,647

12.3 Maturity analysis - contractual undiscounted cash flows

As at 31st March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Within the next 12 months	227,480,328	119,544,427	139,344,509	31,408,608
Between 1 and 2 years	106,759,640	106,759,640	11,742,728	11,742,728
Between 2 and 3 years	56,451,188	56,451,188	11,742,728	11,742,728
Between 3 and 4 years	52,310,836	52,310,836	11,742,728	11,742,728
Between 4 and 5 years	42,648,711	42,648,711	11,742,728	11,742,728
Beyond 5 years	256,566,912	276,232,792	230,182,984	249,848,864
	742,217,615	653,947,594	416,498,405	328,228,384

12.4 Amounts recognised in profit or loss on SLFRS 16 - Leases

As at 31st March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
2025/26 Lease under SLFRS 16				
Amortisation of right-of-use assets	100,094,800	91,495,164	108,624,371	7,197,974
Interest expense on lease liabilities	20,313,149	26,670,337	28,410,612	10,933,440

NOTES TO THE FINANCIAL STATEMENTS

12.5 Amounts recognised in cash flows for 2025/26 on SLFRS 16 - Leases

As at 31st March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Payment of lease liabilities	(68,636,972)	(52,464,902)	(106,354,385)	-

There were no right of use assets pledge by the Group and Company as security for facilities obtained from the Banks.

13 INVESTMENT PROPERTY

Accounting policy

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, used in the production of supply of goods or services or for administrative purposes.

Recognition and measurement

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect. Fair values are determined based on valuation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties under construction is measured at cost until either its fair value becomes reliably measurable or construction is completed (which ever is earlier).

Derecognition

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefits are expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Where Group companies occupy a significant portion of the investment property of a subsidiary, such investment properties are treated as property, plant and equipment in the consolidated financial statements and accounted using Group accounting policy for property, plant and equipment.

13.1 Quantitative and qualitative disclosures of the investment property

As at 31st March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Balance at the beginning of the Year	36,699,491,876	36,362,575,558	774,400,000	1,195,500,000
Additions/ Acquisitions	85,131,415	240,016,318		
Gain on fair value changes	4,011,496,402	96,900,000	-	43,900,000
Disposal of investment property	(37,990,000)	-	-	(465,000,000)
Balance at the end of the Year	40,758,129,693	36,699,491,876	774,400,000	774,400,000
Rental income derived from investment property	3,428,839,981	3,394,695,846	-	-
Direct operating expenses (including repair and maintenance) generating rental income	563,836,272	380,923,451	-	-

* Company has no gain on fair value changes in investment property during the year.

13.2 Location, Extent and Valuation of Investment Properties

Fair value of the Property were ascertained by independent valuation carried out by Mr. K.T.D Tissera, FIV (Sri Lanka), F. R. I. C. S. (Eng.) and A.V.U. Wasantha, FIV (Sri Lanka),M.R.I.C.S an independent professional valuers, on an open market value for existing use basis as at 31 March 2026.

Description of valuation techniques used and key inputs to valuation of investment properties;

Location	Extent	Method of valuation	Freehold Building Square Feet	Significant unobservable inputs					
				Estimated price per perch LKR	Estimated price per square feet LKR	No of Buildings	Fair value LKR Mn.	Fair Value Gain LKR Mn	Correlation to Fair Value
Access Engineering PLC									
Land depicted at No.267, Dehiwala Road, Maharagama.	3 R and 1 P	Open market value method	-	2,800,000	-	-	338	-	Positive
Land depicted at Dickowita, Hendala.	2 A and 3.68 P	Open market value method	-	60,000	-	-	19.4	-	Positive
Land depicted at Heeralugedara, Kotadeniyawa	50A 1 R and 8.7 P	Open market value method	-	51,875	-	-	417	-	Positive
Access Realties (Private) Limited									
Land depicted at Nos.266, 268, 278 and 278/4 Dr. Colvin R De Silva Mawatha (Union Place) and No 116 and 118 Dawson street, Colombo 2	1 A 25.65 P	Open market value method	216,718	20,000,000	6,000 - 12,000	1	6,000	874	Positive
Access Realties 2 (Private) Limited									
30 Stories Buildings at No 116, 118, 264/5 and 278/4 Dawson street, Colombo 2	-	Open market value method	404,403	17,500,000	19,000	1	7,700	255	Positive
Sathosa Motors PLC									
Land depicted at No. 86, Vauxhall Street, Colombo 02	2 R 3.07 P	Open market value method	3,743	12,000,000	4,500	1	1,014	36	Positive
WUS Logistics (Private) Limited									
No.540, Maligagodella Watta, Kimbulapitiya	41 A 2 R 27.45 P	Open market value method	456,790	275,000 - 450,000	3,000 - 16,000	1	9,275	-	Positive
Land depicted at Bogahawatta, Welamullawattha	3 R 16.25 P	Open market value method	-	95,500	-	-	13	-	Positive
Access Logistic Park Ekala (Private) Limited									
Land depicted at Ekala,Kuruduwaththa, Ja-Ela	36 A 1 R 27.6 P	Open market value method	704,749	550,000	12,500 - 25,000	1	16,300	2,846	Positive

Summary description of valuation methodologies

Open market value method

Open market value method uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities or a group of assets and liabilities such as a business.

13.3 Investment property - Work-in-progress

As at 31 March	Group	
	2026 LKR	2025 LKR
Balance at the beginning of the year	3,733,498,714	2,263,358,227
Additions	4,657,531,570	1,470,140,487
Transfer to Investment Property	-	-
Balance at the end of the year	8,391,030,284	3,733,498,714

Investment property work-in-progress comprises expenditure incurred on the development of the Marina Square – Uptown Colombo project by Harbour Village (Private) Limited.

Since the above mentioned investment properties are under construction, the Group is unable to determine fair value reliably. Therefore as recommended in LKAS 40 paragraph 53, it has been measured at cost.

14. INTANGIBLE ASSETS AND GOODWILL

Accounting policy

Basis of recognition

An Intangible asset is recognised if it is probable that future economic benefits associated with the assets will flow to the Group and cost of the asset can be measured reliably.

Goodwill	Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.
Research and development	Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.
Other intangible assets	Other intangible assets are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

Basis of measurement

Intangible assets acquired separately are measured on initial recognition at cost. The costs of intangible assets acquired in a business combination is their fair value as at the date of acquisition.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the Statement of Profit or Loss in the year in which the expenditure is incurred.

Useful economic lives, amortisation and impairment

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method for an intangible asset with finite useful lives are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit or Loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation of intangible assets with a finite life is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date on which they are available for use.

The estimated useful lives are as follows:

Asset category	Amortisation period (Years)
Enterprise resource planning system	5 - 10 years
Other software	3 - 10 years

Net carrying value of goodwill

Goodwill arising on business combinations have been allocated to the following cash generating units (CGU's) for impairment testing.

As at	31.03.2026	31.03.2025
Sathosa Motors PLC	432,588,101	432,588,101
Harbour Village (Private) Limited	90,394,715	90,394,715
Lanka Acc (Private) Limited	-	2,413,066
	522,982,816	525,395,882

The recoverable amount of goodwill is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management. A five-year period is considered appropriate due to the product life cycle and market conditions in the industry. The key assumptions used are given below;

As at	31.03.2026	
	Business growth rate	Discount rate
Sathosa Motors PLC	4.5%	15.10%
Harbour Village (Private) Limited	-	9.2%

The recoverable amounts of all cash generating units have been determined based on the fair value, less cost to sell or the value in use (VIU) calculation.

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use (VIU). The fair value less costs to sell calculation is based on available data from an active market, in an arm's length transaction, of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

Business growth – Based on the long term average growth rate for each business unit where applicable. The weighted average growth rate used is consistent with the industry growth rates.

Inflation – Based on current inflation rate.

Discount rate – Risk free rate adjusted for the specific risk relating to the industry.

Margin – Based on past performance and budgeted expectations.

Sensitivity to changes in key assumptions

Management has identified that a reasonable possible change in the two key assumptions namely, business growth rate and discount rate could cause the carrying amount to exceed the recoverable amount. Given below is the change required individually for each key assumptions, for the carrying amount to equate the recoverable amount.

Asset category	Business Growth rate decrease by`	Discount rate increase by
Sathosa Motors PLC	441.48%	20.31%
Harbour Village (Private) Limited	-	90.75%

Derecognition of intangible assets

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss.

NOTES TO THE FINANCIAL STATEMENTS

14.1 Reconciliation of beginning and ending balances by classes of asset

	Group				Company	
	Software LKR	Goodwill LKR	License Cost LKR	Total LKR	Software LKR	Total LKR
Cost / Revaluation						
At 1 April 2024	205,771,872	1,182,012,008	-	1,387,783,880	142,017,832	142,017,832
Additions during the year	3,139,957	-	100,000,000	103,139,957	-	-
At 31 March 2025	208,911,829	1,182,012,008	100,000,000	1,490,923,837	142,017,832	142,017,832
Additions during the year	23,908,679	-	-	23,908,679	19,403,679	19,403,679
At 31 March 2026	232,820,508	1,182,012,008	100,000,000	1,514,832,516	161,421,511	161,421,511
Accumulated amortisation and impairment losses						
At 1 April 2024	167,452,203	656,616,126	-	824,068,329	112,065,157	112,065,157
Amortisation during the year	8,081,846	-	-	8,081,846	5,159,159	5,159,159
At 31 March 2025	175,534,049	656,616,126	-	832,150,175	117,224,316	117,224,316
Amortisation during the year	12,969,204	-	5,328,767	18,297,971	4,515,728	4,515,728
Impairment of Goodwill	-	2,413,066	-	2,413,066		
At 31 March 2026	188,503,253	659,029,192	5,328,767	852,861,212	121,740,044	121,740,044
Carrying value						
At 31 March 2026	44,317,255	522,982,816	94,671,233	661,971,304	39,681,467	39,681,467
At 31 March 2025	33,377,780	525,395,882	100,000,000	658,773,662	24,793,516	24,793,516

Software in intangible assets mainly consists of the SAP Enterprise Resource Planning system software and SAP user license acquired by the Company.

There were no intangible assets pledge by the Group and the company as security for facilities obtained from the banks (2024/25 - Nil).

Access Medical Tracers (Private) Limited issued free shares to the Sri Lanka Atomic Energy Board and the Ministry of Health in 2024/25 as part of strategic collaborations and regulatory facilitation. This has been presented under License Costs, reflecting the economic benefits and strategic partnerships established through these arrangements.

15. INVESTMENT IN SUBSIDIARIES

Accounting policy

Investment in subsidiaries are initially recognised at cost in the financial statements of the Company. Any transaction cost relating to acquisition of investment in subsidiaries are immediately recognised in Profit or Loss. Following initial recognition, Investment in subsidiaries are carried at cost less any accumulated impairment losses. The net assets of each subsidiary are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount of the investment is estimated and the impairment loss is recognised to the extent of its net assets loss.

15.1 Total carrying amount

	2026 LKR	2025 LKR
Investment in subsidiaries - quoted (Note 15.2)	1,196,572,767	1,196,572,767
Investment in subsidiaries - unquoted (Note 15.3)	36,173,275,889	25,741,838,576
	37,369,848,656	26,938,411,343

15.2 Quoted Investments

	Company						
		2026			2025		
	Country of incorporation	Number of shares	Effective holding %	LKR	Number of shares	Effective holding %	LKR
Sathosa Motors PLC	Sri Lanka	5,093,745	84.42	1,196,572,767	5,093,745	84.42	1,196,572,767
Market value of quoted investment				5,134,494,960			2,229,786,874

15.3 Unquoted Investments

	Company						
		2026			2025		
	Country of incorporation	Number of shares	Effective holding %	LKR	Number of shares	Effective holding %	LKR
Access Realties (Private) Limited	Sri Lanka	199,922,532	100	7,996,901,280	199,922,532	100	7,996,901,280
Access Projects (Private) Limited	Sri Lanka	16,000,000	80	1,000,000,000	16,000,000	80	1,000,000,000
Harbour Village (Private) Limited *	Sri Lanka	769,925,769	100	13,611,453,544	191,748,574	66.67	3,099,158,510
WUS Logistics (Private) Limited	Sri Lanka	557,443,261	100	5,574,432,610	557,443,261	100	5,574,432,610
Access Logistics (Private) Limited	Sri Lanka	12,296,416	100	122,964,160	12,296,416	100	122,964,160
Lanka AAC (Private) Limited	Sri Lanka	13,100,832	50	131,008,320	13,100,832	50	131,008,320
Access Logistics Park Ekala (Private) Limited	Sri Lanka	826,072,840	100	8,260,728,400	826,072,840	100	8,260,728,400
Access Medical Tracers (Private) Limited	Sri Lanka	30,000,000	60	300,000,000	30,000,000	60	300,000,000
Access Engineering Port Services (Private) Limited	Sri Lanka	3,000,000	100	30,000,000	3,000,000	100	30,000,000
AEL East Africa Limited	Kenya	1,000	100	255,558	1,000	100	255,558
				37,027,743,872			26,515,448,838
Provision for impairment of investment in Access Projects (Private) Limited				(788,764,694)			(773,354,704)
Provision for impairment of investment in AEL East Africa Limited				(255,558)			(255,558)
Provision for impairment of investment in Lanka AAC (Private) Limited				(65,447,731)			-
Carrying value of unquoted Investments				36,173,275,889			25,741,838,576

* Company acquired 95,874,287 shares, representing 33.33% of the issued share capital of Harbour Village (Private) Limited on 4th June 2025. Which has been increased the ownership to 100% during the year (2024/25; 66.67%).

15.4 Movement in provision for impairment of investments in subsidiaries

For the year	2025/26	2024/25
Balance at the beginning of the year	773,610,262	670,613,107
Impairment made during the year	80,857,721	102,997,155
Balance at the end of the year	854,467,983	773,610,262

NOTES TO THE FINANCIAL STATEMENTS

Accounting estimate - provision for impairment

15.5 Provision for impairment 2025/26

An impairment assessment was performed as at 31 March 2026. As a result, impairment provisions amounting to LKR 15,409,990/- and LKR 65,447,731/- were recognised against the investments in Access Projects (Private) Limited and Lanka ACC (Private) Limited, respectively.

15.6 Provision for impairment 2024/25

An impairment assessment was carried out as at 31 March 2025 and it was noted that amount of LKR 102,997,155/- further impaired of Access Projects (Private) Limited

16. EQUITY-ACCOUNTED INVESTEES

Accounting policy

The Group's interests in equity-accounted investees comprise interest in associate and joint Venture.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investments in its associate and joint venture are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The Statement of Profit or Loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the Statement of Changes in Equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and noncontrolling interests in the subsidiaries of the associate or joint venture.

The Financial Statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of results of equity accounted investees' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Investments in equity accounted investees are carried at cost less any accumulated impairment losses.

16.1 Carrying amount of interest in equity-accounted investees

	Number of shares	Effective holding %	Group		Company	
			2026 LKR	2025 LKR	2026 LKR	2025 LKR
Investment in joint venture						
Blue Star Realties (Private) Limited	60,150,000	60	12,139,564	8,440,048	600	600
Investment in an associate						
ZPMC Lanka Company (Private) Limited	5,546,544	30	525,133,040	478,765,031	55,465,410	55,465,410
South Asia Commercial & Logistics Hub Limited (Note 16.4.2)	5,571,444	15	1,375,181,503	1,762,634,046	1,762,634,046	1,762,634,046
			1,912,454,107	2,249,839,125	1,818,100,056	1,818,100,056

16.1.1 Reconciliation of carrying amount of interest in equity-accounted investees

As at 31st March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
At the beginning of the year	2,249,839,125	2,179,378,255	1,818,100,056	1,878,099,456
Add/ (Less) - Group's share of results of equity-accounted investees, net of tax	(251,748,223)	130,460,270	-	-
Divestment in join venture	-	(59,999,400)	-	(59,999,400)
Dividends received	(85,636,795)	-	-	-
Carrying amount of interest in equity accounted investees	1,912,454,107	2,249,839,125	1,818,100,056	1,818,100,056

16.2 Group's share of total comprehensive income

For the year ended 31st March	2026 LKR	2025 LKR
Joint venture	3,697,672	(10,944,981)
Associate	(255,445,895)	141,405,251
	(251,748,223)	130,460,270

16.3 Investment in joint venture

The Group has invested 50% interest and further 10% interest (non voting share capital) in Blue Star Realties (Private) Limited . The Group has an economic interest of 60% in Blue Star Realties (Private) Limited as at 31 March 2026. The joint venture involves in the business of residential property development.

The Group's interest in joint ventures are accounted for using the equity method in the Consolidated Financial Statements.

Summarised financial information of the joint ventures, based on its Audited Financial Statements, and reconciliation with the carrying amount of the investment in the Consolidated Financial Statements are set out below:

	2026 LKR	2025 LKR
Non-current assets	-	139,308
Current assets	28,696,373	110,512,698
Non-current liabilities	(1,567,247)	(9,729,972)
Current liabilities	(6,989,625)	(86,848,272)
Net assets (100%)	20,139,501	14,073,762
Group's share of net assets	12,139,564	8,440,048
Carrying amount of interest in joint venture	12,139,564	8,440,048
Revenue	-	-
Total comprehensive income	6,165,861	(18,250,733)
Group's share of total comprehensive income	3,697,672	(10,944,981)
Dividends received by the Group	-	-

The joint venture had no material contingent liabilities or capital commitments as at 31 March 2026 or 31 March 2025

16.4 Investment in an associate

16.4.1 ZPMC Lanka Company (Private) Limited

The Group has a 30% interest in ZPMC Lanka Company (Private) Limited, which has entered in to a contract with Colombo International Container Terminal to service and maintain the Container Handling Equipment supplied by Shanghai Zhenhua Heavy Industries Company Limited of China (known as ZPMC).

The Group's interest in ZPMC Lanka Company (Private) Limited is accounted for using the equity method in the Consolidated Financial Statements.

Summarised financial information of the associate, based on its SLFRS financial statements, and reconciliation with the carrying amount of the investment in the Consolidated Financial Statements are set out below:

As at 31st March	2026 LKR	2025 LKR
Non-current assets	32,816,313	43,751,548
Current assets	2,671,749,528	2,515,961,255
Non-current liabilities	(41,944,722)	(37,514,892)
Current liabilities	(914,925,385)	(928,819,587)
Net assets	1,747,695,735	1,593,378,324
Group's share of net assets	525,133,040	478,765,031
Carrying amount of interest in associate	525,133,040	478,765,031
Revenue	2,455,359,673	2,870,850,992
Total Comprehensive Income	439,331,443	470,610,941
Group's share of total comprehensive income	132,006,648	141,405,251

During the financial year 2025/26, dividends amounting to LKR 85,636,795 were received from the associate (2024/25: Nil).

The associate had no material contingent liabilities or capital commitments as at 31 March 2026 or as at 31 March 2025.

16.4.2 South Asia Commercial and Logistics Hub Limited

South Asia Commercial and Logistic Hub Limited a private limited liability company formed with the agreed share holding 70% of Fortune Centre Group Limited, 15% of Sri Lanka Port Authority and 15% of Access Engineering PLC.

The purpose of the company is to Finance, design, construct, develop, operate, manage and maintain South Asia Commercial and Logistic hub under a BOT agreement. The Company has invested Rs. 1,762,634,046/- as a part of 15% stake in the company. Further the company has not started operations yet.

Summarised financial information of the associate, based on its SLFRS financial statements, and reconciliation with the carrying amount of the investment in the Consolidated Financial Statements are set out below:

As at 31st March	2026 LKR
Non-current assets	13,204,994,315
Current assets	2,712,713,534
Non-current liabilities	(6,649,234,553)
Current liabilities	(100,596,613)
Net assets	9,167,876,683
Group's share of net assets	1,375,181,503
Carrying amount of interest in associate	1,375,181,503
Revenue	-
Total Comprehensive Loss	(2,583,016,956)
Group's share of total comprehensive loss	(387,452,543)

17. NON-CURRENT FINANCIAL ASSETS

Accounting policy

The Group designated the investments shown below as equity securities at FVOCI because these equity securities represent investments that the Group intends to hold for the long term for strategic purposes.

As at 31st March	2026		2025	
	Group / Company		Group / Company	
	Total Cost LKR	Carrying amount LKR	Total Cost LKR	Carrying amount LKR
Non-listed equity investment				
Access CHEC JV (Private) Limited	510,000	1,232,209	510,000	1,385,605
Carrying amount as at 31st March	510,000	1,232,209	510,000	1,385,605

No Strategic investments were disposed of during 2025/26 , and there were no transfers of any cumulative gain or loss within equity relating to these investments. Further no dividend received during the period.

18. INVENTORIES

Accounting policy

Inventories are measured at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items.

The cost of inventories are based on a weighted average costs.

The cost of inventories is comprised of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition, excluding borrowing cost. Borrowing cost for inventories that are qualifying assets are capitalised as part of cost.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Inventory movement is reviewed at the end of reporting period by an expert to assess the recoverability of inventory and the items that are identified as irrecoverable are written off during the year.

Work in progress

Remaining work in progress are stated at cost.

The work in progress balance include the work of Marina Square project apartments at actual cost.

Goods in transit

Goods-in-transit are recognised at actual cost as at reporting date.

18.1 Inventories

As at 31st March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Inventories	4,990,725,779	3,491,626,268	2,458,925,934	2,628,359,017
Work in Progress	34,430,262,285	21,742,823,078	200,382,755	120,402,797
Goods In Transit	4,048,013,002	11,458,411	-	-
Provision for inventories (Note 18.1.1)	(75,048,583)	(52,140,655)	(30,908,723)	(13,650,462)
	43,393,952,483	25,193,767,102	2,628,399,966	2,735,111,351

18.1.1 Movement in provision for inventories

As at 31st March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Balance at the beginning of the year	52,140,655	32,551,244	13,650,462	9,364,693
Provision for / (reversal of) inventory provision	22,907,928	19,589,411	17,258,261	4,285,769
Balance at the end of the year	75,048,583	52,140,655	30,908,723	13,650,462

There were no inventories pledge by the Group and Company as security for facilities obtained from the banks (2024/25 - Nil).

NOTES TO THE FINANCIAL STATEMENTS

19. TRADE AND OTHER RECEIVABLES

Accounting policy

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Other financial nature receivables are recognised as other receivables. 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 and other receivables are initially measured at fair value and subsequently measured at amortised cost using the Effective Interest Rate method (EIR) less any provision for impairment.

Provision for impairment of trade receivables

The Group applies the simplified approach in measuring expected credit losses (ECL) allowance which is recommended by SLFRS 9 on making impairment of trade receivables.

ECL are probability- weighted estimate of credit losses. The allowance is provided by considering evidence of impairment for receivables of both individual and collective level. Receivables are individually assessed for impairment by considering objective evidence such as experiencing a significant financial difficulty or default in payment by customer. Debtors that are not specifically impaired are then collectively assessed for any impairment. In assessing collective impairment, the Group uses historical information on the probability of default, the timing of recoveries, the amount of loss incurred and makes an adjustment if current and forward looking economic and credit conditions are likely to be greater or lesser than suggested historical trends.

19.1 Trade and other receivables

As at 31st March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Trade receivables (Note 19.2)	9,382,226,988	11,012,245,008	7,360,349,015	9,930,912,130
Other receivables (Note 19.3)	3,842,843,793	3,902,532,060	350,442,296	349,774,524
Advance and prepayments (Note 19.4)	1,676,344,274	3,865,139,322	1,025,604,345	1,514,113,553
Contract assets (Note 19.5)	32,155,719	27,581,057	32,155,719	27,581,057
	14,933,570,774	18,807,497,447	8,768,551,375	11,822,381,264

19.2 Trade receivables

As at 31st March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Trade Receivables	10,269,013,986	12,024,654,215	8,077,369,875	10,783,748,754
Less: Provision for impairment of trade receivables (Note 19.2.1)	(886,786,998)	(1,012,409,207)	(717,020,860)	(852,836,624)
	9,382,226,988	11,012,245,008	7,360,349,015	9,930,912,130

19.2.1 Movement in Provision for impairment of trade receivables

As at 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Balance at the beginning of the year	1,012,409,207	607,846,903	852,836,624	471,171,256
Net provision for impairment of trade receivables	(112,964,582)	418,302,503	(135,815,764)	381,665,368
Provision for/(reversal of) trade receivables	(12,657,627)	(13,740,199)	-	-
Balance at the end of the year	886,786,998	1,012,409,207	717,020,860	852,836,624

19.3 Other receivables

As at 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Other tax receivables	545,411,631	394,553,351	200,445,687	194,749,575
Others	3,297,432,162	3,507,978,709	149,996,609	155,024,949
	3,842,843,793	3,902,532,060	350,442,296	349,774,524

19.4 Advances and prepayments

As at 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Deposits and prepayments	174,059,549	90,291,267	79,085,097	30,064,317
Advances	1,377,818,956	3,651,322,021	861,529,586	1,396,450,353
Refundable deposit	124,465,769	123,526,034	84,989,662	87,598,881
	1,676,344,274	3,865,139,322	1,025,604,345	1,514,113,553

19.5 Contract assets

As at 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Balance at the beginning of the year	27,581,057	55,852,471	27,581,057	55,852,471
Recognised during the year	8,806,043	-	8,806,043	-
Cost/(Reversal) recognised during the year	(4,231,381)	(28,271,414)	(4,231,381)	(28,271,414)
Balance at the end of the year	32,155,719	27,581,057	32,155,719	27,581,057

20. OTHER CURRENT FINANCIAL ASSETS

Accounting policy

This mainly comprise of retention receivable, staff loans and current portion of investment in debentures which have been designated as financial assets at amortised cost and measured at amortised cost using EIR method and are subject to impairment.

As at 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Retention receivable (Note 20.1)	1,725,067,377	2,804,348,953	1,525,736,491	2,507,576,414
Staff loans	109,850,803	131,290,861	97,128,098	118,126,840
Prepaid retention receivable expenses	325,913,296	371,644,324	325,913,296	371,644,324
Prepaid staff loan expenses	14,643,264	20,931,952	14,643,264	20,931,952
Total other current financial assets	2,175,474,740	3,328,216,090	1,963,421,149	3,018,279,530

NOTES TO THE FINANCIAL STATEMENTS

20.1 Retention receivable

As at 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Retention receivable	1,815,250,049	2,894,405,788	1,582,997,276	2,564,837,199
Less: Provision for impairment of retention receivables (Note 20.1.1)	(90,182,672)	(90,056,835)	(57,260,785)	(57,260,785)
	1,725,067,377	2,804,348,953	1,525,736,491	2,507,576,414

20.1.1 Movement in Provision for impairment of retention receivable

As at 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Balance at the beginning of the year	90,056,835	90,056,835	57,260,785	57,260,785
Net provision for / (reversal of) impairment of retention receivables	125,837	-	-	-
Balance at the end of the year	90,182,672	90,056,835	57,260,785	57,260,785

21. SHORT TERM INVESTMENTS

Accounting policy

Investment in equity securities have been designated as financial assets at fair value through profit or loss. Loss on fair value changes of the investments have been charged to the profit or loss.

As at 31 March	2026		2025	
	Number of shares	Market Value LKR	Number of shares	Market Value LKR
Group / Company				
Quoted investments				
Agalawatttte Plantations PLC	-	-	323,953	13,865,188
Horana Plantations PLC	-	-	245,200	10,935,920
Laugfs Power PLC	-	-	141,905	1,603,527
Lankem Ceylon PLC	-	-	22,000	1,911,800
Watawala Plantations PLC	-	-	75,000	2,146,490
Peoples Leasing & Finance PLC	45,234	1,084,000	45,234	809,688
People's Merchant Finance PLC	100	1,130	100	720
Ceylon Investment PLC	5,000	503,750	-	-
Haycarb PLC	4,749	520,015	-	-
Hayleys PLC	1,000	215,000	-	-
Total	56,083	2,323,895	853,392	31,273,333

22. SHORT TERM DEPOSITS

Accounting policy

Investments in fixed deposits have been designated as financial assets at amortised cost and measured at amortised cost using EIR method and are subject to impairment.

As at 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Investment in unit trust	164,993	153,284	-	-
Fixed deposits	-	-	-	-
	164,993	153,284	-	-

23. CASH AND CASH EQUIVALENTS

Accounting policy

Cash and cash equivalents are defined as cash at bank, cash in hand, demand deposits and short term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of Statement of Cash Flow, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts. Investments with short maturities i.e. three months or less from the date of acquisition are also treated as cash equivalents.

As at 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Cash at bank	3,607,275,223	2,429,830,678	1,597,332,519	1,066,234,698
Cash in hand	35,343,052	25,910,781	29,781,206	22,715,881
Investment in Repo/ Short term call deposits	145,000,000			
Cash and cash equivalents in the Statement of Financial Position	3,787,618,275	2,455,741,459	1,627,113,725	1,088,950,579
Bank overdraft	(723,899,006)	(726,020,147)	-	-
Cash and cash equivalents for the purpose of Statement of Cash Flows	3,063,719,269	1,729,721,312	1,627,113,725	1,088,950,579

The credit risk relating to the Group and Company bank balances are analysed according to the credit ratings of each bank. (Note 37.3.2)

24. STATED CAPITAL AND OTHER COMPONENTS OF EQUITY

Accounting policy

The ordinary shares of Access Engineering PLC are quoted in the Colombo Stock Exchange. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per individual present at meetings of the shareholders or one vote per share in case of a poll.

24.1 Stated capital

	2026		2025	
	Number of shares	Value of shares LKR	Number of shares	Value of shares LKR
At the beginning of the year	1,000,000,000	9,000,000,000	1,000,000,000	9,000,000,000
At the end of the year	1,000,000,000	9,000,000,000	1,000,000,000	9,000,000,000

NOTES TO THE FINANCIAL STATEMENTS

24.2 OTHER COMPONENTS OF EQUITY

Other components of equity mainly comprise of revaluation reserve and foreign currency translation reserve.

As at 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
At the beginning of the year	816,006,060	816,043,457	329,293,246	329,293,246
Revaluation reserve	253,206,912	-	67,729,378	-
Foreign currency translation reserve	6,663,714	(37,397)	-	-
At the end of the Year	1,075,876,686	816,006,060	397,022,624	329,293,246

24.2.1 Revaluation reserve

The revaluation reserve consist of the amounts by which the revaluation of property, plant and equipment, and revaluation of investment properties immediately before reclassified from property, plant and equipment. There were no restrictions on distribution of these balances to the shareholders.

24.2.2 Foreign currency translation reserve

The Foreign Currency Translation Reserve represents the differences between translated values of assets and liabilities of foreign operations at the exchange rate as at reporting date

24.3 Dividends

The following dividends were declared and paid by the Company for the year.

As at 31 March	Company	
	2026 LKR	2025 LKR
Dividends on ordinary shares:		
Second interim dividend (2023/24)	-	1,000,000,000
First interim dividend (2024/25)	-	1,000,000,000
Second interim dividend (2024/25)	1,000,000,000	-
First interim dividend (2025/26)	1,000,000,000	-
Total dividends	2,000,000,000	2,000,000,000
Dividend per share	2.00	2.00

25. GOVERNMENT GRANT

Accounting policy

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

As at 31 March	Group	
	2026 LKR	2025 LKR
Balance at the beginning of the year	4,387,782	4,607,163
Amortisation	(219,381)	(219,381)
Balance at the end of the year	4,168,401	4,387,782

The above represents a Government grant received by Sathosa Motors PLC, for the construction of work shop at Peliyagoda and is amortised over a period of fifty (50) years. There are no unfilled conditions or contingencies attached to these grants.

26. LOANS AND BORROWINGS

Accounting policy

Loans and borrowings are initially recognised at fair value net of directly attributable transaction costs. Subsequently they are measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the repayable amount (including interest) is recognised in profit or loss over the period of the loan using the effective interest rate method.

As at 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Current portion of loans and borrowings				
Term loans (Note 26.1)	9,594,431,087	6,844,525,550	5,104,983,343	2,511,453,152
	9,594,431,087	6,844,525,550	5,104,983,343	2,511,453,152
Non current portion of loans and borrowings				
Term loans (Note 26.1)	32,165,119,507	19,995,881,139	19,920,005,096	13,166,884,191
	32,165,119,507	19,995,881,139	19,920,005,096	13,166,884,191

26.1 Term loans

As at 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Balance at the beginning of the Year	26,840,406,689	21,257,924,515	15,678,337,343	13,991,770,239
Cash movement				
Obtained during the year	95,947,571,703	79,719,276,030	74,270,000,000	66,465,000,000
Repayment during the year	(81,291,319,723)	(74,083,089,703)	(64,905,000,000)	(64,763,746,000)
Non cash movement				
Accrued Interest (net)	(29,972,671)	(3,063,127)	(18,348,904)	(14,686,896)
Exchange differences	292,864,596	(50,641,026)	-	-
Balance at the end of the Year	41,759,550,594	26,840,406,689	25,024,988,439	15,678,337,343
Loan payable within one year	9,594,431,087	6,844,525,550	5,104,983,343	2,511,453,152
Loan payable after one year	32,165,119,507	19,995,881,139	19,920,005,096	13,166,884,191
	41,759,550,594	26,840,406,689	25,024,988,439	15,678,337,343

Debt Security related ratios

For the year ended / as at 31 March	Company	
	2026	2025
Debt to equity ratio (%)	86	56
Quick assets ratio (times)	1.25	1.34
Interest cover (times)	3.34	3.69

NOTES TO THE FINANCIAL STATEMENTS

26.2 Analysis of loans and borrowings

Company Name	Lending institution	Nature of the facility	Interest rate and security	Maturity	Loan facility LKR Mn.	2026 LKR Mn.	2025 LKR Mn.
Company							
Access Engineering PLC	Seylan Bank PLC	Short term loans	Monthly Re- Price	12 Months	2,500.00	-	2,511.45
		Long term loans	Fixed rate	48 Months	2,000.00	2,009.04	2,009.04
	Commercial Bank of Ceylon PLC	Short term loans	Monthly Re- Price	12 Months	3,000.00	2,202.00	
		Long term loans	Fixed rate - Unsecured	84 Months	7,750.00	2,954.76	2,553.87
	Bank of Ceylon	Short term loans	Monthly Re- Price	12 Months	2,900.00	2,902.99	-
		Long term loans	Fixed rate	36 Months	5,500.00	-	3,433.65
	Hatton National Bank PLC	Long term loans	Monthly Re- Price	48 Months	4,000.00	-	3,668.43
		Long term loans	Monthly Re- Price	84 Months	7,500.00	7,504.09	-
	Sampath Bank	Short term loans	Monthly AWPLR	12 Months	1,500.00	-	1,501.89
		Long term loans	Monthly Re- Price - Unsecured	84 Months	7,500.00	7,452.11	
Group							
Access Projects (Private) Limited	Commercial Bank of Ceylon PLC	Bank loan	AWPLR plus margin	60 Months	200.00	46.82	86.78
		Bank loan	AWPLR plus margin	03 Months	49.81	2.08	2.08
	Seylan Bank PLC	Bank loan	AWPLR plus margin	12 Months	100.00	70.00	100.00
Sathosa Motors PLC	Sampath Bank PLC	Revolving short term loans	Market rate over AWPLR	03 Months	100.00	-	50.00
			Unsecured				
	Bank of Ceylon PLC	Revolving short term loans	Market rate over AWPLR	03 Month	200.00	-	200.00
	Commercial Bank of Ceylon PLC	Term Loan	Fixed Rate	60 Month	100.00	15.02	34.99
		Term Loan	Interest free	60 Month	150.00	50.00	87.51
	Seylan Bank PLC	Revolving short term loans	Market rate over AWPLR	03 Month	300.00	-	-
Access Motors (Private) Limited	Seylan Bank PLC	Mortgage Loan	Market rate over AWPLR	60 Month	600.00	380.61	500.00
	Hatton National Bank	Import Loan	Market rate over AWPLR	60 Month	1,000.00	981.82	-
	Hatton National Bank	Revolving short term Loan	Market rate over AWPLR	03 Month	100.00	-	100.00
Lanka AAC (Private) Limited	Bank of Ceylon	Long term loans	Fixed Rate	60 Months	25.00	14.11	19.24
		Long term loans	Fixed Rate	36 Months	25.00	9.03	17.35
Access Logistic Park Ekala (Private) Limited	Commercial Bank of Ceylon PLC	"Long term loans - (USD- 14.46 Mn)"	Fixed Rate	60 Months	4,500.00	3,636.04	3,879.50
		"Long term loans - (USD- 6 Mn)"	Fixed Rate	60 Months	1,800.00	1,171.99	1,354.59
	Nation Trust Bank	Long term loans	Market rate under AWPLR .75%	60 Months	1,150.00	894.40	1,150.00
Access Realties (Private) Limited	Bank of Ceylon	Long term loans	Market rate over AWPLR	24 Months	500.00	-	230.00
Access Logistic (Private) Limited	Nation Trust Bank	Long term loans	Market rate under AWPLR .75%	60 Months	850.00	661.00	850.00
Harbour Village (Private) Limited	Sampath Bank PLC	Short term loans	AWPLR	12 Months	2,000.00	1,950.00	2,500.00
		Long term loans	AWPLR	24 Months	6,000.00	5,450.00	-

There have been no breaches of loan covenants during the reporting period (2025/26)

27. EMPLOYEE BENEFIT LIABILITIES

Accounting policy

Short-term employee benefits

Short term employee benefits are expected as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans-Employees Provident Fund and Employees Trust Fund

A defined contribution plan is a post-employment benefit plan under which an entity pays a fixed contribution to a separate entity and will have no legal or constructive obligation to pay further amounts.

All employees who are eligible for Employees' Provident Fund Contributions and Employees' Trust Fund Contributions are covered by relevant contributions funds in line with the relevant statutes. Employer's contributions to the defined contribution plans are recognised as an expense in profit or loss when incurred.

Defined benefit plans

The liability recognised in the Statement of Financial Position in respect of defined benefit plan is the present value of defined benefit obligation at the reporting date. The defined benefit obligation is calculated annually by independent actuaries using Projected Unit Credit (PUC) method as recommended by LKAS 19 - 'Employee Benefits'. Remeasurements, comprising of actuarial gains and losses, are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. The Group recognises the changes in the defined benefit liability attributable to the service costs (current service costs and any past service costs) and interest expense in the profit or loss. Key assumptions used in determining the defined benefit obligation are given in note 27.2.

Defined benefit plan liability has not been externally funded by the Company as well as subsidiaries of the Group.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gain or losses on the settlement of a defined plan when the settlement occurs.

However, according to the Payment of Gratuity Act No. 12 of 1983, the liability for gratuity payment to an employee arises only after the completion of five years of continued service.

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability.

As at 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Balance at the beginning of the year	447,477,664	366,267,110	379,801,969	306,785,840
Current service cost	56,571,473	40,145,151	44,838,701	32,475,172
Interest cost	40,195,623	44,545,036	37,715,273	37,550,587
Actuarial losses / (gain)	48,016,173	23,454,753	42,521,107	20,000,296
	592,260,933	474,412,050	504,877,050	396,811,895
Less: Payments made during the year	(45,245,068)	(26,934,386)	(39,341,110)	(17,009,926)
Balance at the end of the year	547,015,865	447,477,664	465,535,940	379,801,969

NOTES TO THE FINANCIAL STATEMENTS

27.1 Expense recognised in Statement of Profit or Loss and Other Comprehensive Income

As at 31 March	Note	Group		Company	
		2026 LKR	2025 LKR	2026 LKR	2025 LKR
Current service cost		56,571,473	40,145,151	44,838,701	32,475,172
Interest cost		40,195,623	44,545,036	37,715,273	37,550,587
Expense Recognised in Statement of Profit or Loss	27.1.1	96,767,096	84,690,187	82,553,974	70,025,759
Actuarial losses recognised in other comprehensive income		48,016,173	23,454,753	42,521,107	20,000,296
Total provision for the year		144,783,269	108,144,940	125,075,081	90,026,055

The actuarial present value of the Group's and Company's promised retirement benefits as at 31st March 2026 amounted to LKR 547,015,865/- and LKR 465,535,940/- respectively.

27.1.1 Expenses recognised in Statement of Profit or Loss

As at 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Cost of sales	69,377,883	69,213,171	68,187,593	67,647,588
Administrative expenses	27,389,213	15,477,016	14,366,381	2,378,171
	96,767,096	84,690,187	82,553,974	70,025,759

27.2 Key assumptions and quantitative sensitivity analysis

The cost of the defined benefit plan are determined using actuarial valuations and it involves making various assumptions. These include the determination of the discount rate, future salary increases, attrition rate and retirement age (mortality in service). Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The key assumptions and their sensitivity analyses are discussed further below.

27.3 Company

An independent actuarial valuation of the retirement benefit obligation was carried out as at 31 March 2026 by professional actuaries - Messrs K.A.Pandit, Professional Consultants and Actuaries.

The valuation method used by the Actuaries to value the Retirement Benefit Obligation is the "Projected Unit Credit Method". The method recommended by the LKAS 19- 'Employee Benefits'.

The principal assumptions used in determining the cost of employee benefits were:

	2026	2025
Discount rate (%)	10.75	11.50
Expected annual average salary increment rate (%)	9.00	9.00
Attrition rate (%)	4	4
Retirement age (years)	60	60

The Company has considered the impact on the defined benefit obligations due to changes in economic factors as a result of the prevailing macroeconomic conditions, with support of the independent actuarial expert.

Discount rate

The Company have used a long term interest rate of 10.75% p.a (2024/25-11.5% p.a) to discount future liabilities.

Expected annual average salary increment rate

Based on the actual salary increment rate of the Company over the past few years and having evaluated the business continuity plan, adjustments have not been made to expected annual average salary increment rate, to value future liabilities.

Attrition rate

Based on the actual staff turnover of the Company over the past few years, Company has used staff turnover factor of 4% p.a to value future liabilities.

27.4 Group

a. Sathosa Motors PLC

An actuarial valuation of the provision for employee benefits was carried out as at 31 March 2026 by Actuarial & Management Consultants (Private) Limited. The valuation method used by the Actuaries to value the Employee Benefit Obligation is the "Projected Unit Credit Method". The method recommended by the LKAS 19- 'Employee Benefits'.

b. Other Subsidiaries

Employee Benefit liabilities of other subsidiaries have been calculated applying the "Projected Unit Credit method" recommended by LKAS 19, "Employee Benefits".

The principal assumptions used in determining the employee benefits obligation were:

	2026	2025
Discount rate (%)	9.3% - 10.75%	9.5% - 11.1%
Expected annual average salary increment rate (%)	9% - 12%	10% - 12%
Attrition rate (%)	4% - 36%	14.59% - 31%
Retirement age (years)	60	60

27.5 Sensitivity of assumptions used

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

	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Effect on the defined benefit obligation liability;				
Increase by one percentage point in discount rate	(36,350,323)	(30,152,173)	(33,548,224)	(27,761,699)
Decrease by one percentage point in discount rate	41,469,970	34,269,620	38,412,288	31,765,222
Increase by one percentage point in salary increment rate	42,040,425	34,832,768	38,692,844	32,229,505
Decrease by one percentage point in salary increment rate	(36,947,983)	(31,118,194)	(34,346,185)	(28,601,715)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another.

27.6 Future expected contributions to the defined benefit plans

The following payments are expected contributions to the employee benefit obligation in future years:

	Company	
	2026 LKR	2025 LKR
Within the next 12 months (next annual reporting period)	31,650,258	29,289,266
Between 1 and 2 years	30,088,606	20,199,882
Between 3 and 5 years	132,178,843	99,555,917
Between 6 and 10 years	291,784,496	256,279,483
Total expected payments	485,702,203	405,324,548
Weighted average duration of the projected benefit obligation (years)	10	10

28. TRADE AND OTHER PAYABLES

Accounting policy

Trade payables are the aggregate amount of obligation to suppliers for goods delivered to or services consumed by the Group in the ordinary course of business. Trade payables are classified as current liabilities if they are payable within one year or less.

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

NOTES TO THE FINANCIAL STATEMENTS

Trade and other payables are normally none interest bearing liabilities.

As at 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Trade creditors	14,656,271,085	9,090,548,502	4,773,648,266	5,055,671,033
Other tax payable	267,677,219	84,984,466	-	-
Accrued expenses	3,087,552,615	1,963,284,999	1,101,011,552	1,128,915,156
Mobilisation advance	1,793,579,509	2,208,066,323	1,788,848,026	2,203,334,840
Advances received	20,235,844,363	16,217,111,182	567,514,378	754,726,056
Retention payable	746,313,727	824,650,032	557,868,256	526,132,922
Security deposit	1,234,169,546	1,285,145,825	-	-
Contract liabilities (Note 28.1)	121,552,030	341,373,361	121,552,030	341,373,361
	42,142,960,094	32,015,164,690	8,910,442,508	10,010,153,368

28.1 Contract liabilities

As at 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Balance at the beginning of the year	341,373,361	340,484,780	341,373,361	340,484,780
During the year addition	24,173,710	30,073,193	24,173,710	30,073,193
Recognised in profit or loss during the year	(243,995,041)	(29,184,612)	(243,995,041)	(29,184,612)
Balance at the end of the year	121,552,030	341,373,361	121,552,030	341,373,361

29. RELATED PARTY DISCLOSURE

Accounting policy

The Company carried out transactions in the ordinary course of its business with parties who are defined as related parties as per Sri Lanka Accounting Standard LKAS 24 on Related Party Disclosures.

29.1.1 Parent and Ultimate Controlling Party

The Company does not have an identifiable parent of its own

29.1.2 Transactions with Key Management Personnel (KMP)

Key Management Personnel (KMP) of the Company consist of the members of the Board directing and controlling the activities of the Company (Executive and Non-Executive Directors) . As the Company is the ultimate parent of the subsidiaries (listed in Note 29.5), the Board of Directors of the Company has the authority and responsibility for planning or controlling the activities of the Group directly or indirectly. Accordingly, the Board of Directors of the Company (Executive and Non Executive) are KMP of the of the Company. No loans have been given to the Directors. Details of compensation are given in Note 8.1.1 to the Financial Statements.

29.1.3 A Directors' Loan paid & compensation paid

A. Directors' Loan paid

No loans have been given to the Directors of the Company.

B. Compensation of Key Management Personnel of the Group

As at 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Directors emoluments & fees				
Short-term employment benefits	159,465,000	66,429,004	149,315,000	53,470,104
Post-employment benefits	10,066,596	6,295,188	10,066,596	6,295,188
Total compensation paid to key management personnel	169,531,596	72,724,192	159,381,596	59,765,292

The Company also has an obligation towards a post-employment benefit plan for the Executive Directors. The liability arising from the post-employment obligation has been provided for based on an actuarial valuation and is disclosed under Employee Benefits in Note 27 to the Financial Statements. During the year 2025/26 there were no post-employment benefits paid to key management personnel.

The names of Directors of Access Engineering PLC, who are also directors of subsidiaries joint ventures and equity accounted investees companies are stated on page 321, Note 29.5 to the Financial Statements.

Transactions with Close Family Members of Key Management Personnel (KMP)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings

with the entity and include;

(a) that person's children and spouse or domestic partner

(b) children of that person's spouse or domestic partner and

(c) dependents of that person or that person's spouse or domestic partner

There were no transactions with the close family members during the year.

Details of directors and their spouses' share holdings are given on page no 54 and page no 55.

29.1.4 Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables for the year ended 31 March 2026.

Disclosure as per the requirement of Colombo Stock Exchange listing rule sec 9.3.2 and Code of Best Practices on Related Party Transactions, under the Security Exchange Commission Directives issues under Section 13 (C) of the Security Exchange Commission Act is on page no 239 - Related Party Transaction Review Committee Report.

The following tables provide the amount receivable from/to and summary of the transactions entered with related parties for the relevant financial years.

29.2. Amounts due from related parties

As at 31 March	Relationship	Group		Company	
		2026 LKR	2025 LKR	2026 LKR	2025 LKR
Sathosa Motors PLC	Subsidiary	-	-	48,838,312	538,978
Harbour Village (Private) Limited	Subsidiary	-	-	4,798,572,983	5,368,468,823
Access Projects (Private) Limited	Subsidiary	-	-	25,669,484	17,458,531
Access Medical Tracers (Pvt) Ltd	Subsidiary	-	-	173,477,821	6,817,231
WUS Logistics (Private) Limited	Subsidiary	-	-	1,170,745	107,515
Lanka A A C (Private) Limited	Subsidiary	-	-	83,484,012	55,150,873
Access Logistics (Private) Limited	Subsidiary	-	-	418,541	1,906,933
Access Logistics Park Ekala (Private) Limited	Subsidiary	-	-	645,283,776	705,744,410
AEL East Africa Limited	Subsidiary	-	-	5,081,375	5,081,375
Access Engineering Port Services (Private) Limited	Subsidiary	-	-	-	65,685
Access Motors (Private) Limited	Subsidiary	-	-	-	18,118
ZPMC Lanka (Private) Limited	Associate	1,303,080	30,783,187	-	29,519,137
Access International (Private) Limited	Affiliate	3,953,629	81,169,461	1,893,145	1,177,756
Access Transport & Services (Pvt) Ltd	Affiliate	7,240,108	7,078,747	-	-
Access Real Estate (Private) Limited	Affiliate	3,720	349,820	-	-
Access Residencies Pvt Ltd	Affiliate	-	30,238		-
Access Natural Water (Private) Limited	Affiliate	2,725,227	-	99,727	-
Access Civimech (Private)Limited	Affiliate	1,456,652	-	-	-
Ninewells Hospital (Pvt) Ltd	Affiliate	734,046	-	-	-
Nw Logistics And Management (Pvt) Ltd	Affiliate	9,236,141	-	-	-
Access Lifestyle (Pvt) Ltd.	Affiliate	1,004,605	-	1,004,605	-
Access Eco Electric (Pvt) Ltd	Affiliate	13,857	89,598	-	-
Foresight Engineering (Pvt) Ltd	Affiliate	15,884,157	6,065,867	1,091,694	1,955,525
		43,555,223	125,566,918	5,786,086,219	6,194,010,890
Less -Provision for Impairment of Receivables		-	-	(5,081,375)	(637,444,235)
		43,555,223	125,566,918	5,781,004,844	5,556,566,655

NOTES TO THE FINANCIAL STATEMENTS

29.3 Amounts due to related parties

As at 31 March	Relationship	Group		Company	
		2026 LKR	2025 LKR	2026 LKR	2025 LKR
Access Motors (Private) Limited	Subsidiary	-	-	10,903,556	4,027,875
Access Projects (Private) Limited	Subsidiary	-	-	10,591,560	6,685,971
Sathosa Motors PLC	Subsidiary	-	-	10,239,859	8,048,951
Access Realties II (Private) Limited	Subsidiary	-	-	15,713,648	-
ARL Elevate (Private) Limited	Subsidiary	-	-	37,375	-
W U S Logistics (Pvt) Ltd	Subsidiary	-	-	97,233,380	97,233,381
Lanka A A C (Private) Limited	Subsidiary	-	-	5,904,271	3,639,049
Access Logistics Park Ekala (Private) Limited	Subsidiary	-	-	3,121,798	-
Access Logistics (Private)Limited	Subsidiary	-	-	1,067,675	-
Access Medical Tracers (Pvt) Ltd	Subsidiary	-	-	7,872,524	225,000,000
AEL East Africa Limited	Subsidiary	-	-	255,558	255,558
Access Realties (Private) Limited	Subsidiary	-	-	-	22,885,547
Access International (Private) Limited	Affiliate	431,602,953	463,479,250	3,210,507	14,928,618
Access Natural Water (Private) Limited	Affiliate	1,027,204	653,170	572,596	454,709
Access International Projects (Private) Limited	Affiliate	357,617	-	-	-
Reprographics (Private) Limited	Affiliate	1,398,242	1,293,600	1,372,842	1,293,600
Access Real Estate (Private) Limited	Affiliate	101,150	-	-	-
Access Industrial Systems (Private) Limited	Affiliate	972,424	1,496,207	-	570
Access Lifestyle (Private) Limited	Affiliate	1,108,763	-	852,624	-
Access Residencies (Private) Limited	Affiliate	23,832	-	8,713	-
Foresight Engineering (Private) Limited	Affiliate	884,764	-	884,764	-
ATSL International (Private)Limited	Affiliate	870,867	-	870,867	-
Ninewells Hospital (Pvt) Ltd	Affiliate	-	125,000,000	-	-
		438,347,816	591,922,227	170,714,116	384,453,829

29.4 Transactions with related parties

The following table provides the total amount of transactions that have been entered into with related parties.

For the year ended 31 March	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Subsidiaries				
Sale of goods/rendering of services	-	-	3,877,284,063	2,186,869,127
Purchases of goods / receiving of services	-	-	(284,600,251)	(205,552,332)
Dividend received	-	-	940,700,281	1,642,356,867
Investment in shares	-	-	(4,823,029,084)	(330,000,000)
Disposal of investment property			-	465,000,000
Equity accounted investees				
Dividend received	-	-	85,638,639	-
Divestment in shares	-	59,999,400	-	59,999,400
Other related party companies				
Sales of goods / rendering of services	355,508,899	29,398,366	349,934,618	25,607,983
Purchases of goods / receiving of services	(363,242,740)	(186,903,163)	(134,243,958)	(137,540,910)

29.5 Key management personnel of Access Engineering PLC hold positions in other Companies. Such companies the Group had transactions with are identified below.

Company Name	Company (AEL)						
	S. J. S. Perera	J.C. Joshua	S.D. Perera	D.A.R. Fernando	S.H.S. Mendis	S.D. Munasinghe	Shamal J.S. Perera
Subsidiaries							
Access Realties (Private) Limited	√	√	√	√	√	√	
Access Realties 2 (Private) Limited	√	√		√	√	√	
A R L Elevate (Private) Limited	√	√	√	√	√	√	
Sathosa Motors PLC	√	√		√		√	
Access Motors (Private) limited	√					√	
Access Projects (Private) Limited	√			√			
Harbour Village (Private) Limited	√	√		√		√	
WUS Logistics (Private) Limited	√	√		√			
Lanka A A C (Private) Limited	√	√		√			
Access Logistics (Private) Limited	√	√		√			
Access Logistics Park Ekala (Private) Limited	√	√		√			
Access Medical Tracers (Private) Limited	√	√		√	√	√	√
Access Engineering Port Services (Private) Limited		√		√	√	√	√
Absolute Detailing Pvt Ltd	√					√	
AEL East Africa Limited	√	√		√	√		
Associate							
ZPMC Lanka Company (Private) limited		√				√	
Joint Venture							
Blue Star Realties (Private) Limited	√						
South Asia Commercial and Logistice Hub Limited						√	
Other Related Party Companies							
Access International (Private) Limited	√	√	√	√	√	√	√
Access Natural Water (Private) Limited	√	√	√				
Access Civimech (Private) Limited	√		√				√
Access Industrial Systems (Private) Limited	√		√				√
Access International Projects (Private) Limited	√		√				√
C.R.D.S. Development (Private) Limited		√		√	√	√	
Reprographics (Private) Limited	√		√				√
Access Venture Capital (Private) Limited	√	√		√	√	√	√
ATSL International (Private)Limited	√		√				√
Access-CHEC JV (Private) Limited		√		√			

29.6 Related Party Transaction

29.6.1 Non-recurrent related party transaction

For disclosure of non-recurrent related party transactions which in aggregate value exceeds 10% of the equity or 5% of the total assets, whichever is lower of the Group as per financial statements ending March 31, 2026, which require additional disclosures in the 2024/25 annual report under the Colombo Stock Exchange Listing Rule 9.3.2 and Code of Best Practice on Related Party Transactions under the Securities and Exchange Commission Directive issued under section 13(c) of the Securities and Exchange Commission Act. Refer Related Party Transaction Review Committee Report in page 239.

29.6.2 Recurrent related party transaction

There were no recurrent related party transactions which in aggregate value exceeds 10% of the consolidated revenue Group as per financial statements ending March 31, 2026, which require additional disclosures in the 2024/25 annual report under the Colombo Stock Exchange Listing Rule 9.3.2 and Code of Best Practice on Related Party Transactions under the Securities and Exchange Commission Directive issued under section 13(c) of the Securities and Exchange Commission Act.

29.6.3 Guarantees

Details of guarantees given in respect of related parties are given in Note 30.1.2 to the Financial Statements.

29.6.4 Interest on related party Loans and Advances

Interest on related party Loans and Advances are decided based on the inter bank lending rates, associated risk and purpose for which funds are used. There are no related parties or related party transactions other than those disclosed in Note 29.4 to the Financial Statements.

30. PROVISIONS, COMMITMENTS AND CONTINGENCIES

Accounting policy

Provisions are recognised when the Group/ Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed the reimbursement is recognised as a separate asset when the reimbursement is virtually certain. The expense relating to provision is presented in income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are calculated based on the historical experience and the specific terms in the individual cases. The Group arrives at an estimate on the basis of an evaluation of the most likely outcome.

All known provisions have been accounted for in preparing the Financial Statements.

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is not probable or cannot be readily measured. Contingent liabilities are not recognised in the statement of financial position but disclosed as a note to the financial statements unless the outflow of resources is remote. Contingent assets are disclosed, where inflow of economic benefit is probable.

Currently the Group/ Company is involved in pending litigations and claims arising out of the normal conduct of the business. The Group/ Company does not expect the pending litigations and claims, individually and in aggregate, to have a material impact on Group's Financial Position, operating profit or cash flow in addition to amounts accrued as provision for legal disputes.

The commitments and contingent liability of the Group and the Company as at 31 March 2026 relates to the following;

30.1 Disclosure - Company

30.1.1 Legal claim contingency

30.1.1.1 Legal Cases filed against the Company

Case No : CHC/ 43/ 2021/ MR

A case has been filled against two defendants [1st defendant: Access Engineering PLC, 2nd defendant: W.U.S Logistics (Pvt) Ltd.] seeking declaratory relief to the effect that, the offer made by the plaintiff for the buyback of the shares in the 2nd Defendant is valid and reasonable; and the 1st Defendant is liable to transfer the shares to the Plaintiffs at the price offered; The Plaintiffs have exercised the buyback option; the 1st Defendant is not entitled to treat the MOU for the buyback dated 30th September 2019 as being expired; that the 1st Defendant is holding shares in 2nd Defendant Company in Trust for the Plaintiffs; and have also claimed for interim relief. The Court fixed this matter for order on 16th October 2026.

30.1.1.2 Legal Cases filed by the Company

Case No : DMR/00363/2025

This Money Recovery action has been instituted against Defendant to recover a sum of Rs. 21,583,670/48 + interest, being the outstanding amount due and payable for the supply of Ready Mix Concrete to the aforesaid Defendant. The Court fixed this matter for order on 30th June 2026.

Case No : CHC/44/2019/MR

Plaintiff claims inter alia (a) a sum of Rs.68,704,733.89 on account of the works completed (b) a sum of Rs.9,096,941.49 on account finance charges upto 30.09.2018 (3) legal interest on the aggregate of the above sums from 01.10.2018.The Court fixed this matter for order on 19th September 2026.

CHC/214/2025/ARB

Application for the appointment of an arbitrator under the Arbitration Act. Matter fixed for 3 July 2026.

CHC/80/2019/CO

Application to set aside a court order issued in winding-up proceedings. Order expected on 5 August 2026.

WP/HCCA/COL/70/2023/LA

Appeal filed against the interim injunction issued by the District Court of Colombo in Case No. DSP 174/22. The matter was fixed for argument on 20 February 2026. As the bench was not properly constituted, the hearing was adjourned.Next Hearing Date: 6 July 2026.

Case No. DSP 174/2022.

Legal proceedings concerning the encashment of a bank guarantee in relation to the Pethiyagoda Pump House project. Next hearing fixed for 27 July 2026.

Case No : CA Tax 23/2022

This case filed by Access Engineering PLC against the defendant for dissatisfied with the determination of the Tax Appeals Commission dated 07 April 2022.The judgment is expected to be delivered on 8th October 2026.

30.1.2 Guarantees

Bank guarantees issued by the banks on behalf of the Company are as follows;

Bank	Amount LKR
Bank of Ceylon	618,672,846
Cargills Bank Limited	1,201,141,365
DFCC Bank PLC	658,961,403
Hatton National Bank PLC	1,799,291,172
People's Bank	210,648,317
Sampath Bank PLC	2,621,237,393
Seylan Bank PLC	2,184,356,066
	9,294,308,563

Following corporate gurantees has been issued by the company on behalf of,

1. Access Projects (Private) Limited	LKR 250 Mn
2.Access Logistic (Private) Limited	LKR 850 Mn
3.Access Logistic Park Ekala (Private) Limited	USD 14.6 Mn & LKR 1,150
4.Access Medical Tracers (Private) Limited	LKR 960 Mn
5.Harbour Village (Private) Limited	LKR 8,500 Mn

30.1.3 Tax Assessments

There were no income tax assessments issued by the Department of Inland Revenue during the year under review.

30.2 Disclosure - Group

Sathosa Motors PLC

Corporate Guarantee

Corporate guarantee issued by Sathosa Motors PLC on behalf of Access Motors (Private) Limited is LKR 25 Mn and USD 32 Mn as at 31st March 2026 for the purpose of working capital requirement.

Access Projects (Private) Limited

Bank Guarantees

Bank guarantees issued by the banks to Access Projects (Private) Limited's customers are as follows;customers are as follows;

Bank	Performance bond and advance bonds LKR
Commercial Bank PLC	305,336,095

31. EVENTS AFTER THE REPORTING PERIOD

All material events after the reporting date have been considered, disclosed and adjusted where applicable.

Company Final Dividend

Pursuant to the resolution adopted on 17 June 2026, the Board of the directors of the Company approved the payment of a final dividend of one rupee (1.00 rupee per share amounting to Rs. 1,000,000,000/- for the year ended 31 March 2026.As required by Section 56 (2) of the Companies Act No. 07 of 2007, the Board of Directors has confirmed that the Company satisfied the solvency test in accordance with Section 57 of the Companies Act No. 07 of 2007, and has obtained a certificate from auditors, prior to declaring the final dividend.

In accordance with the LKAS 10- Events after the reporting period,final dividend has not been recognised as a liability in the financial statements as at 31 March 2026.

Subsidiary

Subsequent to the reporting date, the Board of Directors of Sathosa Motors PLC approved the payment of a final dividend of Rs. 150,840,550/- for the financial year 2025/2026. According to Article 130 of the Articles of Association of the Company, the Directors are empowered to approve the payment of dividends, whether interim or final, without the need for approval by an ordinary resolution of the shareholders. This Dividend schedule to be paid on 26th June 2026.

In accordance with the LKAS 10- Events after the reporting period,final dividend has not been recognised as a liability in the financial statements as at 31 March 2026.

NOTES TO THE FINANCIAL STATEMENTS

32. GROUP INFORMATION

Company

Access Engineering PLC (AEL) is primarily involved in the business of construction activities and supply of construction-related services and materials.

Subsidiaries and equity accounted investees

The consolidated financial statements of the Group include :

Name	Principle Activities	Relationship	Country of incorporation	% of Equity interest	
				2026	2025
Access Realties (Private) Limited	Commercial property development for Lease and rental	Subsidiary	Sri Lanka	100	100
Access Realties 2 (Private) Limited	Commercial property development for Lease and rental	Subsidiary	Sri Lanka	100	100
ARL Elevate (Private) Limited	Provision for conference, restaurant and support facilities for Access Towers	Subsidiary	Sri Lanka	100	100
Sathosa Motors PLC	Authorised distributor for ISUZU brand vehicles in Sri Lanka	Subsidiary	Sri Lanka	84.42	84.42
Access Motors (Private) Limited	Authorised distributor for Jaguar and Land Rover in Sri Lanka	Subsidiary	Sri Lanka	42.21	42.21
Access Projects (Private) Limited	Construction and supply of construction related services and materials	Subsidiary	Sri Lanka	80	80
Harbour Village (Private) Limited	Residential and commercial property development	Subsidiary	Sri Lanka	100	66.67
WUS Logistics (Private) Limited	Commercial property development for Lease and rental	Subsidiary	Sri Lanka	100	100
Access Logistics (Private) Limited	Commercial property development for Lease and rental	Subsidiary	Sri Lanka	100	100
Lanka AAC (Private) Limited	Supply of construction related materials	Subsidiary	Sri Lanka	50	50
Access Logistics Park Ekala (Private) Limited	Commercial property development for Lease and rental	Subsidiary	Sri Lanka	100	100
AEL East Africa Limited	Construction activities	Subsidiary	Republic of Kenya	100	100
Access Engineering Port Services (Private) Limited	Commission, repair and maintenance of port machinery	Subsidiary	Sri Lanka	100	100
Access Medical Tracers (Private) Limited	Manufacture and distribution of 18F-FDG Radioisotopes	Subsidiary	Sri Lanka	60	60
ZPMC Lanka Company (Private) Limited	Commission, repair and maintenance of port machinery	Associate	Sri Lanka	30	30
Blue Star Realties (Private) Limited	Residential property development	Joint Venture	Sri Lanka	60	60
South Asia Commercial and Logistice Hub Limited	Commercial property development	Associate	Sri Lanka	15	15

During the year investments of subsidiaries are disclosed in Note 33.1 in the Financial Statements.

There are no other significant changes in the nature of the principal business activities of the Group or Company during the financial year under review. Description of the nature of operations and principal activities of the Company, its subsidiaries and equity-accounted investees are described in more detail in the group review section of the pages no 161 to 194.

33. BUSINESS COMBINATIONS

This section provides additional information on how changes in the Group structure has impacted the financial position and financial performance of the Group as a whole and significant events that have occurred during the year impacting the financial performance and position of the Group.

Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if subsidiary all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it 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 over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Consolidation of entities in which the Group holds less than/ equal voting rights

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights

Subsidiaries that are consolidated have been listed in the Note 15. The following company, with equity control equal to 50%, have been consolidated as subsidiaries based on above criteria.

Company	% Holding
Lanka AAC (Private) Limited	50%

Non-controlling interests

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and a joint venture.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

NOTES TO THE FINANCIAL STATEMENTS

Interests in associates and the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity accounted investees, until the date on which significant influence or joint control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

33.1 Investment in Subsidiaries/Joint Venture - 2025/26

Harbour Village (Private) Limited.

The Company has further invested LKR 4,823 Mn in Harbour Village (Private) Limited (HV), which represents a 100% shareholding in HV.

Investment in Subsidiaries/Joint Venture - 2024/25

Access Medical Tracers (Private) Limited

The Company has invested LKR 300 Mn in Access Medical Tracers (Private) Limited (AMTPL), which represents a 60% shareholding in AMTPL.

Access Engineering Port Services (Private) Limited

The Company has invested LKR 30 Mn in Access Engineering Port Services (Private) Limited (AEPS), which represents a 100% shareholding in AEPS.

34. NON-CONTROLLING INTERESTS

Non- controlling interest is initially measured at their proportionate share of the acquirees identifiable net assets at the date of acquisition.

The total profit and loss for the year of the Company and its subsidiaries included in consolidation are shown in the Statement of Profit or Loss and Comprehensive income with the proportion of profit and loss after taxation pertaining to Non-controlling shareholders of subsidiaries being deducted as "Non-controlling Interest". All assets and liabilities of the Company and of its subsidiaries included in consolidation are shown in the Consolidated Statement of Financial Position. The interest of Non- controlling shareholders of subsidiaries in the fair value of net assets of the Group is indicated separately in the consolidated statement of financial position under the heading "Non-controlling interests". Changes in the Group's interest in subsidiary that do not result in loss of controls are accounted for as transactions with owners in their capacity as owners. Adjustments to non-controlling interests are based on proportionate amount of the net assets of the subsidiary. No adjustments are made to goodwill and no gain or loss is recognised in profit or loss.

Ownership interest held by Non-Controlling Interest (NCI)

	Principal place of business	Operating segment	2026	2025
Access Projects (Private) Limited	Sri Lanka	Civil Engineering	20%	20%
Sathosa Motors PLC	Sri Lanka	Automobile	15.58%	15.58%
Harbour Village (Private) Limited*	Sri Lanka	Condominium Properties	-	33.33%
Lanka AAC (Private) Limited	Sri Lanka	Construction Material production	50%	50%
Access Medical Tracers (Private) Limited	Sri Lanka	Radiopharmaceutical	40%	40%

* Company acquired 95,814,287 shares, representing 33.33% of the issued share capital of Harbour Village (Private) Limited on 4th June 2025.

The following table summaries the information relating to each of the Group's subsidiaries that has Non-Controlling interest , before any intra - group elimination.

For the year ended 31 March 2026	Access Projects (Private) Limited LKR	Sathosa Motors PLC LKR	Harbour Village (Private) Limited LKR	Lanka AAC (Private) Limited LKR	Access Medical Tracers (Private) Limited LKR	Total LKR
Non-current assets	290,367,301	3,710,121,027	-	262,463,084	2,053,262,626	6,316,214,039
Current assets	742,847,163	9,133,841,714	-	12,771,540	57,039,080	9,946,499,497
Non-current liability	(11,341,799)	(426,222,761)	-	(23,144,436)	(1,403,692,939)	(1,864,401,935)
Current liability	(757,828,534)	(7,696,375,639)	-	(120,969,009)	(211,049,606)	(8,786,222,788)
Net asset	264,044,131	4,721,364,341	-	131,121,179	495,559,162	5,612,088,813
Net asset attributable to non controlling interest	52,808,825	1,431,671,705	-	65,560,590	198,223,665	1,748,264,785
Revenue	58,407,813	24,721,797,530	-	73,460,729	-	24,853,666,072
Profit / (Loss) for the Year	(66,741,155)	2,378,432,571	-	(80,720,490)	(4,677,294)	2,226,293,632
Other Comprehensive Income / (Loss)	44,612,403	(6,163,689)	-	-	-	38,448,714
Total Comprehensive Income	(22,128,752)	2,372,268,882	-	(80,720,490)	(4,677,294)	2,264,742,346
Profit / (loss) attributable to Non Controlling Interest	(13,348,231)	629,975,632	-	(40,360,245)	(1,870,918)	574,396,238
OCI attributable to Non Controlling Interest	8,922,481.00	(960,118)	-	-	-	7,962,363
Total comprehensive income attributable to non controlling interest	(4,425,750)	629,015,514	-	(40,360,245)	(1,870,918)	582,358,601
Cash flows from / (used in) operating activities	33,733,324	1,180,340,383	-	6,761,472	438,603,661	1,659,438,839
Cash flows from / (used in) investment activities	73,679,224	(846,208,074)	-	6,274,139	(1,888,879,942)	(2,655,134,652)
Cash flows from / (used in) financing activities	(72,047,863)	248,358,327	-	(14,492,039)	1,403,692,939	1,565,511,364
Net increase/ (decrease) in cash and cash equivalents	35,364,685	582,490,636	-	(1,456,428)	(46,583,342)	616,398,893

For the year ended 31 March 2025	Access Projects (Private) Limited LKR	Sathosa Motors PLC LKR	Harbour Village (Private) Limited	Lanka AAC (Private) Limited LKR	Access Medical Tracers (Private) Limited LKR	Total LKR
Non-current assets	270,260,669	2,981,098,401	3,840,554,430	291,315,656	168,420,269	7,383,229,156
Current assets	950,018,023	1,793,601,664	27,381,276,605	82,499,717	358,212,869	30,207,396,008
Non-current liabilities	(55,642,195)	(570,666,720)	(53,121,566)	(36,599,039)	-	(716,029,520)
Current liabilities	(878,610,869)	(1,767,352,792)	(26,992,774,238)	(131,147,739)	(26,172,014)	(29,769,885,639)
Net assets	286,025,628	2,436,680,552	4,175,935,230	206,068,596	500,461,124	7,104,710,006
Net assets attributable to non controlling interest	57,205,126	833,223,015	1,391,839,212	103,034,298	200,184,450	2,585,486,101
Revenue	672,604,556	2,972,852,488	-	131,412,779	-	3,776,869,823
Profit/ (loss) for the year	(125,878,379)	306,634,763	(83,522,450)	(40,605,050)	461,124	57,090,008
Other Comprehensive Income	-	(2,236,282)	-	-	-	(2,236,282)
Total comprehensive income	(125,878,379)	304,398,480	(83,522,450)	(40,605,050)	461,124	54,392,602
Profit / (loss) attributable to Non Controlling Interest	(25,175,676)	54,167,204	(27,838,033)	(20,302,525)	184,450	(18,964,580)
OCI attributable to Non Controlling Interest	-	348,346	-	-	-	348,346
Total comprehensive income attributable to non controlling interest	(25,175,676)	54,515,550	(27,838,033)	(20,302,525)	184,450	(18,616,234)
Cash flows from /(used in) operating activities	176,651,805	1,550,512,146	(3,306,141,753)	4,368,511	(374,382,386)	(1,948,991,677)
Cash flows from /(used in) investment activities	6,608,898	(1,110,796,094)	(688,051,049)	(776,455)	(69,214,745)	(1,862,229,445)
Cash flows from / (used in) financing activities	(75,832,980)	(99,521,080)	2,498,500,000	(21,427,570)	500,000,000	2,801,718,370
Net increase/ (decrease) in cash and cash equivalents	107,427,724	340,194,971	(1,495,692,802)	(17,835,514)	56,402,869	(1,065,905,621)

NOTES TO THE FINANCIAL STATEMENTS

34.1 Acquisition of NCI

Acquisition of NCI 2025/26

Company acquired 95,874,287 shares, representing 33.33% of the issued share capital of Harbour Village (Private) Limited on 4th June 2025.

35. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recongnition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under SLFRS 15.

Classification and measurement

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in to four categories based on the entity's business model and the cash flow characteristics:

(a) financial assets at amortised cost;

(b) Financial assets designated at fair value through OCI

(c) financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instrument)

The Group measures financial assets at amortised cost if both of the following conditions are met:

(a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost includes trade receivables, short term deposits and other current financial assets.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under LKAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial Assets at fair value through profit or loss

Financial Assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in the fair value recognised in the statement of profit or loss. This category includes listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

De-recognition

A financial asset (or, where applicable, apart of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measures at the lower of original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Aside from this note, other disclosures relating to impairment of financial assets (trade receivables) are included in Note 19.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group financial liabilities include trade and other payables, loans and borrowings including bank overdraft.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss incurred financial liabilities held-for-trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held-for-trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by SLFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held-for-trading are recognised in the Statement of Profit or Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in SLFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit or Loss. This category generally applies to interest-bearing loans and borrowings.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit or Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

35.1 Classification of Financial assets and financial liabilities - Group

As at 31 March	Financial instruments recognised through profit or loss		Financial instruments at amortised cost	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Financial assets				
Equity securities	2,323,895	31,273,333	-	-
Trade and other receivables	-	-	12,804,124,919	14,643,749,752
Amounts due from related parties	-	-	43,555,223	125,566,918
Other current financial assets	-	-	2,175,474,740	3,328,216,090
Short-term deposits	-	-	164,993	153,284
Cash and cash equivalent	-	-	3,642,618,275	2,455,741,459
Financial liabilities				
Bank over draft	-	-	-	-
Interest bearing borrowings	-	-	-	-
Trade & other payable	-	-	-	-
Amount due to related parties	-	-	-	-
Lease Liabilities	-	-	-	-
Unclaimed dividend	-	-	-	-
Total	2,323,895	31,273,333	18,665,938,150	20,553,427,503

35.2 Financial assets and liabilities by categories in accordance with SLFRS 9 - Company

As at 31 March	Financial instruments recognised through profit or loss		Financial instruments at amortised cost	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Financial assets				
Equity Securities	2,323,895	31,273,333	-	-
Trade and Other Receivables	-	-	7,595,335,286	10,173,535,961
Amounts due from related parties	-	-	5,781,004,844	5,556,566,655
Other Current Financial Assets	-	-	1,963,421,149	3,018,279,530
Short-Term Deposits	-	-	-	-
Cash and Cash Equivalent	-	-	1,627,113,725	1,088,950,579
Corporate Debt Securities	-	-	-	-
Financial liabilities				
Unsecured Bond Issue	-	-	-	-
Bank Over Draft	-	-	-	-
Interest bearing borrowings	-	-	-	-
Trade & other payable	-	-	-	-
Amount Due to Related Parties	-	-	-	-
Lease Liabilities	-	-	-	-
Unclaimed dividend	-	-	-	-
Total	2,323,895	31,273,333	16,966,875,004	19,837,332,724

	FVOCI – equity instruments		Total		Financial liabilities measured at amortised cost	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR	2026 LKR	2025 LKR
	1,232,209	1,385,605	3,556,104	32,658,938	-	-
	-	-	12,804,124,919	14,643,749,752	-	-
	-	-	43,555,223	125,566,918	-	-
	-	-	2,175,474,740	3,328,216,090	-	-
	-	-	164,993	153,284	-	-
	-	-	3,642,618,275	2,455,741,459	-	-
	-	-	-	-	723,899,006	726,020,147
	-	-	-	-	41,759,550,594	26,840,406,690
	-	-	-	-	16,636,754,358	11,200,344,360
	-	-	-	-	438,347,816	591,922,227
	-	-	-	-	173,029,763	205,849,558
	-	-	-	-	62,434,226	18,918,459
	1,232,209	1,385,605	18,669,494,254	20,586,086,441	59,794,015,763	39,583,461,440

	FVOCI – equity instruments		Total		Financial liabilities measured at amortised cost	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR	2026 LKR	2025 LKR
	1,232,209	1,385,605	3,556,104	32,658,938	-	-
	-	-	7,595,335,286	10,173,535,961	-	-
	-	-	5,781,004,844	5,556,566,655	-	-
	-	-	1,963,421,149	3,018,279,530	-	-
	-	-	-	-	-	-
	-	-	1,627,113,725	1,088,950,579	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	25,024,988,438	15,678,337,343
	-	-	-	-	5,331,516,522	5,581,803,954
	-	-	-	-	170,714,116	384,453,829
	-	-	-	-	230,592,612	128,589,647
	-	-	-	-	15,555,769	14,525,219
	1,232,209	1,385,605	16,970,431,108	19,869,991,662	30,773,367,457	21,787,709,992

NOTES TO THE FINANCIAL STATEMENTS

36. FAIR VALUE MEASUREMENT AND RELATED FAIR VALUE DISCLOSURES

36.1 Fair Value Measurement

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed in this note. Aside from this note additional fair value related disclosures including the valuation methods, significant estimates and assumptions are also provided in;

- Property, plant and equipment under revaluation model Note 11
- Investment properties Note 13
- Financial instruments (including those carried at amortised cost)Note 35

Accounting Policy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability

Or

- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Input that are quoted market prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

36.2 Valuation techniques and significant unobservable inputs

The following tables summarises the valuation techniques used by the Group and the Company in measuring Level 2 and Level 3 fair values, and the significant unobservable inputs used for the valuation.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets			
Unquoted equity securities	Net assets basis	Net asset per share (5 - 49)	Variability of inputs are insignificant to have an impact on fair values
Non financial assets			
Land and building	Open market value basis for lands and depreciated replacement cost basis for buildings	Estimated price per perch, Estimated price per square feet	Estimated fair value would increase (decrease) if ; - Price per perch increases (decreases) - Price per square feet increases (decreases)
Investment property	Investment method Open market method Contractor method	Estimated price per perch, Estimated price per square feet	Estimated fair value would increase (decrease) if ; - Price per perch increases (decreases) - Price per square feet increases (decreases)

36.3 Fair value hierarchy

The following table shows fair value measurement hierarchy of the Group's assets, liabilities. It does not includes fair value information for financial assets and financial liabilities not measured at fair value if carrying amount is a reasonable approximation of fair value.

36.3.1 Fair value hierarchy – Group

		Fair value hierarchy							
		Level 1		Level 2		Level 3		Total	
As at 31 March	Note	2026 LKR	2025 LKR	2026 LKR	2025 LKR	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Financial assets									
Quoted / Unquoted equity securities	(17/21)	2,323,895	31,273,333	-	-	1,232,209	1,385,605	3,556,104	32,658,938
Non financial assets									
Land and building	11.1	-	-	-	-	2,768,264,022	2,125,552,619	2,909,129,153	2,125,552,619
Investment property	13.1	-	-	-	-	40,898,994,824	36,699,491,876	40,758,129,693	36,699,491,876

36.3.2 Fair value hierarchy – Company

		Fair value hierarchy							
		Level 1		Level 2		Level 3		Total	
As at 31 March	Note	2026 LKR	2025 LKR	2026 LKR	2025 LKR	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Financial assets									
Quoted / Unquoted equity securities	(17/ 21)	2,323,895	31,273,333	-	-	1,232,209	1,385,605	3,556,104	32,658,938
Non financial assets									
Land and building	11.2	-	-	-	-	473,944,692	446,155,285	473,944,692	446,155,285
Investment property	13.1	-	-	-	-	774,400,000	774,400,000	774,400,000	774,400,000

NOTES TO THE FINANCIAL STATEMENTS

37. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES, AND POLICIES

37.1 Introduction

Financial Risk Management is the practice of economic value in a firm by using financial instrument, manage exposure to risk face by group. The Group's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Group also holds investments in debt and equity instruments. The major financial liabilities used by a group including debt securities, loans and borrowings and trade and other payables. The main purpose of these financial investments is to finance the group's operations and to provide guarantees to support its operations.

37.2 Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established group risk management policies to identify analyse the risk faced by the Group and set appropriate risk limits and controls and to monitor risk and adherence to limits. Risk management policies and systems are reviewed regularly, and aim to develop a disciplinary constructive control environment, in which all employees understand their roles and obligations through training, management standards and procedures.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risk faced by the Group. The Group Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and adhoc reviews of risk management controls and procedures, the result of which are reported to the Audit Committee. The committee reports regularly to the board of directors on its activities.

The Group is exposed to key financial risks include Credit Risk, Liquidity Risk , Market Risk.

The board of Directors reviews, verifies, agree the policies for managing each type of risk which are summarised below.

37.3 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The maximum exposure to credit risk in respect of above at the reporting date is the carrying value of financial assets recorderd in the Financial Statements, net of any allowance for losses.

37.3.1 Trade receivables

Customer credit risk is managed by each business units subject to group's established polices procedures and controls relating to customer credit risk management.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer based including default risk associate with the industry and country in which customers operate. Each new customer is analysed individually for credit worthiness, reviews external ratings, if they are available financial statements, credit agency information, industry information, and in some cases bank references. Each business units monitor the customers' financial standing (financial insolvency) and outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date using simplified approach to measure expected credit losses. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The minimum exposure to credit risk at the reporting date is the carrying value of the each class of financial assets disclosed in Note 35.

The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several industries and operate in largely independent markets and material payments being backed by guarantees and enters contractual agreements with client before starting the operations.

The uncertainty is reflected in the assessment of expected credit loss calculation which are subject to a number of management judgments and estimates.

Based on the assessment carried, no further impairment provision is required to be made in the financial statements as at the reporting date in respect of impairment provision other than disclosed in Note 19.2.1.

As at 31st March, the aging analysis of trade receivables and provision for impairment were as follows for the Group.

As at 31 March	2026			2025		
	Gross carrying amount LKR	Provision for impairment (according to SLFRS 9) LKR	Weighted average loss rate	Gross carrying amount LKR	Provision for impairment (according to SLFRS 9) LKR	Weighted average loss rate
Current (Not past due)	2,119,053,046	(550,387)	0.03%	4,203,884,572	(7,771,850)	0.18%
Past due						
< 30 days	2,248,298,215	(2,054,819)	0.09%	2,860,460,023	(2,224,441)	0.08%
30–60 days	768,992,512	(3,306,709)	0.43%	578,787,375	(3,528,937)	0.61%
61–90 days	800,963,943	(2,081,775)	0.26%	549,808,495	(2,523,834)	0.46%
91–180 days	674,478,783	(7,378,051)	1.09%	308,863,165	(2,022,592)	0.65%
> 180 days	3,657,227,488	(871,415,256)	23.83%	3,522,850,587	(994,337,555)	28.23%
Total	10,269,013,986	(886,786,998)		12,024,654,216	(1,012,409,207)	

As at 31st March, the aging analysis of trade receivables and provision for impairment were as follows for the Company.

As at 31 March	2026			2025		
	Gross carrying amount LKR	Provision for impairment (according to SLFRS 9) LKR	Weighted average loss rate	Gross carrying amount LKR	Provision for impairment (according to SLFRS 9) LKR	Weighted average loss rate
Current (Not past due)	2,035,252,603	(550,387)	0.03%	4,203,884,572	(7,771,850)	0.18%
Past due						
< 30 days	1,447,776,646	(1,708,503)	0.12%	2,371,341,101	(1,865,599)	0.08%
30–60 days	504,048,119	(2,678,482)	0.53%	435,923,535	(2,817,799)	0.65%
61–90 days	401,306,646	(1,482,820)	0.37%	291,061,705	(1,924,878)	0.66%
91–180 days	604,648,305	(7,183,683)	1.19%	256,347,521	(1,802,785)	0.70%
> 180 days	3,084,337,556	(703,416,986)	22.81%	3,225,190,320	(836,653,714)	25.94%
Total	8,077,369,875	(717,020,860)		10,783,748,754	(852,836,624)	

Collateral acquired for mitigating credit risk

The Group whenever possible, obtain collaterals in the form of unconditional and irrevocable bank guarantee amounting of Rs 648 Mn which can be encashed an demand or advances are provided to cover the receivable. The Group focuses on the realisability of such collateral to mitigate potential credit loss.

37.3.2 Financial instruments and cash deposits

Credit risk from balances with banks and financial institution is managed by the Group's treasury management in accordance with the Group's policy.

Treasury management established "investment policies" in place, funds invest with high liquidity and high level of safety. The funds may invest in investments grade assets with a rating award by rating agencies or awarded internally by the fund management company. The Group held short term deposits and cash and cash equivalent as at 31 March 2026 which represents its maximum credit exposure on these assets.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The Group uses a similar approach for assessment of ECLs for cash and cash equivalents to those used for debt securities. Cash and cash equivalents has not been materially impaired.

As at 31 March 2026 - 96%, (2025 - 100%) and 2026 - 92%, (2025 - 100%) of the favourable balances of bank and financial institution were rated "A" or better for the Group and Company respectively.

	Group				Company			
	2026		2025		2026		2025	
Fitch rating	LKR	%	LKR	%	LKR	%	LKR	%
AA-	3,204,714,927	89%	2,234,017,454	94%	1,311,513,898	82%	1,049,636,028	98%
A+	-	0%	1,687,754	0%	155,319,918	10%	902,525	0%
A	255,262,808	7%	137,681,936	6%	-	0%	15,696,145	1%
A-	15,413,117	0%	-	0%	5,000,929	0%	-	0%
BBB	131,884,372	4%	-	0%	125,497,774	8%	-	0%
Total	3,607,275,224	100%	2,373,387,144	100%	1,597,332,519	100%	1,066,234,698	99%

The Group's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2026 and 2025 is the carrying amounts as illustrated in Note 35.

37.4 Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group monitors its risk of a shortage of funds using a liquidity planning tools. The Group's approach of managing liquidity risk is to ensure as far as possible that it will always have sufficient liquidity meets its liability when due, and maintaining the balance between financial assets and liabilities and forecasting cash flows from operating activities under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the Group's reputation.

The mixed approach combines elements of the cash flow matching approach and the liquid assets approach. The business units attempt to match cash outflows in each time bucket against a combination of contractual cash inflows plus other inflows that can be generated through the sale of assets, repurchase agreement or other secured borrowing. The Group aims to maintain the level of its cash and cash equivalents and other highly marketable debt instruments at an amount in excess of expected cash flows on financial liabilities. To measure and mitigate liquidity risk, the Company closely monitors its net operating cash flow, forecasting and maintaining a level of cash and cash equivalents and secured committed funding facilities from financial institutions.

As disclosed in Note 2.8, Board of directors satisfied that the Group and Company have adequate liquidity and business plan to continue business operations and mitigate the increase liquidity risk arising from macro economic implication, for the next 12 months from the reporting date.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

Maturity Analysis

The table below summaries, the maturity profile of Group's/ Company's financial liabilities at 31 March 2026 based on contractual payments.

	Contractual cash flow					
	Carrying amount	Total	On demand	6 months or less	6-12 months	More than 1 year
	LKR	LKR	LKR	LKR	LKR	LKR
Non-derivative financial liabilities - Group						
Bank overdrafts	723,899,006	723,899,006	723,899,006	-	-	-
Trade and other payables	19,724,306,972	19,724,306,972	-	17,743,823,700	1,980,483,272	-
Amounts due to related parties	438,347,816	438,347,816		438,347,816	-	-
Interest bearing borrowings	41,759,550,594	47,153,259,111	-	-	9,840,901,697	37,312,357,413
Unclaimed dividend	62,434,226	62,434,226	62,434,226	-	-	-
Lease liabilities	173,029,763	742,217,616	-	113,740,164	113,740,164	514,737,287

	Contractual cash flow					
	Carrying amount	Total	On demand	6 months or less	6-12 months	More than 1 year
	LKR	LKR	LKR	LKR	LKR	LKR
Non-derivative financial liabilities - Company						
Trade and other payables	6,432,528,076	6,432,528,076	-	5,874,659,820	557,868,256	-
Amounts due to related parties	170,714,116	170,714,116	-	73,480,735	97,233,381	-
Interest bearing borrowings	25,024,988,438	27,297,885,655	-	-	5,327,831,426	21,970,054,229
Unclaimed dividend	15,555,769	15,555,769	15,555,769	-	-	-
Lease liabilities	230,592,612	416,498,405	-	69,672,255	69,672,255	277,153,896

NOTES TO THE FINANCIAL STATEMENTS

The table below summaries, the maturity profile of Group's/Company's financial liabilities at 31 March 2025 based on contractual payments.

	Contractual Cash flow					
	Carrying amount	Total	On demand	6 months or less	6-12 months	More than 1 year
	LKR	LKR	LKR	LKR	LKR	LKR
Non-derivative financial liabilities-Group						
Bank overdrafts	726,020,147	726,020,147	726,020,147	-	-	-
Trade and other payables	13,163,629,359	13,163,629,359	-	11,053,833,501	2,109,795,857	-
Amounts due to related parties	591,922,227	591,922,227		591,922,227	-	-
Interest bearing borrowings	26,840,406,690	32,234,115,207	-	-	7,090,996,161	25,143,119,045
Unclaimed dividend	18,918,459	18,918,459	18,918,459	-	-	-
Lease liabilities	205,849,558	653,947,595	-	59,772,214	59,772,214	534,403,167

	Contractual Cash flow					
	Carrying amount	Total	On demand	6 months or less	6-12 months	More than 1 year
	LKR	LKR	LKR	LKR	LKR	LKR
Non-derivative financial liabilities-Company						
Trade and other payables	6,710,719,110	6,710,719,110	-	6,184,586,189	526,132,922	-
Amounts due to related parties	384,453,829	384,453,829	-	287,220,448	97,233,381	-
Interest bearing borrowings	15,678,337,343	17,951,234,559	-	-	2,734,301,235	15,216,933,324
Unclaimed dividend	14,525,219	14,525,219	14,525,219	-	-	-
Lease liabilities	128,589,647	328,228,384	-	15,704,304	15,704,304	296,819,776

37.5 Market risk

Market risk is the risk that fair value of future cash flows of financial instruments will fluctuate because of changes in market price. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. All such transactions are carried out within the guidelines set by the Group Management.

Market risk comprise of the following types of risk:

I. Interest rate risk

II. Currency risk

III. Commodity price risk

IV. Equity price risk

Financial instruments affected by market risk include loans and borrowings, deposits, debt, equity and derivative financial instruments.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Group's exposure to the risk of changes market interest rates relates primarily to the Group long - term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate financial instruments. Group treasury designed capital structure guidelines for each projects at the planning stage and thereby maintains optimised level of gearing in the group. The Group manage its interest rate risk by monitoring and managing cash flows negotiating favourable rates on borrowings and deposits including and maintaining on appropriate combination of fixed and floating rate risk.

Capital Structure as at 31st March,	Note	Group		Company	
		2026 LKR	2025 LKR	2026 LKR	2025 LKR
Loans and borrowings	26.2	41,759,550,592	26,840,406,689	25,024,988,438	15,678,337,343
Bank overdraft	23	723,899,006	726,020,147	-	-
Total borrowings		42,483,449,598	27,566,426,836	25,024,988,438	15,678,337,343
Equity		42,896,594,912	42,712,977,934	29,142,397,629	27,994,683,314
Debt / Equity		99.04%	64.54%	85.87%	56.00%

Exposure to interest rate risk

The interest rate profile of the Group's interest bearing financial instruments as reported to the management of the Group is as follows.

	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Fixed rate instruments				
Financial assets	164,993	153,284	-	-
Financial liabilities	8,791,245,136	5,165,530,535	7,809,421,698	4,550,000,000
Variable rate instruments				
Financial liabilities	33,692,204,463	22,400,896,302	17,215,566,740	11,128,337,343

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change in interest rates at the reporting date would have increased/ (decreased) profit or loss by the amounts shown below. Due to the significant volatility observed in interest rates especially during the later part of the financial year and there after, a fluctuation of 100 basis points is considered for the sensitivity analysis for financial liabilities of variable rate instruments as at reporting date, compared to a fluctuation of 100 basis points considered in the last financial year. This analysis assumes that all other variables, in particular foreign currency interest rates, remain constant.

		Increase/Decrease		Effect on profit before tax	
				Group LKR	Company LKR
Variable rate instruments	2026	+	100bp	(3,369,220)	(1,721,557)
		-	100bp	3,369,220	1,721,557
	2025	+	100bp	(2,240,090)	(1,112,834)
		-	100bp	2,240,090	1,112,834

NOTES TO THE FINANCIAL STATEMENTS

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's net investments in foreign currency deposits. These currencies primarily are the Euro, US Dollars (USD), Pound (GBP), Chinese Renminbi and Japanese Yen.

The Group hedges its exposure to fluctuations on the translation of its foreign operations by forward contracts and matching sales and purchases to same currency. The Group's Treasury management closely monitors the exchange rate fluctuations and advices management regular basis.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows,

	2026					2025				
	EUR	USD	GBP	SGD	JPY	EUR	USD	GBP	SGD	JPY
Trade and other receivables	839,551	8,202,588	43,420	-	5,800,000	3,536,584	10,492,611	-	-	11,300,000
Cash at bank	57,010	3,472,123	19,086	-	7,093,257	56,867	2,320,022	18,944	-	1,825,538
Trade and other payables	-	(11,583,390)	(61,821)	(27,084)	-	(1,963,519)	(22,611,011)	-	-	-
Net Statement of financial position exposure	896,561	91,320	685	(27,084)	12,893,257	1,629,933	(9,798,378)	18,944	-	13,125,538

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows,

	2026				2025		
	EUR	USD	GBP	SGD	EUR	USD	GBP
Trade and other receivables	839,551	674,752	-	-	3,536,584	1,005,430	-
Cash at bank	57,010	2,445,892	19,086	-	56,867	411,564	18,944
Trade and other payables	-	(201,451)	-	(27,084)	(1,963,519)	(497,409)	-
Net Statement of financial position exposure	896,561	2,919,193	19,086	(27,084)	1,629,933	919,585	18,944

The following significant exchange rates were applicable during the year 2025/26 & 2024/25.

	Company/Group year end spot rate	
	2026 LKR	2025 LKR
EUR	362.03	319.78
USD	315.54	296.32
GBP	416.62	383.61
SGD	244.46	221.01
JPY	1.98	1.97

Sensitivity Analysis

A reasonably possible strengthening (weakening) of the Euro, US Dollars (USD), Pound (GBP), Singapore Dollar (SGD) and Japanese Yen (JPY) against all other currencies as at 31st March would have affected the measurement of the financial instruments denominated in the foreign currency and affected equity and profit or loss by the amounts shown below. Due to the significant volatility observed in exchange rates especially during the later part of the financial year and there after, a fluctuation of 10% is considered for the sensitivity analysis as at reporting date, compared to a fluctuation of 15% considered in the last financial year. This analysis assumes that all other receivables in particular exchange rates remains constant and ignores.

Group	2026			2025	
	Strengthening LKR	Weakening LKR		Strengthening LKR	Weakening LKR
EUR (5% movement)	16,229,003	(16,229,003)	EUR (10% movement)	52,121,534	(52,121,534)
USD (5% movement)	1,440,759	(1,440,759)	USD (10% movement)	(290,349,223)	290,349,223
GBP (5% movement)	14,279	(14,279)	GBP (10% movement)	726,714	(726,714)
SGD (5% movement)	(331,053)	331,053	SGD (10% movement)	-	-
JPY (5% movement)	1,274,724	(1,274,724)	JPY (10% movement)	2,579,562	(2,579,562)

Company	2026			2025	
	Strengthening LKR	Weakening LKR		Strengthening LKR	Weakening LKR
EUR (5% movement)	16,229,003	(16,229,003)	EUR (10% movement)	52,121,534	(52,121,534)
USD (5% movement)	46,055,996	(46,055,996)	USD (10% movement)	27,249,494	(27,249,494)
GBP (5% movement)	397,587	(397,587)	GBP (10% movement)	726,714	(726,714)
SGD (5% movement)	(331,053)	331,053	SGD (10% movement)	-	-

Equity Price Risk

The Group's listed and unlisted equity securities are susceptible to market price arising from uncertainties about future values of the investment securities. The Treasury management monitors the mix of debt and equity securities in investment portfolio based on market indicators and manage risk through diversification of portfolio. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to the equity investments at fair value listed on the Colombo Stock Exchange was LKR 2.3 Mn -2026 (LKR 31 Mn -2025). Following table shows the portfolio maintain in different sectors and all the listed equity instruments were measured based on the prices available as of 31 March 2026.

As at 31 March	2026		2025	
Industry / Sector	Market value LKR	%	Market value LKR	%
Capital Goods	215,000	9%	1,911,800	6%
Diversified Financials	1,588,880	69%	810,409	3%
Materials	520,015	22%	-	-
Food Beverage & Tobacco	-	-	26,947,598	86%
Utilities	-	-	1,603,527	5%
	2,323,895	100%	31,273,333	100%

NOTES TO THE FINANCIAL STATEMENTS

37.6 Capital management

Capital management is financial strategy aimed ensuring maximum efficiency in a company's cash flow. The Group's objective of capital management is to maintain strong financial position healthy capital ratios in order to safeguard the company's ability to continue as a going concern in order to maximise shareholder value. Capital consists of share capital, reserves, retained earnings and non-controlling interests of the group. The Group's management and board of directors monitor the return on capital and dividends to ordinary shareholders.

The Group manages its capital structure and makes adjustments to it, in the light of changes in economic conditions.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches of the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2026 and 2025.

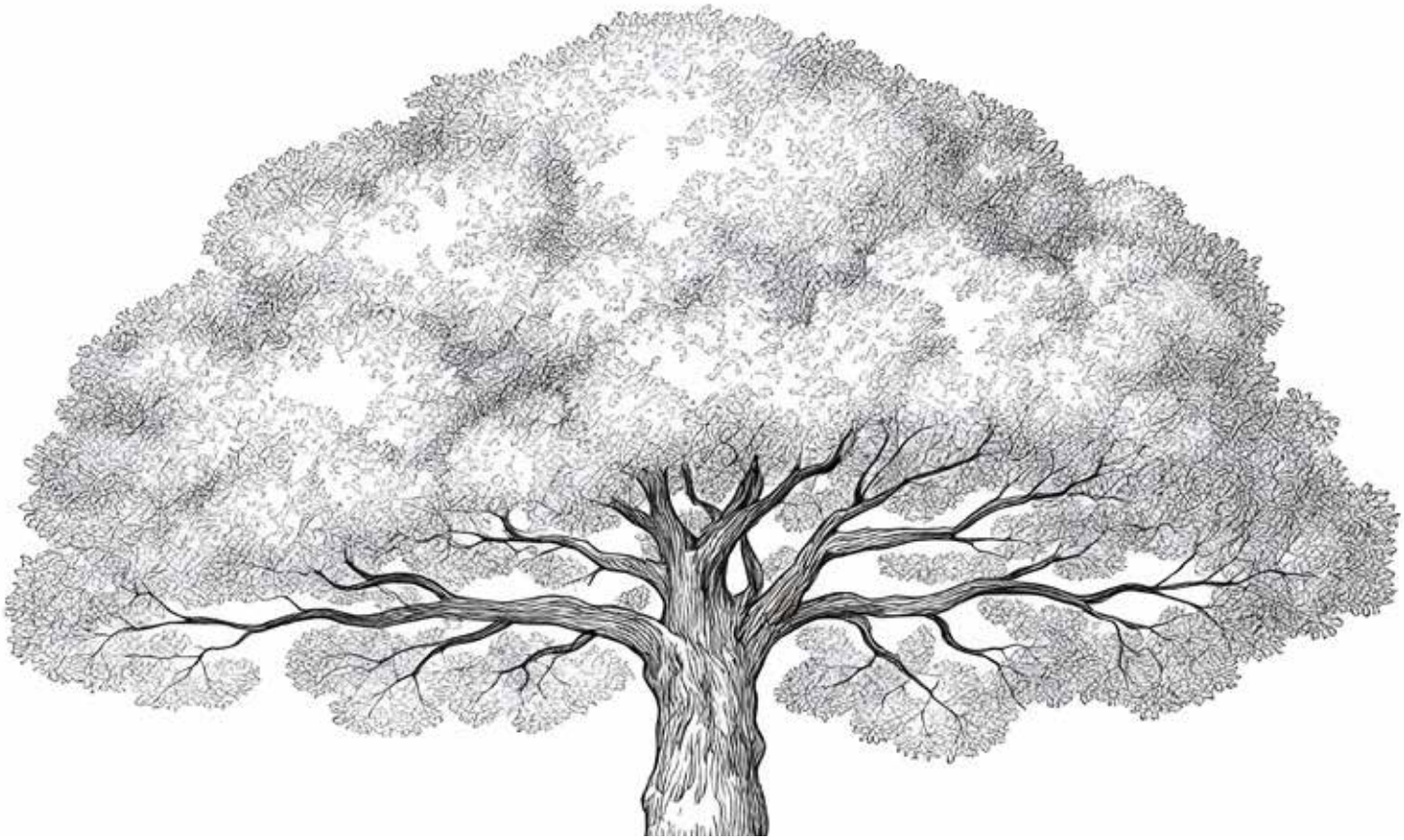
37.7 Distribution made and proposed

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value remeasurement recognised directly in equity. Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of Profit or Loss.

Distribution made and proposed are disclosed in note 24.3.

SUPPLEMENTARY INFORMATION



SYSTEMISING WITH PURPOSE

The expansive canopy of the banyan tree forms a living ecosystem; interconnected, far-reaching, and continuously sustaining life beyond itself. Through its vast network of shelter, support, and connection, it nurtures surrounding environments while strengthening relationships that endure over time.

At Access Engineering, our diversified business model and our ability to strengthen multiple pillars of growth simultaneously is a result of our strategic investments, expanding capabilities, and a growing presence across sectors. This ensures that we continue to build interconnected streams of value creation that reinforce our financial strength, resilience, and long-term sustainability.

OPERATING STRUCTURE

BOARD OF DIRECTORS

CORPORATE MANAGEMENT

Project Management Division (PMD) I

- Business Development
- Construction Projects
- Asphalt Production Unit
- Aggregate Production Unit
- Concrete Production Unit

Project Management Division (PMD) II

- Business Development
- Construction Projects
- Fabrication Unit
- Piling Unit
- Scaffolding Unit
- Construction Equipment Division

Project Management Division (PMD) III

- Business Development
- Construction Projects
- Mechanical, Electrical and Plumbing

Project Management Division (PMD) IV

- Business Development
- Construction Projects

Design Department

- Civil / Structural Design
- Design Training and Development
- Innovation and Value Engineering
- Research and Development

Human Resource Department

- HR Planning and Recruitment
- Personnel Administration
- Employee Grievances handling

Subsidiary Management and Project Development Department

- Project Development
- Corporate Planning and Investments
- Management Information Systems (MIS)
- Investor Relations (IR)
- Corporate Communications
- Compliance and Corporate Affairs
- Subsidiary Management

Finance and Commercial Department

FINANCE

- Financial Reporting and Compliance
- Budgeting & Monitoring
- Payments
- Tax Planning and Compliance

COMMERCIAL

- Procurement
- Treasury and Working Capital Management

Internal Audit Department

- Finance Audits
- Compliance Audits

Management Systems Department

- Systems Audits

IT Department

- IT Systems Management
- Help Desk Support
- Network Administration
- Information Security Support

Corporate Office

- Project Progress Monitoring
- Legal and Compliance
- Premises Management

TEN-YEAR SUMMARY

		2025/26	2024/25	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17
Statement of Profit or Loss and Other Comprehensive Income Highlights											
Revenue	LKR Mn.	49,661	34,511	21,501	20,565	39,630	23,837	24,027	32,277	26,056	20,448
Gross profit	LKR Mn.	12,850	11,896	7,356	5,859	5,312	4,138	3,808	5,184	4,061	4,732
EBITDA	LKR Mn.	15,434	10,967	7,939	10,015	8,315	4,050	3,419	4,891	5,677	4,300
EBIT	LKR Mn.	13,925	9,670	6,834	8,816	5,784	3,225	2,688	4,173	5,044	3,381
Net finance income/(cost)	LKR Mn.	(2,392)	(1,717)	(2,365)	(3,863)	(1,034)	(573)	(577)	(651)	(383)	150
Profit for the year	LKR Mn.	7,746	6,291	6,854	2,436	5,130	2,393	928	2,245	2,463	2,746
Profit attributable to owners	LKR Mn.	7,169	6,310	6,861	2,482	5,110	2,386	979	2,150	2,507	2,708
Statement of Financial Position Highlights											
Property, plant and equipment	LKR Mn.	9,539	9,114	6,124	5,570	6,604	5,708	4,937	5,198	5,980	5,428
Total non-current assets	LKR Mn.	68,768	59,717	54,309	44,412	33,566	25,688	19,705	20,144	21,171	16,074
Cash and cash equivalent	LKR Mn.	3,788	2,456	3,459	696	2,208	2,223	2,164	2,486	1,394	950
Short term deposits	LKR Mn.	0.16	0.15	1,417	2,569	2,136	1,780	1,269	2,210	2,041	2,922
Total assets	LKR Mn.	133,576	109,979	98,532	82,716	81,847	56,060	50,078	48,062	44,439	36,046
Stated capital	LKR Mn.	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Retained earnings	LKR Mn.	31,072	30,311	26,018	19,741	18,610	14,245	12,365	11,936	10,388	9,590
Equity attributable to equity holders	LKR Mn.	41,148	40,127	35,834	29,557	28,187	23,825	21,834	21,195	19,793	18,840
Loans and borrowings	LKR Mn.	41,760	26,840	21,258	16,239	23,047	8,963	10,967	8,735	9,086	5,737
Total non-current liabilities	LKR Mn.	36,715	23,871	20,962	16,234	21,419	8,695	2,953	7,533	7,528	5,680
Statement of Cash Flow Highlights											
Cash flows from operating activities	LKR Mn.	597	(1,262)	4,546	13,645	(6,008)	8,529	(2,191)	1,876	630	1,994
Cash flows from investing activities	LKR Mn.	(7,763)	(4,060)	(4,679)	(9,173)	(4,465)	(5,808)	(224)	302	(2,226)	(1,327)
Cash flows from/(used in) financing activities	LKR Mn.	8,499	3,795	4,455	(7,614)	10,653	(2,473)	1,907	(851)	1,753	(87)
Key Financial Ratios											
EPS	LKR	7.17	6.31	6.86	2.48	5.11	2.39	0.98	2.15	2.51	2.71
DPS	LKR	2.00	2.00	0.50	0.75	0.75	0.50	0.50	0.50	1.20	1.50
Net assets per share	LKR	41.15	40.13	35.83	29.56	28.19	23.83	21.83	21.19	19.79	18.84
Dividend payout	%	28	32	7	30	14.68	21.00	51.00	23.00	47.86	55.39
ROE	%	18.06	14.73	17.92	7.62	16.74	9.00	3.80	9.52	11.15	12.70
ROCE	%	17.49	14.52	11.15	16.25	7.84	8.40	6.60	11.69	14.83	12.30
Gearing	%	99.04	64.54	59.32	54.94	81.76	37.62	50.23	41.21	43.70	30.50
Current ratio	Times	1.20	1.16	1.12	1.11	1.62	1.46	1.30	1.70	1.57	2.30
Quick ratio	Times	0.40	0.58	0.61	0.65	1.13	1.04	1.00	1.30	1.16	1.70
Price per share	LKR	67.00	38.50	22.60	14.20	15.00	22.10	13.20	13.00	20.50	23.80
Investor Highlights											
Total number of shareholders	No.	14,726	9,806	8,951	9,947	9,795	9,712	8,832	7,226	5,816	6,119
Percentage of public holding	%	38.29	38.25	40.00	40.10	39.94	39.81	42.84	41.93	42.31	39.59
Value of shares traded	LKR Mn.	27,028	13,485	2,290	1,932	9,588	10,789	6,757	1,637	2,729	3,625
Number of trades	No.	107,675	65,221	23,367	35,852	75,415	86,541	71,138	24,276	10,750	25,709

DIRECTORS OF GROUP COMPANIES

Company Name	Names of Directors
Sathosa Motors PLC	S J S Perera
	J C Joshua
	D A R Fernando
	S D Munasinghe
	I S N Fernando
	M D Joshua
	R S Dahanayake
	T C D Kumarasiri
	W A M Wimalaratna
Access Realties (Private) Limited	S J S Perera
	J C Joshua
	D A R Fernando
	S H S Mendis
	S D Munasinghe
	S D Perera
Access Realties 2 (Private) Limited	S J S Perera
	J C Joshua
	D A R Fernando
	S H S Mendis
	S D Munasinghe
A R L Elevate(Private) Limited	S J S Perera
	J C Joshua
	D A R Fernando
	S H S Mendis
	S D Munasinghe
	S D Perera
Access Projects (Private) Limited	S J S Perera
	D A R Fernando
	I N Pushpa Kumar
	P M D T Kumara
Harbour Village (Private) Limited	S J S Perera
	J C Joshua
	D A R Fernando
	S D Munasinghe
	R M R K Wickramasinghe
W U S Logistics (Private) Limited	S J S Perera
	J C Joshua
	D A R Fernando
	I S N Fernando
	L N A Silva
Access Logistics (Private) Limited	S J S Perera
	J C Joshua
	D A R Fernando
	I S N Fernando
	L N A Silva
Lanka AAC (Private) Limited	S J S Perera
	J C Joshua
	D A R Fernando
	L P Gamalathge
	I M S Bandara
	P N A Pathirana
	P B R Dissanayake

Company Name	Names of Directors
ZPMC Lanka Company (Private) Limited	C Qiang
	L Qiang
	J Yunchao
	J C Joshua
	S D Munasinghe
Blue Star Realties (Private) Limited	S J S Perera
	S J Fernando
	H L G Erandika
	A M Alamoti
	M Dehghan
	A Shafiei
Access Motors (Private) Limited	S J S Perera
	S D Munasinghe
	S M P K Dissanayake
	T T B C Fernando
	T A A Fernando
	I S N Fernando
	P D Udayapriya
Access Logistics Park Ekala (Private) Limited	S J S Perera
	J C Joshua
	D A R Fernando
	I S N Fernando
	L N A Silva
AEL East Africa Limited	S J S Perera
	J C Joshua
	D A R Fernando
	S H S Mendis
	R M R K Wickramasinghe
	M P D T Kumara
	T A L Niroshan
	S N Mbaa
Access - Chec JV (PVT) Ltd	J C Joshua
	D A R Fernando
	N Zeng
	Xu Liqiang
South Asia Commercial and Logistice Hub Limited	S D Munasinghe
	K D Bernard
	Z Wang
	H Wang
	Shaode Hu
	P Huang
	Nan Mu
Access Medical Tracers (Private) Ltd	S J S Perera
	J C Joshua
	D A R Fernando
	S H S Mendis
	S D Munasinghe
	Shamal J S Perera
	L N A Silva
	N R Perera
	R M T Damayanthi
	A Jasinghe
	G R D Sunil -Alternative Director
Access Enginering Port Services (Private) Ltd	J C Joshua
	D A R Fernando
	S H S Mendis
	S D Munasinghe
	Shamal J S Perera
	T S P De Silva

GRI CONTENT INDEX

Statement of use	Access Engineering PLC has reported the information cited in this GRI content index for the period 1st April 2025 to 31st March 2026 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard/ Other Source	Disclosure	Location
General disclosures		
GRI 2: General Disclosures 2021	2-1 Organisational details	Inner Back Cover
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GRI Standard/ Other Source	Disclosure	Location
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NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Fifteenth Annual General Meeting of Access Engineering PLC will be held at The Ceylon Chamber of Commerce, No. 50, Nawam Mawatha, Colombo 02 on 24th July 2026 at 2.00 p.m. and the business to be brought before the Meeting will be:

1. To receive the Annual Report of the Board of Directors on the affairs of the Company and its subsidiaries and the Financial Statements for the year ended 31st March 2026 and the Report of the Auditors thereon.

2. To re-elect Mr. Suresh Dilhan Perera as a Director who retires by rotation in terms of Articles 88 and 89 of the Articles of Association of the Company.

3. To re-appoint Messrs KPMG, Chartered Accountants as the Auditors of the Company and to authorize the Directors to determine their remuneration.

4. To authorize the Directors to determine donations for the year ending 31st March 2027 and up to the date of the next Annual General Meeting.

By Order of the Board
Access Engineering PLC

P W CORPORATE SECRETARIAL (PVT) LTD
Director/Secretaries

30th June 2026
Colombo

Notes:

1. A shareholder entitled to participate and vote at the meeting is entitled to appoint a proxy to participate, speak and vote in his/her place by completing the Form of Proxy enclosed herewith.

2. A proxy need not be a Shareholder of the Company.

3. The Form of Proxy is enclosed for this purpose.

NOTES

NOTES

FORM OF PROXY

I/We*.....

(NIC/Passport/Co. Reg. No. .....) of.....

.....being a shareholder / shareholders of **ACCESS ENGINEERING PLC** hereby appoint

..... (NIC/Passport No.....) of.....

..... or failing him/her*,

Mr. Sumal Joseph Sanjiva Perera	or failing him*
Mr. Joseph Christopher Joshua	or failing him*
Mr. Dalpadoruge Anton Rohana Fernando	or failing him*
Mr. Shevantha Harindra Sudhakara Mendis	or failing him*
Mr. Saumaya Darshana Munasinghe	or failing him*
Mr. Suresh Dilhan Perera	or failing him*
Mr. Shamal Joseph Shavindra Perera	or failing him*
Mr. Condagamage Vajira Kulatilaka	or failing him*
Mr. Manoha Jude Sergius Rajakariar	or failing him*
Mr. Ranil Prasad Pathirana	

as my/our* proxy to represent and speak and vote as indicated hereunder for me/us* and on my/our* behalf at the Fifteenth Annual General Meeting of the Company to be held on **24th July 2026** at **2.00 p.m.** and at every poll which may be taken in consequence of the aforesaid Meeting and at any adjournment thereof.

1. Ordinary Business

	For	Against
Resolution 1		
To re-elect Mr. Suresh Dilhan Perera as a Director who retires by rotation in terms of Articles 88 and 89 of the Articles of Association of the Company.		
Resolution 2		
To re-appoint Messrs KPMG, Chartered Accountants as the Auditors of the Company and to authorize the Directors to determine their remuneration.		
Resolution 3		
To authorize the Directors to determine donations for the year ending 31st March 2027 and up to the date of the next Annual General Meeting.		

Signed this ..... day of ..... Two Thousand and Twenty Six.

.....
Signature of Shareholder/s

*Please delete what is inapplicable.

Notes: 1. A proxy need not be a shareholder of the Company

2. Instructions as to completion appear overleaf.

FORM OF PROXY

INSTRUCTIONS AS TO COMPLETION

1. The full name, National Identity Card number and the registered address of the shareholder appointing the Proxy and the relevant details of the Proxy should be legibly entered in the Form of Proxy which should be duly signed and dated.

2. The completed Proxy should be deposited at the Registered Office of the Company, No.278, Union Place, Colombo 2 by 2.00 a.m. on 23rd July 2026.

3. The Proxy shall –

   a. In the case of an individual be signed by the shareholder or by his attorney, and if signed by an attorney, a notarially certified copy of the Power of Attorney should be attached to the completed Proxy if it has not already been registered with the Company.

   b. In the case of a company or corporate / statutory body either be under its Common Seal or signed by its Attorney or by an Officer on behalf of the Company or corporate / statutory body in accordance with its Articles of Association or the Constitution or the Statute. (as applicable)

4. If you wish to appoint a person other than the Chairman or a Director of the Company as your Proxy, please insert the relevant details in the space provided.

5. Please indicate with a 'X' in the space provided how your Proxy is to vote on each resolution. If no indication is given, the Proxy in his discretion will vote as he thinks fit.

6. In the case of joint holders the Form of Proxy must be signed by the first holder.

CORPORATE INFORMATION

NAME OF COMPANY
Access Engineering PLC

REGISTERED OFFICE
Access Engineering PLC
Access Tower,
278, Union Place,
Colombo 02.
Tel: +94 11 7606606
Fax: +94 11 7606605
Web: www.accessengsl.com
E-mail: investor.relations@accessengsl.com

LEGAL FORM
A Public Limited Liability Company incorporated in Sri Lanka on 31st July 2001 under the Companies Act No. 17 of 1982 and Re-registered under the Companies Act No. 07 of 2007 on 06th February 2008.

Ordinary Voting Shares are listed on the Main Board of the Colombo Stock Exchange.

COMPANY REGISTRATION NUMBER
P B 200 PQ

BANKERS
Bank of Ceylon
Sampath Bank PLC
Hatton National Bank PLC
Nations Trust Bank PLC
Commercial Bank of Ceylon PLC
DFCC Bank PLC
People's Bank
National Development Bank PLC
Union Bank of Colombo PLC
Cargills Bank Limited
CAC International Bank
International Commercial Bank
Seylan Bank PLC

DIRECTORS
S J S Perera - Chairman
J C Joshua - Executive Vice Chairman
D A R Fernando - Managing Director
S H S Mendis
S D Munasinghe
S D Perera
Shamal J S Perera
C V Kulatilaka
M J S Rajakariar
R P Pathirana

AUDIT COMMITTEE
M J S Rajakariar - Chairman
C V Kulatilaka
R P Pathirana
S D Perera
Shamal J S Perera

REMUNERATION COMMITTEE
R P Pathirana - Chairman
M J S Rajakariar
C V Kulatilaka
Shamal J S Perera

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE
M J S Rajakariar - Chairman
C V Kulatilaka
R P Pathirana
D A R Fernando

NOMINATION AND GOVERNANCE COMMITTEE
C V Kulatilaka - Chairman
R P Pathirana
Shamal J S Perera

INVESTMENT AND SUBSIDIARY PERFORMANCE MONITORING COMMITTEE
C V Kulatilaka - Chairman
M J S Rajakariar
R P Pathirana
Shamal J S Perera
J C Joshua
D A R Fernando

RISK COMMITTEE
C V Kulatilaka - Chairman
M J S Rajakariar
R P Pathirana
D A R Fernando

REGISTRARS
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Ground Floor, M & M Centre, 341/5, Kotte Road,
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Fax: +94 11 2440396

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Fax: +94 11 4740588

AUDITORS
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Chartered Accountants
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Colombo 03.
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Designed & produced by
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