RAMBODA FALLS PLC

ANNUAL REPORT

2025/2026

No. 76, Rock Fall Estate,
Nuwara-Eliya Road, Ramboda, Sri Lanka
www.rambodafalls.com

Contents

OUR GUIDING THEME

Resilience • Prudence • Sustainable Hospitality

The principles that shaped our response, our decisions and our direction.

RESILIENCE

Resilience reflects our ability to navigate disruption, adapt to changing circumstances and continue serving our guests while safeguarding the long-term interests of the Company. During a challenging year for tourism, Ramboda Falls PLC remained focused on operational continuity, guest confidence and the strength of its hospitality offering.

PRUDENCE

Prudence represents disciplined decision-making and responsible allocation of resources. In response to the prevailing operating and investment environment, the Company prioritized essential initiatives relating to safety, security, asset protection and guest experience, while taking a measured approach to previously proposed development projects.

SUSTAINABLE HOSPITALITY

Sustainable Hospitality expresses our responsibility to create memorable guest experiences while respecting the natural environment and the communities surrounding our properties. For Ramboda Falls PLC, sustainability encompasses our guests, our people, our communities, our natural surroundings and the long-term financial sustainability of the Company.

Resilient in adversity.

Prudent in our decisions.

Sustainable in our growth.

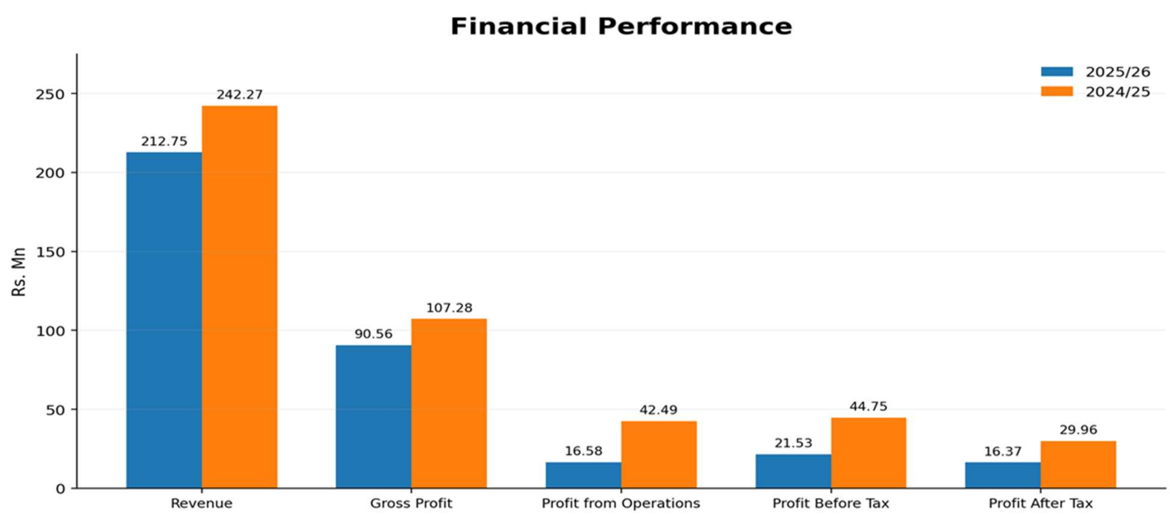
FINANCIAL PERFORMANCE

Finance at a Glance

For the year ended 31 March 2026

Key Indicator	2025/26	2024/25	Movement
Revenue	Rs. 212.75 Mn	Rs. 242.27 Mn	-12.2%
Gross Profit	Rs. 90.56 Mn	Rs. 107.28 Mn	-15.6%
Profit from Operations	Rs. 16.58 Mn	Rs. 42.49 Mn	-61.0%
Profit Before Tax	Rs. 21.53 Mn	Rs. 44.75 Mn	-51.9%
Profit After Tax	Rs.16.37 Mn	Rs. 29.96 Mn	-45.4%
Total Assets	Rs. 1,047.83 Mn	Rs. 753.25 Mn	+39.1%
Total Equity	Rs. 742.92 Mn	Rs. 524.04 Mn	+41.8%
Cash & Cash Equivalents	Rs. 62.53 Mn	Rs. 66.56 Mn	-6.0%
Earnings Per Share	Rs. 0.82	Rs. 1.50	-45.3%
Net Assets Per Share	Rs. 37.15	Rs. 26.20	+41.8%

2025/26 in perspective. Revenue and profitability moderated compared with the previous year. At the same time, the statement of financial position shows a material increase in total assets and equity, principally associated with the higher carrying value of property, plant and equipment and the revaluation reserve.



Comparison of key income statement indicators for 2025/26 and 2024/25

ABOUT US

Hospitality Rooted in Nature

A distinctive hill-country experience shaped by place, people and warm Sri Lankan hospitality.

Ramboda Falls Hotel — surrounded by the lush hill-country landscape.

Ramboda Falls PLC traces its beginnings to 1996, with Ramboda Falls Hotel established in a spectacular setting along the Kandy–Nuwara Eliya Road beside the cascading Ramboda Falls. What began as a small rest-stop concept has grown into a hospitality destination serving both local and international guests.

Today, Ramboda Falls Hotel offers approximately 45 rooms together with restaurants and bar facilities, a coffee-shop offering, food and leisure facilities and natural surroundings that invite guests to experience the character of Sri Lanka's hill country. The property's setting among waterfalls, misty mountains and tea country remains central to its identity.

The Company's wider hospitality footprint also includes Muwan Palassa Resort, with approximately 18 rooms, a restaurant, swimming pool and playground. Together, the two properties provide an overall room capacity of approximately 63 rooms.

ENHANCING THE GUEST EXPERIENCE

During 2025/26, the Company completely renovated 21 rooms and improved the front-office and check-in area. The swimming pool and pool bar remain important additions to the Ramboda property, while further initiatives include continued room upgrades, refreshed restaurant offerings, a planned coffee house, safer guest walkways and improvements to the waterfall viewing experience.

PROTECTING WHAT MAKES RAMBODA UNIQUE

The natural terrain that gives Ramboda Falls its distinctive appeal also calls for careful stewardship. During the year, the Company commenced retaining-wall and drainage works to strengthen property protection, while its broader direction continues to emphasize sustainable tourism, environmental responsibility and authentic guest experiences.

A place to stay. A landscape to experience. A responsibility to preserve.

OUR DIRECTION

Vision • Mission • Core Values

The principles that guide how we serve, grow and create value.

Inspired by the natural beauty of Sri Lanka's hill country.

VISION
To be a leading, attractive hotel in the hill country known for providing excellent service with unique adventures.

MISSION
To become the best choice in the hill country for its food, services and lodging catered toward nature lovers, frequent travelers and honeymooners alike.

PURPOSE
To create memorable experiences in Sri Lanka's hill country through exceptional service, unique local adventures and personalized comfort, offering a perfect escape for nature lovers, travelers and honeymooners, while delivering lasting value to all stakeholders.

CORE VALUES

Best interests of all stakeholders	Passion for good customer service	Driven by innovation
Teamwork	Loyalty	Exceed expectations

HEARING FROM OUR LEADERS

Chairman's Message

Resilience in adversity. Prudence in decisions. Sustainable in growth.

Dear Shareholders,

It is my privilege to present the Annual Report of Ramboda Falls PLC for the financial year ended 31 March 2026. The year tested the resilience of our business in unprecedented ways and reinforced the importance of disciplined decision-making, responsible investment and sustainable hospitality.

Cyclone Ditwah in late November 2025 struck during the height of the tourist season, disrupting arrivals and damaging infrastructure across the region. The Middle East crisis beginning in late February 2026 added further uncertainty to international travel sentiment and long-haul visitor flows. Against this difficult backdrop, the Company recorded revenue of Rs. 212.75 million and gross profit of Rs. 90.56 million. Profit before tax amounted to Rs. 21.53 million.

Despite these challenges, our teams responded with commitment to restore operations, reassure guests and maintain service continuity. Ramboda Falls continued to welcome both local and international visitors, while our flagship property retained its distinctive position as a hill-country destination shaped by nature.

The Board adopted a prudent approach to capital allocation. Previously proposed development projects were placed on hold, while essential projects relating to safety, security, property protection and guest experience were prioritised. At Ramboda Falls Hotel, 21 rooms were completely renovated during the year and the front office and check-in area were improved.

We also initiated the construction of retaining walls and a drainage system on 23 February 2026, at an estimated cost of approximately Rs. 30 million, to protect the property and preserve the unique terrain and ecosystem. Further priorities include upgrading the waterfall viewing deck, creating safer walkways, continuing room improvements, refreshing restaurant offerings, establishing a coffee house and strengthening network and IT infrastructure. Muwan Palassa Resort in Minneriya is being revitalised under the management of Zimar Tourism Int Pvt Ltd, with the objective of enhancing its marketability and positioning it as an attractive stopover for visitors to the Minneriya area.

Looking ahead, our roadmap focuses on sustainable tourism, digital transformation, community partnerships, selective expansion opportunities and organisational effectiveness. We remain committed to transparency, accountability and ethical conduct, while safeguarding the long-term interests of our shareholders and stakeholders.

I extend my sincere appreciation to our shareholders, Board colleagues, management team, employees, customers and business partners for their continued trust and commitment.

ACKNOWLEDGEMENT

I take this opportunity to thank my colleagues on the Board for their valuable guidance and support extended during the financial year. I also wish to convey my appreciation to our management team and staff for their commitment and dedication.

Lee Kiyau Loo
Non-Executive Chairman
Ramboda Falls PLC

OUR LEADERS

Board of Directors

Resilience in adversity. Prudence in decisions. Sustainable in growth.

Mr. Kim Leng Yeoh – Managing Director, Chief Executive Officer

QUALIFICATIONS, SKILLS AND PROFESSIONAL EXPERIENCE

Mr. K L Yeoh, who holds the majority shareholding of the Company, is a 73-year-old Malaysian citizen with a degree in Chemistry and hands-on experience in the field of Engineering.

His major experiences are in membrane and electrolyzer technologies relevant to the chloralkali and fuel cell industries.

He further has experience working with multi-national companies across the globe including stints in USA, Europe, Australia, China, Thailand and Indonesia and has worked with DuPont (USA), ELTECH (USA), Akzo-Nobel (Sweden) and CAC (Germany).

He has built up expertise and holds an extensive real estate portfolio in Australia, Indonesia, Malaysia, Singapore, Thailand, and China.

He possesses extensive expertise in business leadership, company start-ups and strategic management.

Appointed to the Board on 19 August 2022

Membership in Board Subcommittees None

Mr. Yeoh stepped down as Chairman effective 30 April 2026 and assumed the position of Managing Director/CEO effective 01 May 2026.

Current Appointments Executive Director and majority shareholder Ramboda Falls PLC

OUR LEADERS

Board of Directors

Resilience in adversity. Prudence in decisions. Sustainable in growth.

Mr. L K Loo – Non-executive Chairman

QUALIFICATIONS, SKILLS AND EXPERIENCE

B.Sc. (Hons) USM; MPA U. Pittsburgh; MBA UPM

Mr. Lee Kiyau Loo has been appointed as the Non-Executive Chairman of Ramboda Falls PLC effective from 1 May 2026.

Mr. Lee Kiyau Loo retired from the Malaysian civil service in 2000; after serving for more than 22 years in various capacities with the Malaysian Government. As an Administrative and Diplomatic Officer, he served in various capacities in the Ministry of Finance, Ministry of Human Resources, Ministry of Health and the National Institute of Public Administration (INTAN). While in INTAN reorganized and conducted several training programs in the fields of Public Policy Analysis, Development Planning, and Environment, Project Planning & Management.

Mr. Lee had received several awards including His Majesty the King's Meritorious Service Award (AMN), the Public Service Department Meritorious Service Award and the INTAN Excellence Trainer Award. Upon his retirement, besides being deputized as an APO (Asia Productivity Organization, Japan) expert relating to green productivity, green purchasing, natural farming and other environment related fields.

Mr. Lee also served as the Country Program Manager for the Malaysian-Danish Partnership Facility Program (PFP) under the Danish International Development Assistance (DANIDA) B2B Program to promote business collaborations between Malaysian and Danish companies. In this capacity, he successfully promoted partnerships of more than ten JV-companies between Denmark and Malaysian SMEs.

Mr. Lee Kiyau Loo's publications included Political Process Behavior and Public Policy and Decision Making which have been adopted as the current text-books for the undergraduate program of the Faculty of Applied Social Science (FASS), Open University of Malaysia (OUM). His other recent publications included, The Green Frontier and A Malaysian Journey.

Appointed to the Board on 22 May 2024

Board Nomination and Governance Committee – Member

Current Appointments Non-Executive Chairman

OUR LEADERS

Board of Directors

Resilience in adversity. Prudence in decisions. Sustainable in growth.

Mr. Mathews George - Executive Non-Independent Director

QUALIFICATIONS, SKILLS AND PROFESSIONAL EXPERIENCE

Mr. Mathews George, 73 years of age and a Malaysian citizen, holds a Bachelor of Engineering (Electrical) degree from the University of Malaya. He is a certified Six Sigma Black Belt Instructor (certified in 2003), with extensive training and coaching experience of external client project teams in Six Sigma methodologies and business process improvement.

He possesses expertise in business process improvement, Lean Six Sigma implementation, and project management. His key competencies include leading cost reduction initiatives, optimizing manufacturing processes, enhancing automation, improving Radio Frequency product manufacturability, and conducting non-value-added analysis. Additionally, he has skills in strategic planning, organizational development, capacity expansion, and Environmental Health and Safety Management. As a Six Sigma instructor, he has trained and coached Black Belt and Green Belt candidates in advanced statistical methods using Minitab and Sigma XL.

Mr. Mathews George has accumulated 24 years of experience in Semiconductor Assembly, followed by 15 years in Business Process Improvement (BPI). He began his BPI journey as a certified Six Sigma Black Belt Instructor at Motorola University, South Asia and later at NexMU Sdn Bhd. His responsibilities included line installations, capacity expansions, cost reduction programs, automation projects, and strategic planning.

From 2003 to 2018, he served as a BPI consultant for clients across Malaysia, India, Australia, the Philippines, Singapore, and Indonesia. Amongst his clients are prominent organizations including Allianz, AXA, E2E SerWizSol, EPCOS, EpicEye, Freescale, Global Services Delivery Division of BAT, Juken, Rubber Board Malaysia, Maruwa, Revertex Rohm & Haas, StatsChippac, United Motor Works, University Melbourne Private, UniKL, and Telkom University Indonesia.

Appointed to the Board on 01 November 2024

Membership in Board Subcommittees None

Current Appointments Executive Non-Independent Director- Ramboda Falls PLC Director Dickson Bay Sdn. Bhd.

OUR LEADERS

Board of Directors

Resilience in adversity. Prudence in decisions. Sustainable in growth.

Ms. Yau Sin Lee - Non-Executive Non-Independent Director

QUALIFICATIONS, SKILLS AND EXPERIENCE

Miss Lee, a Malaysian citizen 73 years of age, holds a Bachelor of Science (Honors) degree and a Diploma in Education from the University of Malaya.

She has extensive experience in educational instruction, executive leadership, and administrative management. Her core competencies include project management, organizational administration, team leadership, and strategic planning. Additionally, she is skilled in managing operations related to hospitality and corporate environments.

Miss Lee's career began with 13 years of teaching Mathematics and Science as a secondary school teacher. She then transitioned to the corporate sector, where she served for 20 years as the Executive Director of a trading company specializing in soft furnishing fabrics and custom-made furniture.

Subsequently, she held the position of Head of Administration for 15 years at an Environment Builder Company, where she was responsible for project management in hotels, corporate offices, convention centers, and service apartments.

Appointed to the Board on 19 August 2022

Membership in Board Subcommittees None

Current Appointments Non-Executive Non-Independent Director - Ramboda Falls PLC

Former appointments Executive Director Jenesis Collection Sdn Bhd. (formerly known as Cetec Trading Sdn. Bhd.)

OUR LEADERS

Board of Directors

Resilience in adversity. Prudence in decisions. Sustainable in growth.

Mr. Bulathsinghala Arachchige Nipul Nishantha Kumara Perera - Non-Executive Independent Director

QUALIFICATIONS, SKILLS AND PROFESSIONAL EXPERIENCE

Mr. Perera, a citizen of Sri Lanka and 49 years of age, holds a CIMA (UK) qualification and a Master's degree from Ballarat University, Australia.

He has demonstrated strong expertise in financial management, change leadership, and team collaboration. His key strengths include driving organizational change to meet top management objectives, working effectively with financial institutions, managing relationships with the Inland Revenue Department, and coordinating with external and internal auditors. He also possesses experience in implementing financial software solutions.

Mr. Perera has accumulated 24 years of corporate sector experience across manufacturing and service industries. He began his career in 2000 at Brandix Casualwear as a Cost Assistant, followed by extensive experience in the apparel sector with companies such as Eden Fashions (Pvt) Ltd, Brandix Intimate Apparel, and Emjay International (Pvt) Ltd.

Transitioning to the hospitality industry, he took on the role of Group Accountant at Nkar Travels and Tours (Pvt) Ltd, followed by positions as Chief Accountant at Let's Go Maldives (Pvt) Ltd and Accountant at Connaissance De Ceylan (Pvt) Ltd. His most recent position was as Financial Controller at Bogawantalawa Tea Ceylon (Pvt) Ltd. Notably, his tenure at Let's Go Maldives provided valuable international exposure while working in the Maldives.

Appointed to the Board on 01 November 2024

Membership in Board Subcommittees

Board Audit Committee- Chairman
Board Related Party Transactions Review Committee - Chairman
Board Nomination and Governance Committee – Member
Board Remuneration Committee - Member

Current Appointments Independent Non-Executive Director - Ramboda Falls PLC

OUR LEADERS

Board of Directors

Resilience in adversity. Prudence in decisions. Sustainable in growth.

Mr. John Tyrone Dayalan David - Non-Executive Independent Director

QUALIFICATIONS, SKILLS AND PROFESSIONAL EXPERIENCE

Mr. J.T. D. David, aged 60 and a citizen of Sri Lanka, is a graduate of the Ceylon Hotel School (SLITHM), specializing in Food & Beverage Operations. He also holds a Bachelor of Arts degree in Social Sciences from the Open University of Sri Lanka and a National Diploma in Human Resources from the Chartered Institute of Personnel Management, Sri Lanka.

He possesses extensive experience and expertise in hospitality management, training and development, and human resources. His skills include team leadership, operational management, and academic instruction in hospitality. Additionally, he is proficient in advising and consulting on international standards and compliance within the hospitality sector.

With over three decades of experience in the hospitality industry, Mr. David began his career as a trainee and progressively advanced to senior roles. His career highlights include serving as Restaurant Manager at Kandy Hotels Co (1938) for six years and as a Lecturer in Food & Beverage and Front Office at the Ceylon Hotel School for three years.

He then took on the role of Training and Development Manager at Jetwing Hotels Ltd, where he also served as Head of Human Resources for two years. Following this, he worked as General Manager of the 34-roomed Tangalle Bay Hotel and Resident Manager of the 154-roomed Grand Hotel, Nuwara Eliya.

Throughout his career, he has also contributed to academia as a visiting lecturer in hospitality at Rajarata University, Uwa Wellassa University, and Sabaragamuwa University. His consulting work involved assisting individual hotels and bungalow operators in meeting international standards and compliance, and he served as an Advisor to the Knuckles Tourism Circle.

Appointed to the Board on 01 November 2024

Membership in Board Subcommittees

Board Nomination and Governance Committee – Chairman
Board Audit Committee – Member
Board Remuneration Committee – Member
Board Related Party Transactions Review Committee - Member

Current Appointments Non-Executive Independent Director - Ramboda Falls PLC

OUR LEADERS

Board of Directors

Resilience in adversity. Prudence in decisions. Sustainable in growth.

Mr. Mohamed Meerashahib Mohamed Amsath - Non-Executive Independent Director

QUALIFICATIONS, SKILLS AND EXPERIENCE

Mr. Amsath, a Sri Lankan citizen aged 46, holds a Diploma in Hospitality Management, a Diploma in Human Resource Management, and a Diploma in Computer Science and Hardware.

He is a highly motivated and adaptable individual who thrives on tackling challenges. His key competencies include hospitality management, team leadership, front office operations, and restaurant management whilst possessing expertise in night auditing, guest services, and hotel administration.

Mr. Amsath has 22 years of experience in the hospitality industry, having begun his career as a Trainee Night Auditor at Hotel Oberoi, Colombo before advancing to Night Manager at Hotel Ranmal and then having served as Restaurant Manager at The Den Café and Front Office Manager at Renuka City Hotel, Colombo. He joined Joe's Habarana Village as General Manager in 2011 and has been serving as the Group General Manager of Joe's Resorts since 2017.

Appointed to the Board on 01 November 2024

Membership in Board Subcommittees

Board Remuneration Committee – Chairman
Board Audit Committee - Member
Board Related Party Transactions Review Committee - Member

Current Appointments Independent Non-Executive Director Ramboda Falls PLC. Group General Manager of Joe's Resorts

Former Appointments General Manager - Joe's Habarana Village

OUR LEADERS

Board of Directors

Resilience in adversity. Prudence in decisions. Sustainable in growth.

Mr. Jayasuriya Arachchige Don Viraj Rasanga – Executive Director and General Manager

QUALIFICATIONS, SKILLS AND EXPERIENCE

Mr. J.A.D. Viraj Rasanga, aged 41 and a citizen of Sri Lanka successfully completed the Hotel Management three-basic program at the Sri Lanka Institute of Tourism and Hotel Management (SLITHM). He has also undergone extensive customer care training programs in Dubai and Sri Lanka.

Whilst his career in hospitality spans 18 years, he possesses strong expertise in front office operations, guest relations, and hotel management. His skills include customer service excellence, team leadership, and operational management in the hospitality sector. Additionally, he is adept at handling guest interactions and coordinating front office activities.

Mr. Viraj Rasanga began his career in hospitality at the One & Only Royal Mirage Hotel, Dubai, where he worked in the Front Office Department. He then returned to Sri Lanka and gained valuable experience as Front Office Manager at leading hotels, including The Elephant Corridor Hotel, Saunter Paradise Hotel, and Kassapa Lion Rock Hotel. He further advanced his career by joining Joe′s Habarana Village Hotel as Front Office Manager cum Operations Manager.

Appointed to the Board 19 August 2022

Membership in Board Subcommittees None

Current Appointments

Resigned with effect from 22nd April 2026 from General Manager/Executive Director Ramboda Falls PLC

An active member of the Nuwara-Eliya Hotel Association (NEHA).

A Year that Tested Resilience

External disruption shaped the year, while the Company remained focused on continuity and long-term value.

OPERATING ENVIRONMENT

Ramboda Falls PLC operates within Sri Lanka's tourism and hospitality sector, where performance is influenced by international and domestic travel demand, economic conditions, infrastructure, weather events, geopolitical developments and consumer confidence.

The Company's 2025/26 management material identifies two major external disruptions during the year: Cyclone Ditwah in late November 2025 and the Middle East crisis from late February 2026. These developments affected travel conditions and visitor sentiment during important periods for the tourism industry.

OUR RESPONSE

- Maintained operational continuity and guest confidence during a difficult trading environment.
- Prioritised safety, security and asset-protection expenditure.
- Continued selective investment in guest rooms and the arrival experience.
- Focused the strategic roadmap on sustainability, digital capability, community relationships and organisational effectiveness.

SRI LANKAN ECONOMY

The financial year 2025/26 was characterized by a continued recovery in Sri Lanka's macroeconomic environment, supported by improved economic activity, greater price stability, strengthening external sector conditions and the ongoing recovery of key sectors, including tourism. These developments contributed towards a more stable operating environment for the hospitality industry, although businesses continued to face challenges arising from cost pressures, exchange-rate movements and uncertainties in the global economic environment.

Sri Lanka's economy maintained its recovery momentum during 2025, recording **real Gross Domestic Product (GDP) growth of 5.0%**. This followed the economic stabilisation measures implemented over the preceding years and reflected improved activity across several major sectors of the economy. At current market prices, GDP increased to approximately **Rs. 32.75 trillion in 2025**. The Industry sector recorded particularly strong growth, while the Services sector, within which tourism and hospitality activities are represented, also continued to expand.

The positive momentum continued into 2026, with the economy recording **real GDP growth of 5.1% during the first quarter of 2026**. The continued expansion in economic activity provided a more favorable backdrop for businesses and supported improvements in consumer and investor confidence.

TOURISM SECTOR PERFORMANCE

Tourism remained an important contributor to Sri Lanka's economic recovery and foreign exchange earnings during the year under review. The sector continued to benefit from improved international connectivity, enhanced destination visibility and renewed traveler confidence in Sri Lanka as a leisure destination. Sri Lanka recorded **2,362,521 tourist arrivals during the calendar year 2025**, demonstrating the sustained recovery of the industry.

OPERATING CONTEXT

A Year that Tested Resilience

External disruption shaped the year, while the Company remained focused on continuity and long-term value.

OPERATING ENVIRONMENT

Based on monthly statistics published by the Sri Lanka Tourism Development Authority, approximately **2.38 million tourist arrivals were recorded during the twelve-month period from April 2025 to March 2026**, corresponding with the Company's financial year.

Tourist arrivals during the first three months of 2026 remained encouraging, with **740,634 visitors arriving between January and March 2026**. The continued inflow of international visitors provides opportunities not only for established tourism destinations but also for properties located along key travel routes and within Sri Lanka's hill country.

Tourism earnings also remained an important source of foreign exchange. Sri Lanka generated approximately **US$3.22 billion in tourism earnings during calendar year 2025**, compared with approximately US$3.17 billion in the preceding year. Based on monthly and cumulative information published by the Central Bank of Sri Lanka, tourism earnings attributable to the Company's April 2025 to March 2026 financial-year period are estimated at approximately **US$3.05 billion**.

The sustained recovery in both tourist arrivals and tourism receipts is encouraging for the country's hospitality sector. Nevertheless, competition within the industry remains strong, requiring operators to continuously enhance service standards, guest experiences, digital visibility and overall value propositions.

INFLATION AND COST ENVIRONMENT

Inflationary conditions remained relatively contained during the year compared with the significant price pressures experienced in earlier periods. Headline inflation, as measured by the **Colombo Consumer Price Index (CCPI)**, stood at **2.2% year-on-year in March 2026**, compared with a deflationary position of 2.6% in March 2025. Core inflation stood at approximately **2.5% in March 2026**.

The transition from deflation to moderate positive inflation reflects the gradual normalisation of domestic economic conditions. A relatively stable inflation environment supported greater predictability in business planning and procurement. However, hospitality businesses continued to experience pressure from the cost of food and beverages, utilities, maintenance, transportation, employee-related expenses and other operational inputs. Accordingly, effective cost management, productivity improvements and disciplined pricing remained important considerations for maintaining profitability while ensuring that the quality of the guest experience was not compromised.

OPERATING CONTEXT

A Year that Tested Resilience

External disruption shaped the year, while the Company remained focused on continuity and long-term value.

OPERATING ENVIRONMENT

EXCHANGE RATE AND EXTERNAL SECTOR

Foreign exchange conditions remained an important consideration for Sri Lanka's tourism and hospitality industry. The Sri Lankan Rupee recorded a **depreciation of approximately 1.6% against the US Dollar during the first three months of 2026**. Exchange-rate movements have a mixed impact on the hospitality sector. A relatively competitive Rupee can enhance Sri Lanka's attractiveness as a tourism destination by improving affordability for international travelers and increasing the rupee value of foreign-currency-linked tourism receipts. Conversely, currency depreciation can increase the cost of imported food items, equipment, spare parts, technology and other inputs required by hotel operators.

The continued contribution from tourism earnings, workers' remittances and other foreign currency inflows remained important in supporting the country's external sector and maintaining greater stability in the foreign exchange market.

HOSPITALITY INDUSTRY OUTLOOK

The medium-term outlook for Sri Lanka's tourism and hospitality sector remains positive, supported by the country's diverse tourism offering, including its natural attractions, cultural heritage, wildlife, beaches and hill-country destinations. Continued growth in international arrivals provides opportunities for accommodation providers, restaurants, excursion operators and other tourism-related businesses.

The growth of digital travel platforms and changing traveler preferences are also influencing the competitive landscape. Today's travelers increasingly seek authentic experiences, natural attractions, personalised service, value for money and convenient digital access to information and reservations. These trends create opportunities for hospitality businesses that are able to differentiate their offering and strengthen their online presence.

At the same time, the industry remains exposed to global economic conditions, geopolitical developments, fluctuations in air travel costs, exchange-rate volatility and domestic operating costs. Maintaining high service standards, controlling costs and adapting rapidly to changing customer expectations will therefore remain essential.

IMPLICATIONS FOR RAMBODA FALLS PLC

The continued recovery of Sri Lanka's tourism industry provides a favorable foundation for **Ramboda Falls PLC**. The Company's location within Sri Lanka's scenic hill country and its proximity to natural attractions position it to benefit from the continued growth in both international and domestic tourism.

The improvement in tourist arrivals provides opportunities to increase occupancy, food and beverage revenue and other hospitality-related income. Greater economic stability and relatively moderate inflation also provide a more predictable environment for operational and financial planning.

Strengthening the Guest Experience

Investment focused on the quality, safety and marketability of the Company's hospitality assets.

RAMBODA FALLS HOTEL

Ramboda Falls Hotel comprises approximately 45 rooms and is positioned in the hill country along the Kandy–Nuwara Eliya route. Its natural setting, proximity to Ramboda Falls and combination of accommodation, food and beverage and leisure facilities form the core of the guest proposition.

2025/26 IMPROVEMENTS

- 21 rooms completely renovated during the financial year.
- Front office and guest check-in area improved and developed.
- Swimming pool and pool bar retained as important guest facilities.
- Retaining-wall and drainage works initiated to protect the property and address terrain-related risks.
- Planned repair and upgrade of the waterfall viewing deck.
- Planned safer circular walkway and continued upgrades to the existing 45 rooms.
- Planned refresh of restaurant offerings and introduction of a coffee house.
- Planned network and IT infrastructure upgrades to reduce cybersecurity vulnerabilities and progress toward relevant ISO standards.

MUWAN PALASSA RESORT

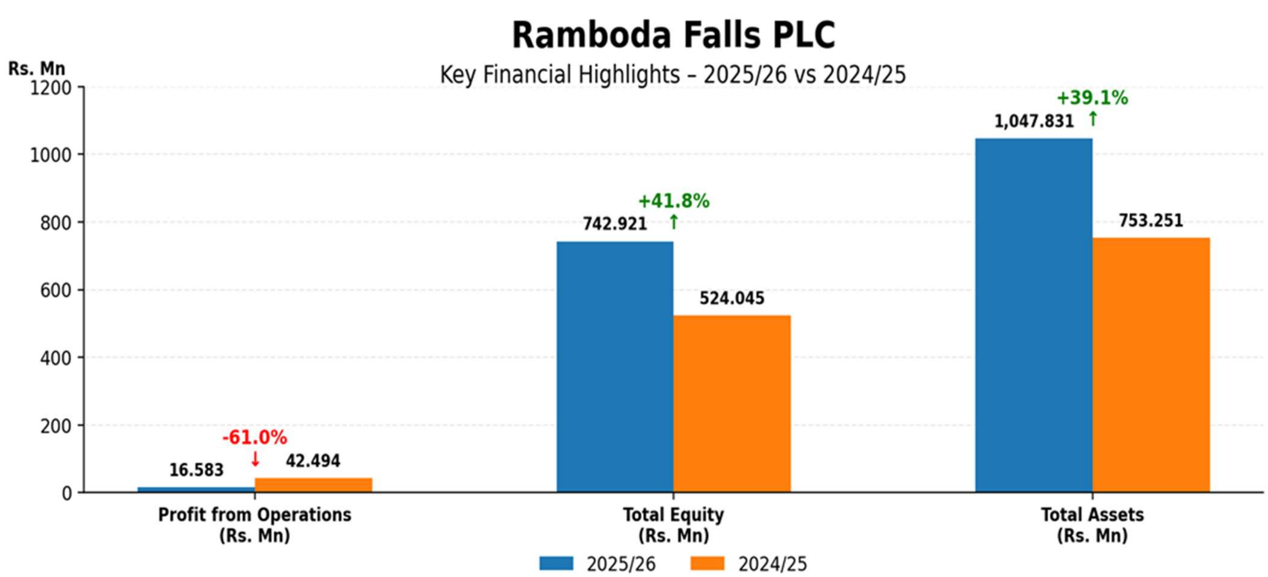
Muwan Palassa Resort has approximately 18 rooms, bringing the combined room capacity of the two properties to approximately 63 rooms. During the period, management's focus was on revitalising the resort and improving its marketability under the management of Zimar Tourism Int Pvt Ltd.

FINANCIAL INFORMATION

Financial Review

Performance for the year ended 31 March 2026

Highlights	2025/26 Rs.Mn	2024/25 Rs.Mn	Change
Revenue	212.75	242.27	-12.2%
Gross profit	90.56	107.28	-15.6%
Profit from operations	16.58	42.49	-61.0%
Profit before tax	21.53	44.75	-51.9%
Profit for the year	16.37	29.96	-45.4%
Total assets	1,047.83	753.25	+39.1%
Total equity	742.92	524.04	+41.8%
Cash & cash equivalents	62.53	66.56	-6.0%



Figures are shown in Rs. Mn. Percentage changes are calculated based on 2024/25 as the base year.

Financial Review

Performance for the year ended 31 March 2026

REVENUE AND GROSS PROFIT

Revenue decreased by approximately 12.2% to Rs. 212.75 million from Rs. 242.27 million in 2024/25. Cost of sales decreased to Rs. 122.19 million from Rs. 134.99 million. Gross profit was Rs. 90.56 million, representing a gross margin of approximately 42.6% compared with approximately 44.3% in the previous year.

OPERATING PERFORMANCE

Other operating income increased to Rs. 10.88 million from Rs. 6.04 million. Administration and other expenses increased to Rs. 80.28 million, while marketing and selling expenses increased to Rs. 4.58 million. Consequently, profit from operations declined to Rs. 16.58 million from Rs. 42.49 million.

PROFITABILITY

Finance income was Rs. 5.71 million and finance expenses were Rs. 0.77 million, resulting in net finance income of Rs. 4.95 million. Profit before tax amounted to Rs. 21.53 million. Income tax expense in the current financial workbook was Rs. 5.15 million, resulting in profit for the year of Rs. 16.37 million.

FINANCIAL INFORMATION

Financial Position & Cash Flow

A stronger asset base alongside disciplined liquidity management.

FINANCIAL POSITION

Total assets increased to approximately Rs. 1,047.83 million at 31 March 2026 from Rs. 753.25 million a year earlier. Property, plant and equipment increased to Rs. 932.99 million, reflecting additions and revaluation movements recorded in the financial workbook.

Total equity increased to approximately Rs. 742.92 million from Rs. 524.04 million. The revaluation reserve stood at approximately Rs. 542.87 million, while retained earnings were approximately Rs. 100.05 million.

Current assets were approximately Rs. 108.69 million and current liabilities were approximately Rs. 29.94 million based on the current statement of financial position. Cash and cash equivalents stood at approximately Rs. 62.53 million.

CASH FLOW

Net cash generated from operating activities was approximately Rs. 20.55 million compared with Rs. 50.24 million in 2024/25. Net cash used in investing activities was approximately Rs. 4.27 million, including property, plant and equipment purchases. Net cash used in financing activities was approximately Rs. 20.30 million, mainly reflecting dividend payments and lease repayments. Cash and cash equivalents decreased by approximately Rs. 4.02 million during the year.

SELECTED RATIOS

Ratio	2025/26	2024/25
Gross profit margin	42.6%	44.3%
Operating margin	7.8%	17.5%
PBT margin	10.1%	18.5%
Net profit margin	7.9%	12.4%
Current ratio	3.4x	2.4x
Earnings per share	Rs. 0.82	Rs. 1.50
Net assets per share	Rs. 37.15	Rs. 26.20

FINANCIAL INFORMATION

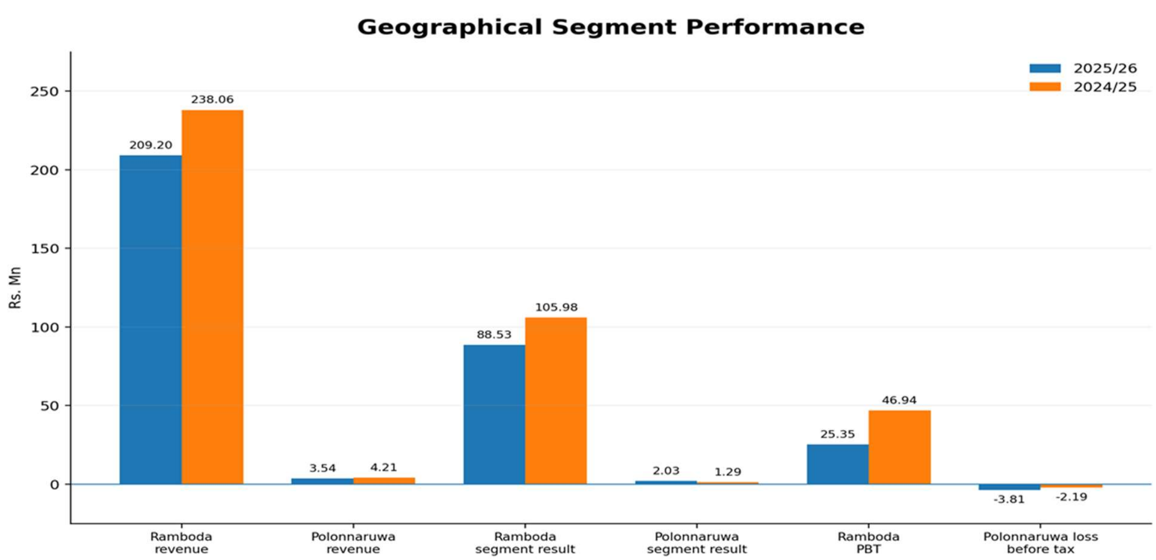
Geographical Segment Review

Ramboda remained the principal revenue-generating location.

The Company manages hotels in two principal geographical areas: Ramboda and Polonnaruwa. The financial workbook presents segment information based on the geographical location of the assets.

Segments	2025/26 Rs.Mn	2024/25 Rs.Mn
Ramboda revenue	209.20	238.06
Polonnaruwa revenue	3.54	4.21
Ramboda segment result	88.53	105.98
Polonnaruwa segment result	2.03	1.29
Ramboda PBT	25.35	46.94
Polonnaruwa loss before tax	-3.81	-2.19

Ramboda generated approximately 98.3% of total revenue in 2025/26. The Polonnaruwa segment remained loss-making before tax, reinforcing the importance of the current revitalisation and marketability initiatives at Muwan Palassa Resort.



Learning & Development

Building capability for service excellence, adaptability and safety.

HUMAN DEVELOPMENT

The 2025/26 Learning & Development Plan covers a 12-month period commencing 1 June 2025 and is designed to support the Company's medium- and long-term objectives in alignment with its Human Resources policy and strategic plan.

The policy is centered on developing employee skills, knowledge and attitudes, periodically evaluating competencies and using competency assessments to support performance management. The plan also provides for induction of new recruits, annual training-needs analysis, learning records and assessment of training effectiveness.

TRAINING PRIORITIES

- Executive development: leadership, communication, relationship marketing, labour law, finance and teamwork.
- Supervisory capability: setting standards, leading work teams, social media and train-the-trainer development.
- All-staff learning: tourism trends, hygiene and grooming, internal customer service, teamwork, fire safety and workplace health and safety.
- Front office: customer care, communication, complaint handling, reservations, check-in/check-out, telephone etiquette and social media marketing.
- Housekeeping and laundry: cleaning methods, room preparation, equipment care, safety and chemical handling.
- Food & beverage and kitchen: service standards, suggestive selling, beverage knowledge, food hygiene, HACCP awareness, cooking methods and practical skills.
- Maintenance: electrical, plumbing, boiler, elevator and fire-alarm procedures.

The plan also encourages technology-enabled learning, mobile access to training material, cross-training, feedback loops, leadership development for high-potential employees and crisis-management preparedness.

Sustainable Hospitality in Practice

Protecting natural assets while strengthening people, communities and long-term value.

ENVIRONMENTAL STEWARDSHIP

Ramboda Falls PLC’s hospitality offering is closely linked to the natural environment. The Company therefore recognises that the protection of terrain, waterways, ecosystems and scenic assets is fundamental to both guest experience and business continuity.

The retaining-wall and drainage project initiated in February 2026 is an example of this approach, combining property protection with the need to manage erosion risks in the unique terrain surrounding Ramboda Falls.

PEOPLE AND COMMUNITIES

Employee wellbeing and capability development remain part of the Company’s sustainability direction. The structured Learning & Development Plan supports professional standards, safety, adaptability and leadership capability. The strategic roadmap also identifies stronger community partnerships as a means of creating shared value.

RESPONSIBLE GROWTH

The Company’s roadmap identifies sustainable tourism, digital transformation, community partnerships, selective expansion and organisational effectiveness as priorities. The Board’s decision to defer certain development proposals and focus on essential safety and guest-experience investments reflects the principle of prudent, responsible growth.

RISK MANAGEMENT

Managing Risk with Prudence

A practical framework aligned to the Company's operating realities.

Principal Risk	Potential Impact	Mitigation / Direction
Tourism demand, Geopolitical, Global Travel Risk, Market Risk	Middle East War, External events may reduce visitor flows and travel confidence and have an Adverse impact on global travel due to country borders being shut down.	Diversified guest focus, flexible marketing, prudent budgeting and liquidity management. Join Destination marketing campaigns on social media and other digital media.
Climate & extreme weather	Severe weather may disrupt access, operations and physical assets.	Drainage, retaining walls, property protection and emergency preparedness.
Terrain & erosion	The Ramboda property's natural terrain creates erosion and infrastructure risks.	Engineering works, safer walkways, monitoring and maintenance.
Operational & guest safety	Hospitality operations require consistent service and safety standards.	Room upgrades, training, fire safety, health & safety and property improvements.
Cybersecurity & IT	Digital systems create information-security and continuity exposures.	Planned network/IT upgrades and progress toward relevant ISO standards.
Cost & profitability	Expense growth can compress margins during periods of weaker revenue.	Cost discipline, revenue optimization and selective capital allocation.
Human capital	Skills shortages or insufficient training may affect service quality.	Structured L&D, cross-training, leadership development and competency evaluation.
Liquidity Risk	The Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are to be settled by delivering cash or any other financial asset	The company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or damage to the company's reputation.
Credit Risk	Potential for loan defaults resulting in financial losses	A credit policy is in place with strong credit limits, payment terms, and regular reviews of customer creditworthiness.
Legal & Regulatory Compliance Risk	Failure to comply with the regulatory and legal framework applicable to the Company.	The management proactively identifies and establishes appropriate systems and processes for legal and regulatory compliance with respect to the Ramboda Falls PLC operations.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

ANNUAL REPORT OF THE BOARD OF DIRECTORS

Director	Position
Mr. Lee Kiyau Loo	Non-Executive Chairman
Mr. Kim Leng Yeoh	Managing Director / CEO
Mr. Mathews George	Executive Non-Independent Director
Ms. Yau Sin Lee	Non-Executive Non-Independent Director
Mr. B. A. N. N. K. Perera	Non-Executive Independent Director
Mr. John Tyrone Dayalan David	Non-Executive Independent Director
Mr. M. M. M. Amsath	Non-Executive Director

DIRECTORS' REMUNERATION

The Directors were paid Rs.8.1Mn during the period under review.

RETIREMENT AND RE-ELECTION OF DIRECTORS

Mr. M. M. M. Amsath stepped down from the position of Senior Independent Director following the appointment of Mr. Lee Kiyau Loo as Non-Executive Chairman.

The Chairman's material records that Mr. Kim Leng Yeoh, previously Executive Chairman, is serving as CEO/Managing Director. It also records the departure of Executive Director/General Manager Mr. Jayasuriya Arachchige Don Viraj Rasanga on 22 April 2026 and Non-Executive Director Mr. Sudusinghe on 18 July 2026.

BOARD SUB-COMMITTEES

The Board has appointed the following sub-committees.

- The Audit Committee
- The Remuneration Committee
- The Related Party Transactions Review Committee
- The Nominations & Governance Committee

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

BOARD AND BOARD SUB COMMITTEE MEMBERSHIP

Attendance of the Board Meetings for the year 2025/2026

Name of Director	22/05/2025	14/08/2025	24/09/2025	23/12/2025	18/03/2026
Mr. Kim Leng Yeoh - (Executive Chairman)	✓	✓	✓	✓	✓
Ms. Yau Sin Lee (Non- Executive Director)	✓	✓	✓	✓	✓
Mr. J.A.D.Viraj Rasanga - (Executive Director)	✓	✓	✓	✓	✓
Mr. B.A.N.N.Kumara Perera -(Independent Non-Executive Director) (Appointed - 01/11/2024)	✓	✓	✓	✓	✓
Mr. S.J.Chandrasena - (Independent Non-Executive Director) (Appointed - 01/11/2024)	✓	✓	✓	✓	✓
Mr. J.T.Dayalan David - (Non-Executive Director) (Appointed - 01/11/2024)	✓	✓	✓	✓	✓
Mr. M.M.Mohamed Amsath - (Independent Non-Executive Director) (Appointed - 01/11/2024)	✓	✓	✓	✓	✓
Mr. Mathews George - (Executive Director) (Appointed - 01/11/2024)	✓	✓	✓	✓	✓
Mr. L.K.Loo - (Independent Non- Executive Director) (Appointed - 22/05/2024)	✓	✓	✓	✓	✓

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

DECLARATION BY THE BOARD OF DIRECTORS IN TERMS OF THE LISTING RULES

The Directors of **Ramboda Falls PLC** declare that:

- As disclosed under **Directors' Interests in Contracts**, the Directors have declared all material interests, if any, in contracts involving the Company and have refrained from voting on matters in which they have a material interest.

- Changes to applicable laws, rules and regulations, including the Listing Rules of the Colombo Stock Exchange and other applicable capital market requirements, are communicated to the Board through the Company Secretaries and other appropriate channels and are considered by the Board to ensure continued awareness and compliance.

COMPLIANCE WITH LAWS AND REGULATIONS

The Board is responsible for ensuring that the affairs of the Company are conducted in accordance with the applicable laws, regulations and statutory requirements.

To the best of the Directors' knowledge and belief, the Company has not engaged in any activity that contravenes any applicable law or regulation, and there have been no material instances of non-compliance or material fines imposed by any government or regulatory authority during the year under review, except where otherwise disclosed in this Annual Report.

The Company continues to monitor developments in the regulatory environment applicable to its operations, including requirements relating to corporate governance, taxation, employment, tourism and hospitality operations, environmental matters and capital markets.

INTERNAL CONTROL & RISK MANAGEMENT

The Board acknowledges its overall responsibility for maintaining an appropriate system of internal control and risk management covering the financial, operational and compliance activities of the Company.

The Company's internal control framework is designed to safeguard its assets, maintain proper accounting records, promote operational efficiency and facilitate compliance with applicable laws and regulations.

The Audit Committee assists the Board in reviewing the adequacy and effectiveness of the Company's internal controls, financial reporting processes and risk management arrangements. The Directors recognize that any system of internal control is designed to manage rather than eliminate risk and can therefore provide reasonable, but not absolute, assurance against material misstatement or loss.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

TRANSACTIONS WITH RELATED PARTIES

The Directors have disclosed transactions, if any, which could be classified as related party transactions in accordance with the applicable **Sri Lanka Accounting Standards** and the requirements of the **Listing Rules of the Colombo Stock Exchange**.

Related party transactions entered into by the Company during the year are disclosed in the relevant Note to the Financial Statements.

The Directors confirm, to the best of their knowledge and based on the information available to them, that the Company has complied with the applicable requirements relating to related party transactions.

DIVIDENDS

The Directors' recommendation in respect of dividends for the financial year ended **31 March 2026**, if any, is disclosed in the Annual Report and Financial Statements.

Any dividend recommended or declared by the Company is considered having regard to the Company's financial performance, cash flow requirements, future capital requirements, liquidity position and the applicable statutory requirements.

AUDITORS

The External Auditors of **Ramboda Falls PLC are Messrs. KPMG** which continued in office during the year under review and carried out the audit of the Financial Statements of the Company for the year ended **31 March 2026**.

The Directors confirm that, to the best of their knowledge, the External Auditors do not have any relationship with or interest in the Company other than in their capacity as External Auditors and in respect of any other services disclosed in the Financial Statements.

The fees payable to the External Auditors for audit and other permitted services, where applicable, are disclosed in the relevant Note to the Financial Statements.

AUDITOR'S REPORT

The Independent Auditor's Report on the Financial Statements of **Ramboda Falls PLC** for the year ended **31 March 2026** appears in the relevant section of this Annual Report.

CORPORATE GOVERNANCE

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach

EMPLOYEES & INDUSTRIAL RELATIONS

The Board recognises that employees are an important part of the Company's ability to provide a high standard of service and maintain the efficient operation of its hospitality business.

During the year under review, the Company continued to focus on maintaining constructive employee relations and providing an appropriate working environment for its employees.

Any material matters relating to employees and industrial relations arising during the year have been reported.

ACKNOWLEDGEMENT OF THE CONTENT OF THE REPORT

As required by the **Companies Act No. 07 of 2007**, the Board of Directors acknowledges responsibility for the contents of the Annual Report of **Ramboda Falls PLC** for the year ended **31 March 2026**.

The Directors confirm that the Annual Report has been prepared in accordance with the applicable statutory and regulatory requirements and presents information relating to the Company's operations, financial performance, financial position and governance during the year under review.

ANNUAL GENERAL MEETING

The **Annual General Meeting of Ramboda Falls PLC** will be held on the 25th September 2026, at the 10.00am and at the Maradha hotel, No. 31, St. Kilda's lane, Marine drive, Colombo 03 specified in the **Notice of Meeting** included in this Annual Report.

The Notice of Meeting sets out the business to be considered by shareholders at the Annual General Meeting.

For and on behalf of the Board of
RAMBODA FALLS PLC

....	....	....
Chairman / Director	**Managing Director/CEO**	**SSP Corporate Services Pvt Ltd**
Lee Kiyau Loo	Kim Leng Yeoh	Company Secretary

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

CORPORATE GOVERNANCE

Ramboda Falls PLC remains committed to conducting its business ethically, responsibly and transparently while maintaining high standards of corporate governance. The Board recognizes that sound corporate governance is fundamental to safeguarding the interests of shareholders and other stakeholders and to ensuring the sustainable long-term development of the Company.

The Company's corporate governance framework is designed to promote accountability, transparency, integrity, effective oversight and responsible decision-making throughout the organization.

The Company endeavors to comply with the applicable requirements of the Companies Act No. 07 of 2007, the Listing Rules of the Colombo Stock Exchange (CSE), including the Corporate Governance requirements contained in Section 9 of the Listing Rules, applicable requirements of the Securities and Exchange Commission of Sri Lanka, and other laws and regulations relevant to the Company's operations.

The Board also takes into consideration the principles contained in the Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka, where applicable.

THE BOARD OF DIRECTORS

Ramboda Falls PLC has a unitary Board, with the Directors collectively responsible for the leadership, strategic direction, governance and oversight of the Company.

The authority of individual Directors is exercised at duly convened meetings of the Board, where matters are considered collectively. The Board is the ultimate governing body of the Company and is responsible for providing leadership and direction, approving the Company's strategic objectives and plans, monitoring financial and operational performance, overseeing risk management and internal controls, and ensuring that the Company is managed in the best interests of its shareholders and other stakeholders.

The Board maintains an appropriate balance of Executive, Non-Executive and Independent Non-Executive Directors, enabling it to benefit from a combination of industry knowledge, operational experience, professional expertise and independent judgement.

EXECUTIVE DIRECTORS

The Executive Directors are responsible for providing leadership to the Company's operations and implementing the strategies, policies and decisions approved by the Board.

Mr. Mathews George

Mr. K.L Yeoh

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

NON-EXECUTIVE DIRECTORS

The Non-Executive Directors provide independent and objective judgement on matters brought before the Board and contribute their experience and expertise to the Company's strategic and governance processes.

Ms. Yau Sin Lee

Mr. B. A. N. N. K. Perera

Mr. John Tyrone Dayalan David

Mr. M. M. M. Amsath

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Independent Non-Executive Directors provide objective and independent judgement and assist the Board in maintaining an appropriate balance in its decision-making process.

Mr. B. A. N. N. K. Perera

Mr. John Tyrone Dayalan David

SENIOR INDEPENDENT DIRECTOR

Where the Chairman is an Executive Director or where otherwise required under the applicable Listing Rules, the Board appoints a Senior Independent Director (SID).

The Senior Independent Director provides an additional channel of communication between shareholders, Directors and the Chairman where appropriate and contributes towards maintaining an appropriate balance of governance within the Board.

The Senior Independent Director also performs the duties prescribed under the applicable Listing Rules, including facilitating the assessment of the Chairman's performance, where required.

Senior Independent Director as at 31 March 2026.

Mr. M. M. M. Amsath

Mr. M.M.M Amsath stepped down as Senior Director with effect from 1st May 2026.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

COMPANY SECRETARY

SSP Corporate Services (Pvt) Limited functions as the Secretaries to the Board.

The Company Secretary assists the Board in ensuring that appropriate Board processes and procedures are followed and that the Company complies with applicable statutory and regulatory requirements.

The Company Secretary is responsible for maintaining proper records of Board and shareholder proceedings, facilitating the timely circulation of Board papers and other relevant information, advising the Board on governance and regulatory matters, and assisting Directors in the proper discharge of their duties.

All Directors have access to the advice and services of the Company Secretary.

FINANCIAL REPORTING

The Board acknowledges its responsibility for ensuring the integrity of the Company's financial reporting process.

The Financial Statements of Ramboda Falls PLC for the year ended 31 March 2026 have been prepared in accordance with the applicable Sri Lanka Accounting Standards (SLFRSs/LKASs) and the requirements of the Companies Act No. 07 of 2007.

The Company also complies with the applicable financial reporting and disclosure requirements prescribed by regulatory authorities, including the Colombo Stock Exchange and the Registrar of Companies.

The Financial Statements are subject to an independent external audit, and the Independent Auditor's Report is presented together with the Financial Statements in this Annual Report.

SUPPLY OF INFORMATION

The Board is provided with appropriate and timely information to enable Directors to discharge their duties effectively.

Directors receive periodic financial and operational reports, management information, Board papers and other relevant documents required for informed decision-making. Additional information and clarification are provided to Directors whenever required.

The Board also reviews matters relating to statutory obligations, taxation, employee-related statutory contributions and other regulatory requirements to ensure that appropriate provisions and payments are made in accordance with applicable laws.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach

INFORMATION TECHNOLOGY

The Company recognizes the increasing importance of information technology in supporting efficient hotel operations, financial reporting, management information and internal controls.

The Company's financial information and IT systems facilitate the timely provision of management information and support the effective management of operations.

Appropriate policies and procedures are maintained to strengthen controls over information systems, safeguard Company information and reduce the risks associated with unauthorized access, data loss and other information technology-related threats.

The Company will continue to review its information technology infrastructure and controls in line with operational requirements and developments in technology.

BOARD COMMITTEES

The Board has established Board Committees to assist in discharging its responsibilities and to strengthen the governance framework of the Company.

- Audit Committee
- Remuneration Committee
- Related Party Transactions Review Committee
- Nominations and Governance Committee

Each Committee operates within its respective responsibilities and reports its activities and recommendations to the Board.

AUDIT COMMITTEE

The Audit Committee assists the Board in fulfilling its responsibilities relating to financial reporting, internal controls, risk management, internal and external audit and compliance.

The Committee reviews, among other matters, the integrity of the Financial Statements, adequacy of internal controls, significant financial reporting matters, risk management processes and the independence and performance of the External Auditors.

The Audit Committee also considers the appointment/reappointment of the External Auditors and makes recommendations to the Board concerning their remuneration, having considered their independence, objectivity and performance.

The composition and activities of the Audit Committee for 2025/26 are presented in the Audit Committee Report contained elsewhere in this Annual Report.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

REMUNERATION COMMITTEE

The Remuneration Committee assists the Board in establishing an appropriate remuneration framework for Executive Directors and other relevant senior personnel.

The Committee considers remuneration arrangements having regard to the responsibilities of the respective positions, performance, market conditions and the Company's overall remuneration policies.

The Committee's objective is to ensure that remuneration arrangements are appropriate to attract, retain and motivate individuals with the required skills and experience while maintaining alignment with the Company's long-term interests.

The composition and activities of the Committee are presented in the Remuneration Committee Report.

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

The Related Party Transactions Review Committee (RPTRC) assists the Board in reviewing related party transactions entered into or proposed to be entered into by the Company.

The Committee operates in accordance with the applicable requirements of the Listing Rules of the Colombo Stock Exchange and seeks to ensure that related party transactions are conducted on appropriate terms and that the interests of the Company and its shareholders are adequately protected.

Related party transactions requiring disclosure are presented in the relevant Notes to the Financial Statements.

The composition, meetings and activities of the Committee during 2025/26 are presented in the Related Party Transactions Review Committee Report.

NOMINATIONS AND GOVERNANCE COMMITTEE

The Nominations and Governance Committee assists the Board in matters relating to Board composition, appointments, succession planning, assessment of the fitness and propriety of Directors and senior management where applicable, and the Company's overall corporate governance framework.

The Committee reviews the skills, experience, knowledge, independence and diversity required by the Board and makes recommendations concerning appointments and reappointments in accordance with the applicable Listing Rules.

The Committee also assists the Board in monitoring the Company's governance framework and its compliance with applicable corporate governance requirements. The composition and activities of the Committee during 2025/26 are presented in the Nominations and Governance Committee Report.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

BOARD AND COMMITTEE MEETINGS

The Board and its Committees meet periodically during the financial year to consider matters falling within their respective responsibilities.

Attendance of Directors at Board and Committee meetings held during the year ended 31 March 2026 is set out below.

Name of Director	22/05/2025	14/08/2025	24/09/2025	23/12/2025	18/03/2026
Mr. Kim Leng Yeoh - (Executive Chairman)	✓	✓	✓	✓	✓
Ms. Yau Sin Lee (Non- Executive Director)	✓	✓	✓	✓	✓
Mr. J.A.D.Viraj Rasanga - (Executive Director)	✓	✓	✓	✓	✓
Mr. B.A.N.N.Kumara Perera - (Independent Non –Executive Director) (Appointed - 01/11/2024)	✓	✓	✓	✓	✓
Mr. S.J.Chandrasena - (Independent Non- Executive Director) (Appointed - 01/11/2024)	✓	✓	✓	✓	✓
Mr. J.T.Dayalan David - (Non -Executive Director) (Appointed - 01/11/2024)	✓	✓	✓	✓	✓
Mr. M.M.Mohamed Amsath - (Independent Non-Executive Director) (Appointed - 01/11/2024)	✓	✓	✓	✓	✓
Mr. Mathews George - (Executive Director) (Appointed - 01/11/2024)	✓	✓	✓	✓	✓
Mr. L.K.Loo - (Independent Non-Executive Director) (Appointed - 22/05/2024)	✓	✓	✓	✓	✓

COMPLIANCE WITH CSE CONTINUING LISTING RULES – SECTION 9

The Company monitors its compliance with the applicable corporate governance requirements contained in Section 9 of the Continuing Listing Rules of the Colombo Stock Exchange.

The following provides a summary of the Company's governance framework in relation to the principal requirements reflected in the Company's previous Corporate Governance Report.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

COMPLIANCE WITH CSE CONTINUING LISTING RULES – SECTION 9 (Cont.)

CSE Rule Reference	Subject	Compliance Status	Extent of Adoption / Compliance
9.2.1	Policies	Complied	The Company maintains and reviews policies required under the Listing Rules and updates such policies where necessary to reflect regulatory and operational developments.
9.3	Board Committees	Complied	The Company has established an Audit Committee, Nominations and Governance Committee, Remuneration Committee and Related Party Transactions Review Committee.
9.3.3	Chairperson of Board Committees	Complied	The chairpersons of the respective Board Committees are appointed in accordance with applicable Listing Rule requirements.
9.4.1	Meeting Procedures	Complied	The Company Secretary maintains appropriate records of Board and Committee proceedings, resolutions and information required for governance purposes.
9.4.2	Communication and Relations with Shareholders	Complied	The Company maintains mechanisms to facilitate communication with shareholders and to bring significant shareholder matters and concerns to the attention of the Board.
9.5	Policies relating to the Board of Directors	Complied	Policies relating to the Board are maintained and reviewed in accordance with applicable requirements.
9.6.3	Senior Independent Director	Complied	Where required due to the governance structure of the Company, a Senior Independent Director is appointed in accordance with the Listing Rules.
9.6.3(c)	Senior Independent Director	Complied	The Senior Independent Director carries out the functions prescribed under the Listing Rules, including matters relating to assessment of the Chairperson's performance.
9.6.3(e)	Senior Independent Director	Complied	Appropriate disclosures concerning the Senior Independent Director and the performance of the relevant duties are included in the Annual Report where required.

CSE Rule Reference	Subject	Compliance Status	Extent of Adoption / Compliance
9.7 / 9.7.1	Fitness of Directors and CEO	Complied	The Company obtains appropriate declarations and evaluates whether Directors and relevant officers satisfy the applicable fit and proper assessment criteria.
9.8.1	Board Composition	Complied	The Board composition is maintained in accordance with the applicable requirements of the Listing Rules.
9.8.2-9.8.3	Independent Directors	Complied	The Company maintains the required number/proportion of Independent Directors in accordance with the applicable Listing Rules. Independent Non-Executive Directors submit declarations concerning their independence in accordance with regulatory requirements.
9.8.5	Disclosure relating to Directors	Complied	Declarations of independence are obtained from Independent Non-Executive Directors and their independence is evaluated by the Board.
9.10.3	Disclosure relating to Directors / Board Committees	Complied	Changes to the Board and Board Committees are communicated to the Colombo Stock Exchange as required.
9.11.1–9.11.3	Nominations and Governance Committee	Complied	The Nominations and Governance Committee has been established to perform the responsibilities prescribed under the applicable Listing Rules.
9.11.4	Composition of Nominations and Governance Committee	Complied	The Committee's composition is maintained in accordance with the applicable requirements of the Listing Rules.
9.11.5	Functions of Nominations and Governance Committee	Complied	The Committee performs its functions in accordance with its mandate and applicable Listing Rules. Further details are provided in its Committee Report.
9.12.1	Remuneration Committee	Complied	The Company maintains a Remuneration Committee in accordance with applicable Listing Rule requirements.
9.12.7	Functions of Remuneration Committee	Complied	The Committee reviews and recommends remuneration arrangements within the scope of its responsibilities.
9.13.3	Composition of Audit Committee	Complied	The composition of the Audit Committee is maintained in accordance with applicable Listing Rule requirements.

CSE Rule Reference	Subject	Compliance Status	Extent of Adoption / Compliance
9.13.4	Audit Committee Functions	Complied	The Audit Committee performs the financial reporting, audit, internal control and other oversight responsibilities prescribed under its mandate and applicable Listing Rules.
9.14.2	Composition of Related Party Transactions Review Committee	Complied	The RPTRC is constituted in accordance with the applicable requirements governing its composition and independence.
9.14.4	RPTRC Meetings	Complied	The Committee meets as required during the financial year to review matters falling within its responsibilities.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach

ACCOUNTABILITY AND COMPLIANCE

The Board is committed to maintaining an effective corporate governance framework appropriate to the size, nature and complexity of the Company's operations.

The Directors recognize that corporate governance is a continuing process. Accordingly, the Board and its Committees continue to review the Company's governance arrangements, policies, internal controls and risk management processes in response to changes in the regulatory environment and the Company's business requirements.

The Board believes that maintaining high standards of governance, accountability and transparency contributes towards the protection of shareholder interests and supports the sustainable long-term growth of Ramboda Falls PLC.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

AUDIT COMMITTEE REPORT

MEMBERSHIP AND APPOINTMENT

The Audit Committee is appointed by the Board of Directors of **Ramboda Falls PLC** and comprises members with the appropriate financial, commercial and management experience necessary to effectively discharge the responsibilities entrusted to the Committee.

The composition of the Audit Committee during the financial year ended **31 March 2026** was as follows,

- Mr. B.A.N.N.Kumara Perera – Chairman, Independent Non-Executive Director
- Mr. J.T.Dayalan David – Member, Independent Non-Executive Director
- Mr. M.M.Mohamed Amsath – Member, Non-Executive Director

The Board is satisfied that the composition of the Audit Committee is in accordance with the applicable requirements of the **Listing Rules of the Colombo Stock Exchange**.

The members of the Committee collectively possess a range of financial, commercial, operational and management experience, enabling the Committee to exercise effective oversight over financial reporting, internal controls, risk management and the internal and external audit processes of the Company.

MEETINGS

The Audit Committee met **five times** during the financial year ended 31st March 2026.

Name of Director	22/05/2025	14/08/2025	23/12/2025	06/03/2026	18/03/2026
Mr. B.A.N.N. Kumara Perera (Appointed - 22/05/2024) - (Chairman)	✓	✓	✓	✓	✓
Mr. J.T. Dayalan David (Appointed - 22/05/2024) - (Member)	✓	✓	✓	✓	✓
Mr. M.M. Mohamed Amsath - (Appointed - 01/11/2024) - (Member)	✓	✓	✓	✓	✓

The General Manager, Accountant and other members of Management attended meetings by invitation where their presence was considered necessary. Representatives of the Internal Auditors and External Auditors were also invited to attend meetings when matters relevant to their respective responsibilities were considered. The Chairman of the Board and other Directors may attend meetings of the Committee by invitation, provided that there is no conflict of interest in relation to the matters being discussed.

The attendance of individual Committee members at meetings held during the year is disclosed in the **Corporate Governance Report** in this Annual Report.

During its meetings, the Committee considered the Company's quarterly financial information, annual Financial Statements, internal audit reports, matters relating to internal controls and risk management, and reports and communications received from the External Auditors relating to the scope, conduct and outcome of the annual audit.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

AUDIT COMMITTEE REPORT

In reviewing financial information, the Committee considered compliance with the applicable **Sri Lanka Accounting Standards (SLFRSs/LKASs)**, the **Companies Act No. 07 of 2007**, applicable Listing Rules and other statutory and regulatory requirements.

KEY RESPONSIBILITIES OF THE AUDIT COMMITTEE

The principal responsibilities of the Audit Committee include:

- Reviewing the integrity and reliability of the Company's financial reporting process and Financial Statements.
- Reviewing the appropriateness and consistency of significant accounting policies, estimates and judgements adopted in preparing the Financial Statements.
- Monitoring the adequacy and effectiveness of the Company's internal control and risk management systems.
- Reviewing the scope, findings and recommendations of the Internal Auditors and monitoring Management's responses and implementation of agreed corrective actions.
- Reviewing the scope and results of the External Audit and matters raised by the External Auditors.
- Assessing the independence, objectivity and effectiveness of the External Auditors.
- Making recommendations to the Board regarding the appointment, reappointment or removal of the External Auditors and their audit remuneration.
- Reviewing and, where appropriate, approving audit and permitted non-audit services provided by the External Auditors, having regard to the need to safeguard auditor independence.
- Maintaining an appropriate channel of communication between the Board, Management, Internal Auditors and External Auditors.
- Reviewing matters relating to regulatory and statutory compliance insofar as they affect the financial reporting and control environment of the Company.
- Obtaining such information and explanations from employees, Management, auditors or other parties as the Committee considers necessary in carrying out its responsibilities.

ACTIVITIES DURING THE PERIOD UNDER REVIEW

During the financial year ended **31 March 2026**, the Audit Committee carried out its responsibilities with particular emphasis on financial reporting, internal controls, internal audit and external audit matters.

The Committee:

- Reviewed the quarterly financial information of the Company prior to its submission to the Board, with particular attention to the integrity of the financial information and significant financial reporting judgements.
- Reviewed the year-end Financial Statements for the year ended 31 March 2026 and recommended them to the Board of Directors for approval and publication.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

AUDIT COMMITTEE REPORT

ACTIVITIES DURING THE PERIOD UNDER REVIEW

- Considered the Internal Audit Plan and the areas identified for review based on the Company's operational and financial risks.
- Reviewed reports submitted by the Internal Auditors covering the operations of the Company and considered significant findings, recommendations and Management's responses.
- Monitored the progress made by Management in implementing agreed recommendations arising from internal audit reviews.
- Considered matters relating to risk management and the adequacy of controls established to manage significant financial and operational risks.
- Reviewed the scope and approach of the External Audit and discussed significant audit and financial reporting matters arising during the audit.
- Considered the independence and objectivity of the External Auditors, including the nature and extent of services provided to the Company.
- Recommended to the Board the appointment/reappointment of the External Auditors and the audit fee for consideration and approval, subject to the applicable shareholder approval requirements.

INTERNAL CONTROLS AND RISK MANAGEMENT

The Audit Committee recognises the importance of maintaining an effective system of internal controls appropriate to the nature and scale of the Company's operations.

During the year, the Committee reviewed the internal control environment through reports submitted by Management and the Internal Auditors. Particular attention was given to controls relating to financial reporting, revenue and expenditure, safeguarding of assets, operational procedures and compliance with established policies.

The Committee reviewed significant internal control observations and Management's responses thereto and monitored the implementation of agreed corrective measures.

The Committee recognises that internal controls are designed to manage rather than completely eliminate the risk of failure to achieve business objectives and can therefore provide reasonable, but not absolute, assurance against material misstatement, loss or fraud.

Governance at a Glance

*Transparency, accountability and ethical conduct remain central to the Company's governance approach***.**

AUDIT COMMITTEE REPORT

FINANCIAL REPORTING

The Committee reviewed the quarterly Financial Statements and the annual Financial Statements of the Company with Management prior to recommending them to the Board.

In carrying out this review, the Committee considered the appropriateness of accounting policies, significant accounting estimates and judgements, presentation and disclosure requirements and compliance with applicable financial reporting standards and regulatory requirements.

The Committee was satisfied that appropriate processes were in place to support the integrity and reliability of the Company's financial reporting.

INTERNAL AUDIT

The Internal Audit function provides independent assurance to the Audit Committee regarding the adequacy and effectiveness of internal controls across the Company's operations.

The Committee reviewed and discussed the Internal Audit Plan and considered reports issued during the year. Significant findings, recommendations and Management's responses were reviewed by the Committee, with follow-up action monitored where appropriate.

The Committee encourages Management to continuously strengthen internal controls and operational processes in response to findings arising from internal audit reviews.

Internal Auditors: Messrs. Wannigama Associates, Chartered Accountants carried out internal audit up to 31 December 2025. **Messrs. UHY Centra Management Associates,** Chartered Accountants was appointed by board on 1 January 2026.

EXTERNAL AUDITORS

The Committee reviewed the scope and approach of the External Audit for the financial year ended **31 March 2026** and considered matters arising from the audit together with the External Auditors and Management.

The Committee assessed the independence and objectivity of the External Auditors, including the nature of any non-audit services provided to the Company, where applicable, to ensure that such services did not compromise their independence.

Having considered the performance, independence and objectivity of the External Auditors, the Committee recommended to the Board their **reappointment**, subject to shareholder approval where required.

The audit fees and fees relating to other permitted services, if any, are disclosed in the relevant Notes to the Financial Statements.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

AUDIT COMMITTEE REPORT (Cont.)

External Auditors: Messrs. KPMG 2025/26

AUDIT COMMITTEE EFFECTIVENESS

The Audit Committee reviews its performance and effectiveness in discharging the responsibilities assigned to it.

Based on its activities during the financial year ended **31 March 2026**, the Committee is satisfied that it has discharged its responsibilities in accordance with its mandate and has provided appropriate oversight of the Company's financial reporting, internal control, risk management and audit processes.

The Committee will continue to review its activities and responsibilities in response to developments in the Company's operations, financial reporting requirements and the regulatory environment.

B.A.N.N.Kumara Perera
Chairman – Audit Committee
Ramboda Falls PLC

Date: 31st August 2026

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

REMUNERATION COMMITTEE REPORT

COMPOSITION OF THE COMMITTEE

The Remuneration Committee of **Ramboda Falls PLC** is appointed by the Board of Directors and comprises Non-Executive Directors, with the appropriate representation of Independent Non-Executive Directors in accordance with the applicable corporate governance requirements.

The members of the Committee for the financial year ended **31 March 2026** are as follows:

- Mr. M.M.Mohamed Amsath – Chairman, Independent Non-Executive Director
- Mr. B.A.N.N.Kumara Perera – Member, Independent Non-Executive Director
- Mr. J.T.Dayalan David – Member, Non-Executive Director / Independent Non-Executive Director
- Mr. Lee. Kiyau. Loo – Member, Non-Executive Director

The members of the Committee bring appropriate experience and independent judgement to the deliberations of the Committee. The Independent Non-Executive Directors are independent of Management and are free from any business or other relationship that could materially interfere with the exercise of their independent judgement.

Executive Directors and members of Management may attend meetings of the Committee by invitation when their presence is considered necessary. No Director participates in decisions relating to his or her own remuneration.

ROLE AND RESPONSIBILITIES

The primary responsibility of the Remuneration Committee is to assist the Board in establishing and maintaining an appropriate remuneration framework that supports the Company's business objectives while promoting fairness, performance and long-term sustainability.

The Committee reviews remuneration arrangements and makes recommendations to the Board where appropriate, taking into consideration the responsibilities of the respective positions, individual and Company performance, prevailing market conditions and the Company's ability to attract and retain suitably qualified and experienced personnel.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

REMUNERATION COMMITTEE REPORT

ROLE AND RESPONSIBILITIES

The principal responsibilities of the Committee include:

- Reviewing and recommending remuneration arrangements applicable to Executive Directors and other relevant senior management personnel;
- Reviewing the Company's overall remuneration policies and practices to ensure that they remain appropriate and competitive;
- Ensuring that remuneration arrangements support the Company's objectives and encourage a performance-oriented culture;
- Reviewing salary revisions, annual increments and other employee-related remuneration matters referred to the Committee;
- Considering recommendations relating to the recruitment and retention of key personnel where appropriate;
- Ensuring that remuneration decisions are made fairly and objectively, having regard to individual responsibilities, qualifications, experience and performance;
- Ensuring that the Company's remuneration framework is consistent with applicable corporate governance and regulatory requirements.

REMUNERATION POLICY

The Company's remuneration policy is designed to **attract, motivate and retain employees with the skills, experience and commitment required to achieve the Company's objectives and maintain a high standard of guest service**.

The Committee recognises that the quality and commitment of employees are particularly important to the success of a hospitality business. Accordingly, the remuneration framework seeks to provide appropriate and competitive remuneration while taking into consideration the Company's financial position, operational requirements and prevailing market conditions.

The policy seeks to maintain **internal equity and fairness among employees**, with remuneration and related employment decisions based on objective and relevant criteria.

The Company remains committed to providing equal opportunity and maintaining a workplace in which employment and remuneration decisions are made without inappropriate discrimination.

Performance is an important consideration in determining salary revisions, increments and other performance-related remuneration. The Company's **Performance Management System**, where applicable, provides a structured basis for evaluating employee performance and supporting remuneration decisions.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

REMUNERATION COMMITTEE REPORT

MEETINGS

The Remuneration Committee met **four times** during the financial year ended **31 March 2026**.

The attendance of individual Committee members at meetings held during the year is disclosed in the **Corporate Governance Report** of this Annual Report.

Name of Director	22/05/2025	14/08/2025	23/12/2025	18/03/2026
Mr. M.M. Mohamed Amsath - Chairman	✓	✓	✓	✓
Mr. B.A.N.N. Kumara Perera - Member	✓	✓	✓	✓
Mr. J.T. Dayalan David - Member	✓	✓	✓	✓
Mr. Lee Kiyau Loo - Member	-	✓	✓	✓

Executive Directors and relevant members of Management attended meetings by invitation where their participation was considered necessary to provide information and clarification to the Committee.

ACTIVITIES DURING 2025/26

During the financial year ended **31 March 2026**, the Remuneration Committee considered matters relating to the Company's human resource and remuneration requirements with particular attention to maintaining service standards, employee performance and retention.

The principal activities of the Committee during the year included:

- Reviewing the Company's staffing requirements with the objective of ensuring that appropriate Executive and Non-Executive staff were available across the relevant departments to support efficient hotel operations and provide a high standard of guest service.
- Reviewing employee remuneration and recommending appropriate salary revisions and annual increments, where applicable, having regard to individual performance, responsibilities, prevailing economic conditions and the financial position of the Company.
- Considering employee performance assessments under the Company's Performance Management System as an important factor in determining annual increments and other performance-related remuneration decisions.
- Reviewing matters relating to staff benefits and other employee-related remuneration arrangements referred to the Committee.
- Considering the need to retain experienced and skilled employees in key operational areas and encouraging appropriate measures to maintain employee motivation and productivity.
- Reviewing remuneration practices with a view to maintaining reasonable internal equity and fairness among employees.
- Ensuring that remuneration-related recommendations remained consistent with the Company's overall business objectives, operational requirements and financial position.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

REMUNERATION COMMITTEE REPORT

EMPLOYEE RECRUITMENT AND RETENTION

The Committee recognises that the Company's ability to provide a consistent and high-quality guest experience depends significantly on attracting and retaining competent and motivated employees.

Accordingly, during the year, the Committee continued to support the recruitment of suitable personnel where required to meet the operational needs of the Company's various departments.

The Committee also recognised the importance of employee retention, training, performance recognition and appropriate remuneration in maintaining service quality and operational efficiency within the hotel.

PERFORMANCE-BASED REMUNERATION

The Company seeks to maintain an appropriate relationship between employee performance and remuneration.

Where applicable, annual increments and other performance-related remuneration are considered with reference to the Company's Performance Management System and the performance ratings of individual employees.

This approach is intended to recognise individual contribution, encourage improved performance and support a culture of accountability while ensuring that remuneration decisions remain consistent with the Company's financial and operational circumstances.

COMMITTEE EFFECTIVENESS

The Committee is satisfied that it has discharged its responsibilities during the financial year ended **31 March 2026** in accordance with its mandate and the applicable corporate governance requirements.

The Committee will continue to review the Company's remuneration practices and human resource requirements to ensure that they support the Company's strategic objectives, operational requirements and commitment to delivering a high standard of service to its guests.

……………….

M.M.Mohamed Amsath
Chairman – Remuneration Committee
Ramboda Falls PLC

Date: 31st August 2026

CORPORATE GOVERNANCE

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE REPORT

COMPOSITION OF THE COMMITTEE

The **Related Party Transactions Review Committee (RPTRC)** of Ramboda Falls PLC is appointed by the Board of Directors and functions in accordance with the applicable requirements of the **Listing Rules of the Colombo Stock Exchange**.

The Committee comprises Non-Executive Directors with the appropriate representation of Independent Non-Executive Directors, enabling the Committee to exercise objective and independent judgement in reviewing related party transactions of the Company.

The members of the Committee for the financial year ended **31 March 2026** are as follows:

- Mr. B.A.N.N.Kumara Perera – Chairman, Independent Non-Executive Director
- Mr. J.T.Dayalan David – Member, Independent Non-Executive Director
- Mr. S.J. Chandrasena – Member, Non-Executive Director / Independent Non-Executive Director
- Mr. M.M.Mohamed Amsath - Member, Independent Non-Executive Director

The Independent Non-Executive Directors are independent of Management and free from any business or other relationship that could materially interfere with the exercise of their independent judgement.

MEETINGS

The Committee meets at least once in each calendar quarter in accordance with the applicable requirements of the Listing Rules of the Colombo Stock Exchange.

During the financial year ended **31 March 2026**, the Committee met **four times**.

The attendance of individual Committee members at meetings held during the year is disclosed in the **Corporate Governance Report** of this Annual Report.

Members of Management, Internal Auditors, External Auditors and other relevant officers may attend meetings by invitation when their presence is considered necessary to provide information or clarification to the Committee.

Name of Director	18/03/2026	22/05/2025	14/08/2025	23/12/2025
Mr. B.A.N.N. Kumara Perera - (Appointed - 22/05/2024) - (Chairman)	✓	✓	✓	✓
Mr. J.T. Dayalan David - (Appointed - 01/11/2024)	-	✓	-	-
Mr. S.J. Chandrasena - (Member)	✓	-	✓	✓
Mr. M.M. Mohamed Amsath - (Appointed - 01/11/2024)	✓	✓	✓	✓

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE REPORT

DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

The principal objective of the Committee is to ensure that transactions between the Company and its related parties are conducted in a manner that protects the interests of the Company and its shareholders and complies with applicable regulatory requirements.

The principal duties and responsibilities of the Committee include:

- Reviewing in advance all proposed related party transactions of the Company that fall within the scope of the applicable regulatory requirements;
- Obtaining information from Management, employees, External Auditors, Internal Auditors or other parties as the Committee considers necessary in relation to transactions entered into or proposed to be entered into with related parties;
- Obtaining appropriate professional advice or expertise, where necessary, to assess the terms, nature and implications of proposed related party transactions;
- Reviewing the economic and commercial substance of recurrent and non-recurrent related party transactions;
- Assessing whether proposed related party transactions are entered into on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders;
- Making recommendations to the Board and obtaining Board approval prior to the execution of related party transactions where such approval is required;
- Reviewing recurrent related party transactions and ensuring that appropriate guidelines and procedures are established for Management in dealing with such transactions;
- Monitoring related party transactions to ensure compliance with the applicable provisions of the Listing Rules of the Colombo Stock Exchange;
- Reviewing whether related party transactions requiring market disclosure or shareholder approval have been appropriately identified and dealt with in accordance with the applicable requirements;
- Ensuring that appropriate disclosures relating to related party transactions are made in the Company's Financial Statements and Annual Report;
- Meeting with Management, Internal Auditors and External Auditors, as necessary, in carrying out the responsibilities assigned to the Committee.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE REPORT

REVIEW PROCESS

The Committee reviews information relating to proposed and ongoing related party transactions presented by Management.

In conducting its review, the Committee considers, among other matters, the nature of the relationship between the parties, the commercial rationale for the transaction, the terms and conditions of the transaction, the value of the transaction and whether the proposed arrangement is consistent with normal commercial terms.

The Committee also considers whether a transaction requires prior approval of the Board, shareholder approval, immediate market disclosure or any other action under the applicable Listing Rules.

Where recurrent related party transactions arise in the ordinary course of business, the Committee reviews the procedures and guidelines established by Management to ensure that such transactions continue to be conducted on appropriate commercial terms.

DECISIONS AND SUMMARY OF PROCEEDINGS – 2025/26

During the financial year ended **31 March 2026**, the Committee reviewed matters relating to related party transactions presented to it in accordance with its responsibilities.

The Committee:

- Reviewed related party transactions and arrangements, where applicable, brought to its attention during the year;
- Considered whether such transactions were entered into in the ordinary course of business and on normal commercial terms;
- Considered the interests of the Company and its shareholders, including minority shareholders, in reviewing related party transactions;
- Made recommendations to the Board where approval or further consideration by the Board was required;
- Reviewed ongoing or recurrent related party transactions and, where appropriate, provided guidelines for Management to follow in relation to such transactions;
- Reviewed the adequacy of disclosures relating to related party transactions in the Financial Statements; and
- Considered compliance with the applicable related party transaction requirements of the Colombo Stock Exchange.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE REPORT

RELATED PARTY TRANSACTION DISCLOSURES

Related party transactions of the Company for the financial year ended **31 March 2026**, where applicable, are disclosed in the relevant **Note to the Financial Statements**.

The Committee reviewed the relevant disclosures to ensure that they appropriately reflect the related party transactions identified during the year and comply with the applicable financial reporting and regulatory requirements.

DECLARATION BY THE BOARD OF DIRECTORS

The Board of Directors acknowledges its responsibility for ensuring compliance with the applicable requirements governing related party transactions.

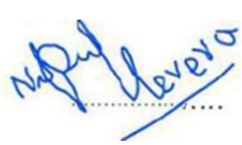
Based on the information made available to the Board and the recommendations of the Related Party Transactions Review Committee, the Board confirms that related party transactions entered into during the year have been reviewed in accordance with the Company's established procedures and the applicable regulatory requirements.

Related party transactions entered into by the Company during the year, if any, are disclosed in the relevant Note to the Financial Statements for the year ended **31 March 2026**.

COMMITTEE EFFECTIVENESS

The Committee is satisfied that it has discharged its responsibilities during the financial year ended 31 March 2026 in accordance with its mandate and the applicable regulatory requirements.

The Committee will continue to monitor the Company's related party transactions and related governance processes to ensure that the interests of the Company and its shareholders are appropriately safeguarded.



B.A.N.N.Kumara Perera
Chairman
Related Party Transactions Review Committee
Ramboda Falls PLC

Date: 31st August 2026

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

NOMINATIONS AND GOVERNANCE COMMITTEE REPORT

INTRODUCTION

The **Nominations and Governance Committee** of Ramboda Falls PLC continued to assist the Board during the financial year ended **31 March 2026** in fulfilling its responsibilities relating to Board composition, nominations, succession planning and the Company's corporate governance framework.

The Committee operates within clearly defined Terms of Reference approved by the Board and performs its responsibilities in accordance with the applicable provisions of the **Listing Rules of the Colombo Stock Exchange**, the **Companies Act No. 07 of 2007**, and other applicable statutory and regulatory requirements.

The Committee supports the Board in ensuring that Ramboda Falls PLC maintains an appropriate governance structure and that the Board possesses the necessary combination of skills, experience, knowledge and independent judgement to effectively direct and oversee the affairs of the Company.

COMPOSITION OF THE COMMITTEE

The members of the Nominations and Governance Committee for the financial year ended **31 March 2026** are as follows:

- Mr. J.T.Dayalan David – Chairman, Non-Executive Director / Independent Non-Executive Director
- Mr. B.A.N.N.Kumara Perera – Member, Senior Independent Non-Executive Director
- Mr. Lee.Kiyau.Loo- Member, Non-Executive Director
- Mr. M.M.M.Amsath – Member, Independent Non-Executive Director

The composition of the Committee is maintained in accordance with the applicable requirements of the Listing Rules of the Colombo Stock Exchange.

The members collectively possess appropriate experience, knowledge and judgement to evaluate Board composition, appointments, succession requirements and corporate governance matters.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

NOMINATIONS AND GOVERNANCE COMMITTEE REPORT

DUTIES AND RESPONSIBILITIES OF THE NOMINATIONS AND GOVERNANCE COMMITTEE

The principal duties and responsibilities of the Committee include:

- Evaluating and recommending candidates for appointment to the Board and Board Committees, taking into consideration the skills, experience, qualifications, knowledge and other attributes required by the Company.
- Considering and making recommendations regarding the re-election or reappointment of existing Directors, having regard to their knowledge, experience, performance, contribution to the Company and ability to meet the strategic requirements of the business.
- Considering the overall responsibilities of individual Directors, including the number of directorships and other principal commitments held by them, when assessing their ability to devote sufficient time and attention to the affairs of the Company.
- Establishing and maintaining a formal and transparent process for the evaluation, selection, appointment and reappointment of Directors.
- Establishing and reviewing appropriate criteria for the selection of Directors, including academic and professional qualifications, skills, knowledge, experience and other attributes relevant to the nature and requirements of the Company's business.
- Considering the independence of Directors and making recommendations to the Board in accordance with the independence criteria prescribed by the applicable Listing Rules.
- Reviewing the overall composition of the Board to ensure an appropriate balance between Executive, Non-Executive and Independent Non-Executive Directors.
- Reviewing the composition of Board Committees and recommending appointments or changes where appropriate.
- Developing and reviewing succession plans for the Board of Directors and Key Management Personnel to support continuity of leadership and the long-term requirements of the Company.
- Reviewing and recommending improvements to the overall corporate governance framework of the Company, taking into consideration the Listing Rules, other applicable regulatory requirements and recognised governance practices.
- Reviewing and updating corporate governance policies and procedures in response to changes in regulatory and legal requirements.
- Receiving reports from Management regarding the Company's compliance with its corporate governance framework and applicable statutory and regulatory requirements.
- Monitoring compliance with applicable provisions of the **Securities and Exchange Commission of Sri Lanka Act**, the **Listing Rules of the Colombo Stock Exchange**, the **Companies Act No. 07 of 2007**, and other relevant laws and regulations.
- Considering significant instances of non-compliance, if any, and recommending appropriate corrective action to the Board.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

NOMINATIONS AND GOVERNANCE COMMITTEE REPORT

BOARD COMPOSITION AND NOMINATIONS

The Committee recognises that an appropriately constituted Board is fundamental to the effective governance and long-term success of the Company.

In considering appointments or reappointments to the Board, the Committee assesses the overall balance of skills, knowledge, experience and independence required to support the Company's business and strategic objectives.

Potential candidates are evaluated objectively, taking into consideration their professional qualifications, industry and commercial experience, leadership capabilities, integrity, independence of judgement and ability to devote sufficient time to the affairs of the Company.

The Committee also considers the existing composition of the Board and the extent to which a proposed appointment would complement the skills and experience already available to the Company.

RE-ELECTION AND REAPPOINTMENT OF DIRECTORS

In making recommendations regarding the re-election or reappointment of Directors, the Committee considers each Director's contribution to the Board, attendance and participation at meetings, knowledge and experience, performance, independence where applicable, and ability to continue contributing effectively to the Company's strategic and governance requirements.

The Committee also considers other directorships and significant external commitments held by Directors to ensure that they are able to devote sufficient time to the affairs of Ramboda Falls PLC.

Recommendations arising from this review are submitted to the Board for consideration and, where applicable, to shareholders for approval.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach

NOMINATIONS AND GOVERNANCE COMMITTEE REPORT

SUCCESSION PLANNING

The Committee recognises the importance of effective succession planning in ensuring continuity of leadership and maintaining the appropriate capabilities required by the Company.

Accordingly, the Committee considers succession requirements relating to the Board and Key Management Personnel and seeks to identify the skills, experience and leadership capabilities required to support the Company's future development.

Succession planning is reviewed periodically, taking into consideration the Company's strategic objectives, anticipated changes in leadership requirements and the need to maintain an appropriate balance of experience and independence at Board level.

CORPORATE GOVERNANCE

The Committee assists the Board in maintaining and continuously improving the Company's corporate governance framework.

During the year, the Committee continued to consider the Company's governance arrangements in the context of the applicable Listing Rules of the Colombo Stock Exchange and other regulatory requirements.

The Committee recognises that corporate governance is an evolving process and that the Company's governance policies and practices should be periodically reviewed to reflect changes in legislation, regulatory requirements and accepted governance practices.

The Committee therefore monitors developments in the regulatory environment and makes recommendations to the Board regarding amendments to policies, procedures and governance practices where considered necessary.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

NOMINATIONS AND GOVERNANCE COMMITTEE REPORT

COMPLIANCE

The Committee monitors the Company's compliance with the corporate governance framework and applicable regulatory requirements through information and reports provided by Management, the Company Secretary and other relevant parties.

Any significant matters concerning compliance with applicable laws, regulations or Listing Rules are brought to the attention of the Board together with appropriate recommendations for corrective action where necessary.

The Company Secretary assists the Board and the Committee in monitoring developments in applicable regulatory requirements and ensuring that relevant matters are communicated to the Directors.

BOARD PERFORMANCE AND EFFECTIVENESS

The performance and effectiveness of the Board are reviewed periodically with the objective of ensuring that the Board continues to effectively discharge its responsibilities.

Matters relating to Board performance, composition, effectiveness and governance are discussed at Board meetings as appropriate.

The Committee encourages an environment in which Directors are able to constructively challenge, discuss and contribute to matters presented to the Board.

Where significant or urgent matters arise, special Board meetings may be convened to enable the Board to consider and respond to such matters in a timely manner.

MEETINGS

The Committee meets at least once in each calendar quarter in accordance with the applicable requirements of the Listing Rules of the Colombo Stock Exchange.

During the financial year ended **31 March 2026**, the Committee met **three times**.

Name of Director	22/05/2025	14/08/2025	24/03/2026
Mr. J. T. Dayalan David (Appointed - 22/05/2024) - (Chairman)	✓	✓	✓
B.A.N.N. Kumara Perera (Appointed - 01/11/2024) - (Member)	✓	-	-
Mr. Lee Kiyau Loo (Member)	-	✓	✓
Mr. M.M.M. Amsath (Member)	-	✓	✓

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

NOMINATIONS AND GOVERNANCE COMMITTEE REPORT

ACTIVITIES DURING 2025/26

During the financial year ended **31 March 2026**, the Committee's activities included, where applicable:

- Reviewing the composition and structure of the Board and Board Committees;
- Considering the continued independence of Independent Non-Executive Directors based on declarations submitted by them;
- Reviewing the suitability of Directors for re-election or reappointment, where applicable;
- Reviewing the skills, experience and other attributes represented on the Board;
- Considering succession requirements for the Board and Key Management Personnel;
- Reviewing the Company's corporate governance policies and practices;
- Monitoring developments in the Listing Rules and other regulatory requirements relevant to corporate governance;
- Reviewing information relating to compliance with the Company's corporate governance framework;
- Making recommendations to the Board on governance and nomination matters where considered appropriate.

COMMITTEE EFFECTIVENESS

The Committee is satisfied that it has discharged its responsibilities during the financial year ended **31 March 2026** in accordance with its Terms of Reference and the applicable corporate governance requirements.

The Committee will continue to assist the Board in maintaining a strong and effective governance framework and ensuring that the composition, skills and experience of the Board remain appropriate to support the Company's strategic objectives and long-term sustainable development.

Mr. J.T Dayalan David
Chairman
Nominations and Governance Committee
Ramboda Falls PLC

Date: 31st august 2026

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

STATEMENT BY THE SENIOR INDEPENDENT DIRECTOR

The Board of Directors of **Ramboda Falls PLC** has appointed a **Senior Independent Director (SID)** in accordance with the applicable corporate governance requirements of the **Listing Rules of the Colombo Stock Exchange**.

The appointment of the Senior Independent Director is intended to strengthen the governance framework of the Company by providing an additional independent channel of communication within the Board and supporting an appropriate balance of authority and independent judgement.

In accordance with **Section 9.6.3 of the Listing Rules of the Colombo Stock Exchange**, and having regard to the applicable principles of the **Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka**, a Senior Independent Director is appointed where required by the governance structure of the Company.

As the Chairman of Ramboda Falls PLC is not considered an Independent Director, the appointment of a Senior Independent Director provides an additional mechanism to strengthen independent oversight and promote effective governance within the Board.

ROLE OF THE SENIOR INDEPENDENT DIRECTOR

The Senior Independent Director performs an important role in supporting the effectiveness and independence of the Board. The principal responsibilities of the SID include:

- Providing guidance and support to the Chairman on matters relating to the governance of the Company;
- Providing an independent perspective on matters considered by the Board and promoting constructive engagement among Directors;
- Supporting transparency and accountability in matters relating to corporate governance;
- Facilitating an appropriate review of the effectiveness and performance of the Board and the Chairman, where required;
- Acting as an alternative point of contact for Directors where matters cannot appropriately be addressed through the Chairman;
- Making himself available to Directors and employees for confidential discussions concerning the affairs of the Company where the need arises;
- Facilitating discussions among the Independent and Non-Executive Directors, where appropriate, without the presence of the Chairman or Executive Directors;
- Supporting an appropriate balance between Executive and Non-Executive perspectives within the Board;
- Assisting the Board in maintaining high standards of corporate governance and effective decision-making.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

STATEMENT BY THE SENIOR INDEPENDENT DIRECTOR (Cont.)

ACTIVITIES DURING THE YEAR

During the financial year ended **31 March 2026**, I continued to perform the responsibilities entrusted to me as Senior Independent Director in accordance with the Company's corporate governance framework and the applicable Listing Rules.

In carrying out these responsibilities, I maintained appropriate engagement with the Chairman, Independent Directors and other members of the Board on matters relevant to the effective governance of the Company.

In line with the applicable governance requirements, a meeting was held with the **Independent Directors without the presence of the Chairman**, at which matters relating to the Company, the functioning and effectiveness of the Board, governance practices and other relevant matters were discussed.

The meeting provided the Independent Directors with an opportunity to exchange views independently and constructively and to consider matters relevant to the effectiveness of the Board and its governance processes.

The outcome of the discussions, together with relevant observations and recommendations arising from the meeting, was communicated to the Chairman and the Board as appropriate.

I also remained available during the year to Directors for consultation and confidential discussion on matters relating to the affairs and governance of the Company where required.

BOARD EFFECTIVENESS AND GOVERNANCE

The Board recognises that effective corporate governance requires constructive engagement, independent judgement, transparency and an appropriate balance of responsibilities among its members.

In my capacity as Senior Independent Director, I have sought to contribute towards maintaining these principles and supporting an environment in which Directors are able to express their views openly and participate effectively in the decision-making process.

I am satisfied that the Board continued to provide appropriate oversight of the affairs of the Company during the year under review and that the Independent Directors were provided with the opportunity to exercise independent judgement on matters presented for their consideration.

The Company's governance arrangements will continue to be reviewed in light of regulatory developments, changes in the Company's operating environment and recognised corporate governance practices.

Governance at a Glance

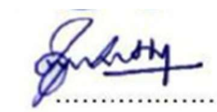
Transparency, accountability and ethical conduct remain central to the Company's governance approach.

STATEMENT BY THE SENIOR INDEPENDENT DIRECTOR (Cont.)

CONCLUSION

Based on the activities undertaken during the financial year ended **31 March 2026**, I believe that I have fulfilled the responsibilities entrusted to the Senior Independent Director in accordance with the applicable corporate governance requirements.

I remain committed to supporting the Chairman, the Board and the Company in maintaining sound corporate governance practices, promoting transparency and accountability, and safeguarding the interests of shareholders and other stakeholders of **Ramboda Falls PLC**.



M.M.M Amsath
Senior Independent Director
Ramboda Falls PLC

Date: 31st August 2026

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO PREPARING FINANCIAL STATEMENTS

FINANCIAL REPORTS

The following Statement sets out the responsibilities of the Directors of **Ramboda Falls PLC** in relation to the preparation and presentation of the Financial Statements of the Company for the year ended **31 March 2026**. This Statement should be read in conjunction with the **Independent Auditor's Report**, which sets out the respective responsibilities of the Directors and the External Auditors in relation to the Financial Statements.

The **Companies Act No. 07 of 2007** requires the Directors to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Company as at the reporting date and of its financial performance and cash flows for the financial year.

In preparing the Financial Statements for the year ended 31 March 2026, the Directors are responsible for ensuring that:

- Appropriate accounting policies have been selected and applied consistently;
- All applicable **Sri Lanka Accounting Standards (SLFRSs/LKASs)** have been followed, subject to any material departures being appropriately disclosed and explained;
- Judgements and estimates have been made on a reasonable and prudent basis;
- The Financial Statements have been prepared on a going concern basis unless it is inappropriate to presume that the Company will continue in business;
- The Financial Statements comply with the applicable provisions of the Companies Act No. 07 of 2007 and other relevant statutory and regulatory requirements.

The Directors confirm that the Company maintains accounting records with reasonable accuracy and sufficient detail to enable the financial position of the Company to be determined at any time and to facilitate the preparation of Financial Statements in accordance with the **Companies Act No. 07 of 2007**, applicable **Sri Lanka Accounting Standards**, and the relevant financial reporting and disclosure requirements of the **Listing Rules of the Colombo Stock Exchange**.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO PREPARING FINANCIAL STATEMENTS

GOING CONCERN

The Directors have reviewed the Company's financial position, operating performance, cash flows, available financial resources and future financial projections in assessing the Company's ability to continue as a going concern.

Having considered the information available to them, the Directors are satisfied that the Company has adequate resources to continue its operations for the foreseeable future. Accordingly, the Financial Statements for the year ended **31 March 2026** have been prepared on the **going concern basis**.

The Directors will continue to monitor the Company's financial position, liquidity, operating environment and other factors that could have an impact on its ability to continue as a going concern.

INTERNAL CONTROLS AND SAFEGUARDING OF ASSETS

The Directors acknowledge their responsibility for maintaining appropriate systems of internal control and risk management within the Company.

The Directors have taken reasonable steps to safeguard the assets of Ramboda Falls PLC and to establish appropriate systems of internal control designed to prevent and detect fraud, errors and other irregularities.

The Company's internal control systems are designed to provide reasonable assurance regarding the reliability of financial reporting, safeguarding of assets, effectiveness and efficiency of operations, and compliance with applicable laws, regulations and internal policies.

The Directors recognise that any system of internal control can provide reasonable, but not absolute, assurance against material misstatement or loss.

Governance at a Glance

Transparency, accountability and ethical conduct remain central to the Company's governance approach.

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO PREPARING FINANCIAL STATEMENTS

RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Directors acknowledge that they are responsible for the preparation and presentation of the Financial Statements of the Company and for ensuring that such Financial Statements provide a true and fair view in accordance with applicable financial reporting requirements.

The Directors are also responsible for ensuring that the Financial Statements and other financial information included in the Annual Report are consistent with the underlying accounting records of the Company.

The External Auditors are responsible for expressing an independent opinion on the Financial Statements based on their audit conducted in accordance with the applicable auditing standards.

The Directors are of the view that they have discharged the responsibilities relating to the preparation of the Financial Statements as set out in this Statement.

COMPLIANCE REPORT

The Directors confirm that, to the best of their knowledge and belief, all statutory payments relating to employees and the Government that fell due during the financial year ended **31 March 2026** have been paid or, where relevant, appropriately provided for in the Financial Statements in accordance with applicable statutory requirements.

The Directors further confirm that the Company has endeavored to comply with the applicable requirements of the **Companies Act No. 07 of 2007**, the **Listing Rules of the Colombo Stock Exchange**, applicable Sri Lanka Accounting Standards and other relevant statutory and regulatory requirements in relation to the preparation and presentation of its Financial Statements.

The Board is satisfied that appropriate financial reporting processes and controls were maintained during the year to support the preparation of reliable Financial Statements for **Ramboda Falls PLC** for the year ended **31 March 2026**.

By Order of the Board of RAMBODA FALLS PLC

Kim Leng Yeoh	B.A.N.N.K Perera
Director / Authorized Signatory	**Chairman-Board Audit Committee**

Date: 31st August 2026
Colombo

INDEPENDENT AUDITOR'S REPORT

KPMG

KPMG
(Chartered Accountants)
32A, Sir Mohamed Macan Markar Mawatha,
P. 0. Box 186,
Colombo 00300, Sri Lanka.

Tel +94 - 11 542 6426
Fax +94 - 11 244 5872
+94 - 11 244 6058
Internet www.kpmg.com/lk

TO THE SHAREHOLDERS OF RAMBODA FALLS PLC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Ramboda Falls PLC ("the Company"), which comprise the statement of financial position as at 31st March 2026, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information set out on pages 72 to 113.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31st March 2026, and of its 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 Company 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's financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

01. Revenue from Contract with Customers	
Refer Accounting Policies in Note 3.2.10 and Note 5 to the financial statements	
Risk Description	**Our responses**
The Company's revenue comprises of revenue from the provision of accommodation, provision of food and beverage and provision of other services. Revenue from provision of accommodation, food, beverage and other services is recognized when the service is rendered to the customer. Revenue is a key performance indicator and is material to the financial statements. We identified the recognition of revenue to be a key audit matter due to its significance to the financial statements and the associated presumed fraud risk.	Our audit procedures included ▪ Testing the design, implementation and operating effectiveness of key internal controls over recognition of revenue. ▪ Examining a sample of contracts to assess the relevancy and consistency of revenue recognition method in accordance with SLFRS 15. ▪ Verifying a sample of revenue transactions at the year-end to determine whether transactions have been recorded in the correct period. ▪ Assessing the adequacy of the related disclosures in the financial statement and consistency with the accounting policies.

02. Revaluation of freehold land, buildings, motor vehicles, furniture, fittings, office equipment, plant and machinery	
Refer Accounting Policies in Note 11.10 and Note 11 to the financial statements	
Risk Description	**Our responses**
The Company measures its freehold land, buildings, motor vehicles, furniture, fittings, office equipment, plant and machinery at fair value. The management has engaged an external valuation specialist to determine the fair values of these assets as at 31st March 2026. The revaluation resulted in a fair value gain of Rs. 319 Mn. The carrying value of the revalued assets amounted to Rs. 925.6Mn, representing 88.33% of the Company's total assets as at that date. We considered the revaluation of these classes of property, plant and equipment to be a key audit matter due to the significance of the balances to the financial statements and because the determination of fair value involves significant management judgement, including the use of valuation assumptions and estimates.	Our audit procedures included, ▪ Assessing the competence, capabilities and objectivity of the external valuation specialist engaged by the Company. ▪ Evaluating the appropriateness of the valuation methodologies used and the reasonableness of key assumptions applied by the external valuation specialist, with the involvement of our internal valuation specialists, where applicable. ▪ Testing, on a sample basis, the accuracy and completeness of key data used in the valuations. ▪ Assessing the adequacy of the related disclosures in the financial statements, including disclosures on fair value measurement of freehold land, buildings, motor vehicles, furniture and fittings, office equipment and plant and machinery, in accordance with Sri Lanka Accounting Standards.

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 will 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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 are also:

Auditor’s Responsibilities for the Audit of the Financial Statements (Cont.)

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.

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

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s 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 Company to cease to continue as a going concern.

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

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 5113.

CHARTERED ACCOUNTANTS

Colombo, Sri Lanka

31st August 2026

RAMBODA FALLS PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST MARCH

		2026	2025
		Rs.	Rs.
Revenue	**5**	**212,748,621**	242,266,623
Cost of Sales		**(122,185,728)**	(134,987,316)
Gross Profit		**90,562,893**	107,279,307
Other Operating Income	**6**	**10,882,194**	6,042,853
Administration & Other Expenses		**(80,280,697)**	(67,475,721)
Marketing & Selling Expenses		**(4,581,618)**	(3,352,754)
Profit From Operations	**7**	**16,582,772**	42,493,684
Finance Income	**8.1**	**5,719,029**	3,247,284
Finance Expenses	**8.2**	**(767,181)**	(994,231)
Net Finance Income	**8**	**4,951,848**	2,253,053
Profit Before Taxation		**21,534,620**	44,746,737
Income Tax Expences	**9**	**(5,155,001)**	(14,782,504)
Profit for the Year		**16,379,619**	29,964,233
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss:			
Acturial Loss on Retirement Benefit Obligation	**20.2**	**(1,218,841)**	(364,253)
Deferred tax affect on Acturial Loss on Retirement Benefit Obligation	**21.2**	**365,652**	109,276
Revaluation Gain on Property, Plant & Equipment	**11**	**319,070,278**	-
Deferred tax affect on Revaluation Gain on Property, Plant & Equipment	**21.2**	**(95,721,083)**	-
Other Comphehencive Income for the year , Net of Tax		**222,496,006**	(254,977)
Total Comprehensive Income for the Year		**238,875,625**	29,709,256
Earnings Per Share	**10**	**0.82**	1.50

The Accounting Policies and Notes on Pages 76 through 113 form an intergral part of the Financial Statements.
Figures in brackets indicate deductions.

RAMBODA FALLS PLC

STATEMENT OF FINANCIAL POSITION

AS AT 31st MARCH 2026

	Note	2026 Rs.	2025 Rs.
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	11	**932,992,804**	629,034,398
Right of Use Assets	12	**5,866,397**	6,093,484
Total Non Current Assets		**938,859,201**	635,127,882
Current Assets			
Inventories	14	**7,623,488**	7,372,987
Trade & Other Receivables	15	**18,765,453**	26,705,138
Income Tax Receivable	24	**751,804**	-
Financial Assets Measured at Amortised Cost	16	**19,296,383**	17,485,913
Cash & Cash Equivalents	17	**62,534,774**	66,559,034
Total Current Assets		**108,971,902**	118,123,072
TOTAL ASSETS		**1,047,831,103**	753,250,954
EQUITY AND LIABILITIES			
Equity			
Stated Capital	18	**100,000,020**	100,000,020
Revaluation Reserve	19	**542,865,359**	319,516,164
Retained Earnings		**100,055,179**	104,528,749
Total Equity		**742,920,558**	524,044,933
Non-Current Liabilities			
Retirement Benefit Obligation	20	**7,392,420**	4,952,415
Deferred Tax Liability	21	**259,304,949**	168,576,041
Lease Liability	22	**6,062,461**	5,967,280
Total Non-Current Liabilities		**272,759,830**	179,495,736
Current Liabilities			
Trade & Other Payables	23	**30,438,829**	41,339,029
Lease Liability	22	**672,000**	560,000
Income Tax Payable	24	-	7,022,729
Dividend Payable	25	**1,039,886**	788,527
Total Current Liabilities		**32,150,715**	49,710,285
Total Liabilities		**304,910,545**	229,206,021
TOTAL EQUITY & LIABILITIES		**1,047,831,103**	753,250,954
Net Assets per Share		**37.15**	26.20

The Accounting Policies and Notes on Pages 76 through 113 form an intergral part of the Financial Statements.
These financial statements have been prepared in compliance with the requirements of the Companies Act No.7 of 2007.

K.P.T.V.K.PATHIRANA
Chief Accountant

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 Ramboda Falls PLC.

....
M.M.M. Amsath
Director

....
B.A.N.N.K Perera
Director

31 August 2026
Colombo
Sri Lanka

RAMBODA FALLS PLC

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH

	Stated Capital Rs.	Revaluation Reserve Rs.	Retained Earnings Rs.	Total Equity Rs.
Balance as at 1st April 2024	100,000,020	319,516,164	84,819,493	504,335,677
Total Comprehensive Income for the Year				
Profit for the Year	-	-	29,964,233	29,964,233
Other Comprehensive Expense for the Year	-	-	(254,977)	(254,977)
Total Comprehensive Income for the Year	-	-	29,709,256	29,709,256
Transactions with Owners				
Dividend Paid (Note 10.2)	-	-	(10,000,000)	(10,000,000)
Balance as at 31st March 2025	100,000,020	319,516,164	104,528,749	524,044,933
Balance as at 1st April 2025	**100,000,020**	**319,516,164**	**104,528,749**	**524,044,933**
Total Comprehensive Income for the Year				
Profit for the Year	**-**	**-**	**16,379,619**	**16,379,619**
Other Comprehensive Income/ (Expense) for the Year	**-**	**223,349,195**	**(853,189)**	**222,496,006**
Total Comprehensive Income for the Year	**-**	**223,349,195**	**15,526,430**	**238,875,625**
Transactions with Owners				
Dividend Paid (Note 10.2)	**-**	**-**	**(20,000,000)**	**(20,000,000)**
Balance as at 31st March 2026	**100,000,020**	**542,865,359**	**100,055,179**	**742,920,558**

The Accounting Policies and Notes on Pages 76 through 113 form an intergral part of the Financial Statements.
Figures in brackets indicate deductions.

RAMBODA FALLS PLC

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH

	Note	2026 Rs.	2025 Rs.
Cash Flows from Operating Activities			
Profit before Taxation		**21,534,620**	44,746,737
Adjustments for:			
Depreciation on Property, Plant & Equipment	**11**	**23,076,918**	22,556,397
Amortisation of Right of Use Assest	**12**	**227,087**	227,087
Provision for Retirement Benefit Obligations	**20**	**1,611,164**	1,502,565
Interest Expense	**8.2**	**767,181**	862,804
Interest Income	**8.1**	**(4,349,243)**	(3,247,284)
Reversal for Impairement of Trade Receivables	**15.1**	**-**	(149,400)
Unrealized exchange Gain/ (Loss)		**(1,156,669)**	206,150
Operating Profit Before Working Capital Changes		**41,711,058**	66,705,056
(Increase)/ Decrease in Inventories		**(250,501)**	411,831
Decrease/ (Increase) in Trade & Other Receivables		**7,939,685**	(7,283,889)
(Decrease)/ Increase in Trade & Other Creditors		**(10,900,200)**	10,098,666
Cash Generated from Operation		**38,500,042**	69,931,664
Interest paid	**22**	**(560,000)**	(560,000)
Income Tax Paid	**24**	**(17,556,057)**	(17,905,321)
Gratuity Paid	**20**	**(390,000)**	(1,788,000)
Net Cash Generated from Operating Activities		**19,993,985**	49,678,343
Cash Flows From Investing Activities			
Purchase of Property, Plant & Equipment	**11**	**(7,965,046)**	(9,477,608)
Interest Received		**4,349,243**	3,247,284
Investment In Fixed Deposit (Including Re-Investments)	**16**	**(653,801)**	(10,163,655)
Net Cash Used in Investing Activities		**(4,269,604)**	(16,393,979)
Cash Flows from Financing Activities			
Divident Paid	**25**	**(19,748,641)**	(9,864,100)
Repayment under Finance Lease Liabilities		**-**	(1,559,917)
Net Cash Used in Financing Activities		**(19,748,641)**	(11,424,017)
Net (Decrease)/ Increase in Cash & Cash Equivalents		**(4,024,260)**	21,860,347
Cash & Cash Equivalents at the Beginning of the Year		**66,559,034**	44,698,687
Cash & Cash Equivalents at the End of the Year	**17**	**62,534,774**	66,559,034
Analysis of Cash and Cash Equivalents			
Cash at Bank	**17**	**61,916,874**	65,162,092
Cash in Hand	**17**	**617,900**	1,396,942
		62,534,774	66,559,034

The accounting policies and notes on pages 76 through 113 form an intergral part of the Financial Statements.
Figures in brackets indicate deductions.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

1.1. Domicile and Legal Form

Ramboda Falls PLC, (the "Company") is a Company domiciled in Sri Lanka. The shares of the Company have a primary listing on the Colombo Stock Exchange. The address of the registered office and the principal place of the business is situated at No. 76, Rock Fall Estate, Nuwaraeliya Road, Ramboda.

1.2. Principal activities and nature of operations

The principal activity of the Company is hoteliering and leisure related activities. There were no significant changes in the nature of the principal activities of the Company during the financial year under review.

1.3. Parent enterprise and ultimate parent enterprise

There is no significant parent company and Company, has a related party relationship with its directors.

1.4. Number of employees

The number of employees of the Company at the end of the year was 58 (2024/25 – 64).

1.5. Responsibilities for financial statements and approval of financial statements

The Board of directors is responsible for preparation and presentation of the financial statements of the Company as per the provision of Companies Act No. 07 of 2007 and Sri Lanka Accounting Standards. The directors' responsibility over financial statements for the year ended 31st March 2026 is set out in detail in the statement of directors' responsibility.

The financial statements of the Company of the year ended 31st March 2026 were authorized for issue in accordance with resolution of the Board of Directors on 31st August 2026.

2. BASIS OF PREPARATION

2.1. Statement of compliance

The Financial Statements of the Company have been prepared in accordance with the Sri Lanka Accounting Standards (the "Accounting Standards"), as issued by The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka). The Accounting Standards comprise:

- Sri Lanka Financial Reporting Standards ("SLFRS");
- Sri Lanka Accounting Standards ("LKAS");
- Statements of Recommended Practices (SoRPs);
- Statement of Alternate Treatment (SoATs) and
- Financial Reporting Guidelines issued by the CA Sri Lanka. The Accounting Standards along with FAQs issued are available at the website of CA Sri Lanka www.casrilanka.com

NOTES TO THE FINANCIAL STATEMENTS

2.2. Basis of measurement

The financial statements have been prepared on an accrual basis and under the historical cost basis and applied consistently with no adjustments being made for inflationary factors affecting the financial statements, except for the following material items in the statement of financial position

Item	Basis of Measurement	Note Number
Freehold land, buildings, motor vehicles, furniture & fittings, office equipment and plant & machinery	Measured at cost at the time of acquisition and subsequently at revalued amounts which are the fair values at the date of revaluation	11
Defined Benefit Obligations	Measured at the present value of the defined benefit obligation	20

2.3. Use of estimates and judgments

The preparation of the financial statements in conformity with LKAS/SLFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively. Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the Amounts recognized in the Financial Statements included in following notes,

Critical accounting assumptions and estimation uncertainties	Note
Fair value of land, buildings, motor vehicles, furniture, fittings, office equipment, plant and machinery	2.3.1
Useful life of the property, plant and equipment	3.2.1.4
Impairment on non-financial assets	3.2.4.4
Measurement of defined benefit obligation: key actuarial assumptions	2.3.3
Provisions for liabilities, commitments and contingencies	3.2.9
Impairment measurement of financial assets: determination of inputs into the ECL measurement model, including key assumptions and incorporation of forward-looking information	3.2.4.4
Deferred Taxation and Current Taxation	3.2.13.1/2

NOTES TO THE FINANCIAL STATEMENTS

2.3.1. Fair value of freehold land, buildings, and other assets

The Company measures freehold land, buildings, motor vehicles, furniture & fittings, office equipment and plant & machinery at revalued amounts with changes in fair value being recognized in Equity through Other Comprehensive Income (OCI). Valuations are performed every five years to ensure that the fair value of a revalued asset does not differ materially from it carrying amount. The Company engages independent professional valuer Mr. S.N. Tennakoon, Chartered Valuation Surveyor to assess fair value of land, buildings and other assets in terms of Sri Lanka Accounting Standard on "Fair Value Measurement" (SLFRS13). Based on the valuation techniques and inputs used land, building and other assets were classified at level 3 in the fair value hierarchy.

2.3.2. Useful life of the property, plant and equipment

The Company reviews the residual values, useful lives, and methods of depreciation of property, plant and equipment at each reporting date. Judgement of the Management is exercised in the estimation of these values, rates, methods and hence they are subject to uncertainty. Refer Note 3.2.1.4 for more details.

2.3.3. Measurement of defined benefit obligation

The cost of the defined benefit obligation is determined using an internally developed method based on the Projected Unit Credit (PUC) method, to calculate the liability for retirement gratuity as at each reporting date. The calculation is based on the applicable formula and relevant employee benefit parameters. The liability is not externally funded. The calculation and underlying parameters are reviewed at each reporting date, with the basis and parameters used in determining the defined benefit obligation disclosed in Note 20.3 and sensitivity analysis, where applicable, disclosed in Note 20.4. The Company recognises all re-measurements of the net defined benefit liability, comprising actuarial gains and losses, in other comprehensive income, while all expenses relating to the defined benefit plan are recognised in profit or loss. Where the benefits of a plan are changed or a plan is curtailed, the resulting change in benefits relating to past service or the gain or loss on curtailment is recognised immediately in profit or loss. Gains and losses arising from the settlement of a defined benefit plan are recognised when the settlement occurs.

2.4. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, the Company assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of SLFRS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data. (Unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

NOTES TO THE FINANCIAL STATEMENTS

2.4. Measurement of fair values (Cont.)

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumption made in measuring fair value is included in Note 26.

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’ and amendments to the LKAS 1 on ‘Disclosure Initiative’.

Notes to the Financial Statements are presented in a systematic manner which ensures the understandability and comparability of Financial Statements of 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. Going Concern

The Company has prepared the financial statements for the year ended 31st March 2026 on the basis that it will continue to operate as a going concern.

In determining the basis of preparing the financial statements for the year ended 31st March 2026, based on available information, the management has assessed the prevailing macroeconomic conditions and its effect on the Company and the appropriateness of the use of the going concern basis.

The management has formed judgment that the Company has adequate resources to continue in operational existence for the foreseeable future driven by the continuous operationalization of risk mitigation initiatives and monitoring of business continuity and response plans at each business unit level.

Furthermore, the Management is not aware of any material uncertainties that may cast significant doubt upon the Company’s ability to continue as a going concern. Having presented the outlook of the Company to the Board, the Directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future.

Management concluded that the range of possible outcomes considered at arriving at this judgment does not give rise to material uncertainties related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern.

2.7. Rounding

The amounts in the Financial Statements have been rounded-off to the nearest rupees, except where otherwise indicated as permitted by the Sri Lanka Accounting Standard - LKAS 1 on ‘Presentation of Financial Statements’.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICIES

The Company have consistently applied the accounting policies to all periods presented in these financial statements, except if mentioned otherwise.

3.1. Foreign currency

3.1.1. Functional Currency and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entities operate ('the functional Currency'). These Financial Statements are presented in Sri Lankan Rupees, which is the Company's functional currency.

3.1.2. Foreign currency transactions

In preparing the Financial Statements, transactions in currencies other than the entity's functional currency (foreign currency) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions.

At each reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the closing rate.

Non-monetary items measured at fair value are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items measured at historical cost are translated at the rates prevailing on the date of transaction.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the period.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences which are recognized in other comprehensive income.

3.2. Assets and the bases of their Valuation

Assets classified as current assets in the Statement of Financial Position are cash, bank balance and those which are expected to be realized in cash during the normal operating cycle of the Company's business or within one year from the date of the Statement of Financial Position whichever is earlier. Assets other than current assets are those which the Company intends to hold beyond the period of one year from the reporting date.

3.2.1. Property, plant and equipment

3.2.1.1. Recognition and measurement

3.2.1.1.1. Basis of recognition

Property, plant and equipment are recognized if it is probable that future economic benefits associated with the asset will flow to the Company and cost of the asset can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS

3.2.1.1.2. Basis of measurements

An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost. The cost of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. The cost of self-constructed assets includes the cost of materials, direct labor and any other costs directly attributable to bringing the asset to the working condition of its intended use. This also includes costs of dismantling and removing the items and restoring the site on which they are located and borrowing costs on qualifying assets.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that asset. When parts of an item of Property, Plant and Equipment (major components) have different useful lives, they are accounted for as separate items of property, plant and equipment.

3.2.1.2. Subsequent measurement

The Company applies the revaluation model for the entire class of freehold land and building, motor vehicles, furniture, fittings, office equipment, plant and machinery for measurement after initial recognition. Such assets are carried at revalued amounts, being their fair value at the date of revaluation, less any subsequent accumulated depreciation on buildings and other assets and any accumulated impairment losses charged subsequent to the date of valuation. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the end of each reporting period. If the fair values of land and buildings, motor vehicles, furniture, fittings, office equipment, plant and machinery do not change other than by a significant amount at each reporting period, the Company will revalue such assets every five years.

Any surplus arising on the revaluation is recognized in other comprehensive income except to the extent that the surplus reverses a previous revaluation deficit on the same asset recognized in income statement, in which case the credit to that extent is recognized in income statement. Any deficit on revaluation is recognized in income statement except to the extent that it reverses a previous revaluation surplus on the same asset, in which case the debit to that extent is recognized in other comprehensive income. Therefore, revaluation increases, and decreases cannot be offset, even within a class of assets.

External, independent qualified valuers having appropriate experience in valuing properties in locations of properties being valued, value the land and buildings, motor vehicles, furniture, fittings, office equipment, plant and machinery owned by the Company based on market values, this 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 details of land, building and other assets valuation are disclosed in Note 11.9 and 11.10 to the financial statements.

3.2.1.3. Subsequent cost

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

NOTES TO THE FINANCIAL STATEMENTS

3.2.1.4. Depreciation

The Company provides depreciation from the date the assets are available for use up to the date of disposal, at the following rates on a straight-line basis over the periods appropriate to the estimated useful lives of the different types of assets. Depreciation on revalued classes of assets is based on the remaining useful life of the assets at the time of the revaluation. Land is not depreciated.

Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately. Depreciation is recognized as an expense in the Income statement.

Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Asset Category	No. of Years
Buildings	40 - 45
Plant and machinery	04 - 06
Motor vehicles	03 - 14
Office equipment	04 - 06
Furniture and fittings	04 - 06
Computer equipment	04 - 06
Cutlery, crockery and glassware	03

3.2.1.5. Derecognition

An item of property, plant and equipment is derecognized upon disposal of or when no future economic benefits are expected from its use or disposal. The gains or losses arising on derecognition (disposal or retirement) of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment and are recognized net within ‘other income’ in the Statement of profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

3.2.1.6. Capital work-in-progress

Capital work-in-progress represents the accumulated cost of materials and other costs directly related to the construction of an asset. Capital work-in- progress is transferred to the respective asset accounts at the time it is substantially completed and ready for its intended use.

NOTES TO THE FINANCIAL STATEMENTS

3.2.2. Right of use Assets

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in SLFRS 16.

3.2.2.1 As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. 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, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments.
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.

NOTES TO THE FINANCIAL STATEMENTS

3.2.2.1 As a lessee (Cont.)

The lease liability is measured at amortized cost using the effective interest method. It is re measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is re measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents the Right-of-use asset and the lease liability as separate line items in the statement of financial position.

3.2.3 Intangible assets

3.2.3.1 Recognition and measurement

An intangible asset is an identifiable non monitory asset without physical substance held for use in the production or supply goods or other services, rental to others or for administrative purposes. An intangible asset is initially recognized at cost, if it is probable that future economic benefit will flow to the enterprise, and the cost of the asset can be measured reliably. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

3.2.3.2 Computer software

All computer software costs incurred, licensed for use by the Company, which are not integrally related to associated hardware, which can be clearly identified, reliability measured and that they will lead to future economic benefits, are included in the Financial Position under the category intangible assets and carried at cost less accumulated amortization and any accumulated impairment losses.

3.2.3.3 Subsequent Expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

3.2.3.4 Amortization

Amortization is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

Amortization is recognized in the profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives and amortization rates are as follows:

NOTES TO THE FINANCIAL STATEMENTS

3.2.3.4. Amortization (Cont.)

Asset Category	No. of Years
Computer Software	05

3.2.3.5 Derecognition

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss when the asset is derecognized.

3.2.4 Financial instruments

3.2.4.1 Recognition and initial measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company become a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

3.2.4.2 Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortized cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Company change its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL.

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO THE FINANCIAL STATEMENTS

3.2.4.2. Classification and subsequent measurement (Contd.)

Financial assets – Business model assessment

The Company make an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets.

- How the performance of the portfolio is evaluated and reported to the Company's management.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.
- How managers of the business are compensated – e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectation about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the company's continuing recognition of the assets.

NOTES TO THE FINANCIAL STATEMENTS

3.2.4.2. Classification and subsequent measurement (Contd.)

Financial Assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purpose of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value for money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs. (e.g. liquidity risk and administrative costs), as well as a profit margin,

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company consider the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual cash flow such that it would not meet this condition. In marking this assessment, the company consider:

- Contingent events that would change the amount or timing of cash flows.
- Terms that may adjust the contractual coupon rate, including variable-rate features.
- Prepayment and extension features; and
- Terms that limit the company’s claim to cash flows from specified assets (e.g., non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – subsequent measurement and gains and losses:

Financial assets at amortized cost	**These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.**

Financial Liabilities – Classification, subsequent measurement and gain and losses

Financial liabilities are measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

3.2.4.3 Derecognition

Financial asset

The Company derecognize a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred in which the Company neither transfer nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enter into transactions whereby they transfer assets recognized in its statement of financial position but retain either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Company derecognize a financial liability when its contractual obligation is discharged or cancelled, or expire. The Company derecognize a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

3.2.4.4 Impairment

Non-derivative financial assets

The Company recognize loss allowances for ECLs on financial assets measured at amortized cost.

The Company measure loss allowances at an amount equal to lifetime ECLs. Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or

- the financial asset is more than 160 days past due.

NOTES TO THE FINANCIAL STATEMENTS

Non-derivative financial assets (Contd.)

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

Impairment policy: Non-financial assets

The carrying amount of the Company's non-financial assets other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's value in use and its fair value less cost to sale 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 group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the assets are 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 pre-tax discount rates that reflect current market assessments of the time value of money and the risk specific to the asset. In determining fair value less cost to sell, recent market transactions are taken into account, if available. If no such transaction can be identified, an appropriate valuation model is used. Impairment loss of continuing operations are recognized in the Statement of Profit or Loss and Other Comprehensive Income in those expense categories consistent with the function of the impaired asset.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognized. If that is the case, carrying amount of the asset is increased to its recoverable amount. That increased amount cannot 'exceed' the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit or Loss and Other Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS

3.2.4. Inventories

Inventories are recognized at cost and net realizable value whichever is lower after making due allowance for obsolete and slow-moving items.

The cost of inventories is based on a weighted average cost principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3.2.5. Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Company in the management of its short-term commitments.

3.2.6. Share capital

Ordinary shares are classified as equity. Dividends on ordinary shares are recognized in equity in the period in which they are approved.

3.2.7. Employee benefits

3.2.7.1 Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company 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.

NOTES TO THE FINANCIAL STATEMENTS

3.2.7.2 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 fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Employees are eligible for Employees' Provident Fund contributions and Employees' Trust Fund contributions in line with respective statutes and regulations. The Company contributes 12% and 3% of gross emoluments of employees to Employees' Provident Fund and Employees' Trust Fund respectively and is recognized as an expense in profit and loss in the periods during which services are rendered by employees.

3.2.7.3 Defined benefit plans

The Company's net obligation in respect of the defined benefit plan is calculated based on the benefits earned by employees in the current and prior periods, in accordance with the internally generated formula.

The calculation of the defined benefit obligation is performed annually using the internally generated formula-based method. Any adjustments arising from changes in the defined benefit obligation are recognized in accordance with the applicable financial reporting requirements. The Company determines the net defined benefit liability for the period by applying the applicable rate to the net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net expense and other expenses related to defined benefit plans are recognized in profit or loss.

The liability is not externally funded.

3.2.7.4 Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without a realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

3.2.8 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined based on the Company's internally generated formula and the best available estimate of the expenditure required to settle the present obligation at the reporting date. The calculation and underlying parameters used in determining provisions are reviewed at each reporting date. Any changes in the estimated provision are recognized in profit or loss in the period in which the estimate is revised.

NOTES TO THE FINANCIAL STATEMENTS

3.2.9 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.

A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company. The Company does not recognize contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

3.2.10 Revenue

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognizes revenue when it transfers control over the goods or services to a customer.

The following table provide information about the nature and timing of the satisfaction of performance obligation in contracts with customers, including payment terms, and related revenue recognition policies.

Type of service	Nature and timing of the satisfaction of performance obligation
Provision of accommodation	The main obligation in the customer contract is to provide rooms for guests. accommodation. This is represented in the Room Revenue reported in the financial statements. Revenue under this segment is recognized on the rooms occupied on a daily basis over the period of the stay. Invoice is raised to customer on completion of the duration of the stay.
Provision of Food and beverage	The following services are rendered under this performance obligation: i) Provision of BB/HB/FB meal for guests occupying the hotels which is part and partial of the contract entered into. Revenue is recognized at the time of sale and invoice to the customers on the completion of the duration of the stay. ii) Provision of extra food and beverages - Revenue is recognized at the time of sale and invoice to the customers at the time of consumption.
Provision of Laundry, Telephone, etc.	These services are provided to customers as they are implied as business practices in the industry and create a valid expectation of the customer. Revenue is recognized at the time of provision of service and invoice is raised at the time of service is consumed.

NOTES TO THE FINANCIAL STATEMENTS

3.2.10.1 Other income

Other income is recognized on an accrual basis. Net gains and losses of a revenue nature arising from the disposal of property, plant and equipment and other non-current assets, including investments, are accounted for in the statement of profit or loss and comprehensive income, after deducting from the proceeds on disposal, the carrying amount of such assets and the related selling expenses. Gains and losses arising from activities incidental to the main revenue generating activities and those arising from a group of similar transactions, which are not material are aggregated, reported and presented on a net basis.

3.2.10.2 Ramboda Hydro power profit share

Hydro power profit share which has arisen as a result of an agreement between the Company (Ramboda Falls PLC) and Ramboda Falls Hydro (Private) Limited. According, to the said agreement the Company has agreed to allow the channel path for hydro power generator (dedicated in plan no.105 dated 16th November 2008 made by K.W.R.L.S Premakumara Ranasinghe) for a 40 years period with all other infrastructure currently held, possessed and enjoyed in the said channel path together with the rights of access to enter the said channel path. And whereas it has been agreed that the arrangement shall remain in force for 40 years commencing from 17th September 2010 and ending on 16th September 2050.

The operator of the plant as consideration has agreed with Ramboda Falls PLC to remit 5% of the adjusted operating profit after the expiry of one year from the date of commercial commencement of the Hydro power project. The said Hydro power project has been commercially commenced on 2014/15 financial year and the 5% of adjusted operating profit has been paid on the profit recorded by Ramboda Hydro (Private) Limited.

3.2.11 Expenditure recognition

Expenses are recognized in the statement of profit or loss and other comprehensive income 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 profit or loss.

3.2.12 Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognized as it accrues in income statement, using the effective interest method.

Finance expenses comprise interest expense on borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in income statement using the effective interest method. However, borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset that takes a substantial period of time to get ready for its intended use or sale, are capitalized as part of the asset.

3.2.13 Income tax expense

Income tax expense comprises both current and deferred tax. Income tax expense is recognized in income statement except to the extent that it relates to items recognized directly in equity, in which case is recognized in the statement of comprehensive income or statement of changes in equity, in which case it is recognized directly in the respective statements.

NOTES TO THE FINANCIAL STATEMENTS

3.2.13 Income tax expense (Contd.)

The Company 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.

3.2.13.1 Current taxation

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. It is measured using tax rates enacted or substantively enacted at the reporting date.

3.2.13.2 Deferred taxation

Deferred Tax is recognized by providing for 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 recognized 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.

Deferred tax assets are recognized for deductible temporary difference to the extent that it is probable that future taxable profit will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary difference is insufficient to recognized a differed tax asset in full, then future taxable profits, adjusted for reversal of existing temporary differences, are considered, based on the business plans. 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 realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized 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 in enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

3.2.13.3 Tax exposures

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgments about future events.

New information may become available that causes the Company to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact the tax expense in the period that such a determination is made.

NOTES TO THE FINANCIAL STATEMENTS

3.2.14 Cash flow statement

The Statement of Cash Flows has been prepared by using the 'Indirect Method' of preparing cash flows in accordance with Sri Lanka Accounting Standard-LKAS 7 on 'Statement of Cash Flows'. In the Statement of Cash Flows, lease payments are presented under financing activities, both the interest and principal components included within this classification.

Dividend paid are classified as financing cash flows while the interest received and the dividends received are classified as investing cash flows.

Cash and cash equivalents as referred to in the Statement of Cash Flows comprised of those items as explained in Note 17.

3.2.15 Earnings per share (EPS)

The Company presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.2.16 Segment Reporting

The Company in the hospitality industry and cannot segment its products and services. The Company manages hotels in two principal geographical areas, Ramboda and Polonnaruwa. In presenting segmental information segment revenue and assets are based on the geographical locations of the assets. The primary segment is considered to be the geographical segments based on the Company's management and internal reporting structure.

Segmental information analyzed by geographical segments is disclosed in Note 5.2 to the financial statements.

4 NEW ACCOUNTING STANDARDS ISSUED BUT NOT EFFECTIVE AS AT REPORTING DATE

The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) has issued several new accounting standards and amendments/ improvements to existing standards. These new standards are set to become effective in the coming years. Early application of these standards are allowed, but the Company has not early adopted any of the new or amended standards in the preparation of these Financial Statements.

These Accounting Standards (SLFRSs/LKASs) will becomes applicable for financial periods beginning on or after 1st April 2026.

Accordingly, the Company has not applied these standards in preparing these Financial Statements.

SLFRS S1 : General Requirements for Disclosure of Sustainability related financial information.

SLFRS S2 : Climate Related Disclosure

SLFRS 18 : Presentation and Disclosure in Financial Statements.

5 REVENUE

5.1 Revenue Stream

	2026 Rs.	2025 Rs.
Restaurent Sales	**122,830,317**	138,420,046
Beverage & Liquor Sales	**20,715,093**	25,427,177
Room Sales	**68,666,714**	77,867,368
Other Revenue	**536,497**	552,032
	212,748,621	242,266,623

5.1.1 Revenue classified as 'other revenue' above, mainly comprise revenue generated from Tobacco sales and Laundry sales.

5.1.2 Timing of Revenue Recognition

	2026 Rs.	2025 Rs.
Products & services transferred at a point in time	**144,081,907**	**164,399,255**
Products & services transferred over the time	**68,666,714**	**77,867,368**
	212,748,621	**242,266,623**

5.2 Segmental Information

The Company manages hotels in two principal geographical areas, Ramboda and Polonnaruwa. In presenting segmental information segment revenue and assets are based on the geographical locations of the assets. The primary segment is considered to be the geographical segments based on the Company's management and internal reporting structure.

Geographical locations	Ramboda		Polonnaruwa		Total	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.	**2026 Rs.**	2025 Rs.
(a) Segment Revenue						
Revenue	**209,204,182**	238,057,602	**3,544,439**	4,209,021	**212,748,621**	242,266,623
Cost of Sales	**(120,674,402)**	(132,075,854)	**(1,511,326)**	(2,911,462)	**(122,185,728)**	(134,987,316)
Segment Results	**88,529,780**	105,981,748	**2,033,113**	1,297,559	**90,562,893**	107,279,307
Other Income	**10,734,431**	6,021,273	**147,763**	21,580	**10,882,194**	6,042,853
Administrative Expenses	**(75,156,124)**	(64,005,606)	**(5,124,573)**	(3,470,116)	**(80,280,697)**	(67,475,722)
Marketing & Selling Expenses	**(4,478,697)**	(3,311,257)	**(102,921)**	(41,497)	**(4,581,618)**	(3,352,754)
Profit/(Loss) from Operating Activities	**19,629,390**	44,686,158	**(3,046,618)**	(2,192,474)	**16,582,772**	42,493,684
Net Finance Income/ (Expense)	**5,719,029**	2,253,053	**(767,181)**	-	**4,951,848**	2,253,053
Profit/(Loss) from Operations before Income Tax	**25,348,419**	46,939,211	**(3,813,799)**	(2,192,474)	**21,534,620**	44,746,737
Income Tax Expense/ (Benefit)	**(5,155,001)**	(14,782,504)	**-**	-	**(5,155,001)**	(14,782,504)
Profit/(Loss) from Operations after Income Tax	**20,193,418**	32,156,707	**(3,813,799)**	(2,192,474)	**16,379,619**	29,964,233
Capital Expenditure	**7,965,046**	9,477,608	**-**	-	**-**	9,477,608
Depreciation/Amortisation	**20,566,944**	20,279,009	**-**	2,737,061	**23,304,005**	23,016,070
(b) Geographical segment analysis of assets and liabilities						
Non Current Assets	**832,774,423**	587,211,263	**106,084,778**	47,916,619	**938,859,201**	635,127,882
Current Assets	**108,688,075**	117,647,081	**283,827**	475,992	**108,971,902**	118,123,073
Total Assets	**941,462,498**	704,858,344	**106,368,605**	48,392,611	**1,047,831,103**	753,250,955
Non Current Liabilities	**266,697,367**	179,495,736	**6,062,463**	-	**272,759,830**	179,495,736
Current Liabilities	**29,943,696**	49,250,673	**2,207,019**	459,612	**32,150,715**	49,710,285
Total Liabilities	**296,641,063**	228,746,409	**8,269,482**	459,612	**304,910,545**	229,206,021

6 OTHER OPERATING INCOME

	2026 Rs.	2025 Rs.
Shop Rent - Gem & Jewellery	**1,015,000**	1,020,000
Green Tea Leaf Sales	**585,401**	119,866
Profit Share from Ramboda Hydro (Pvt) Ltd. (Note 6.1)	**1,198,921**	722,034
Elevator & Shuttle Service Income	**7,122,195**	3,771,102
Scraps Sales	**163,452**	190,760
Other Income-Writeback	**797,225**	216,442
Early payment Discount on Finance Lease	**-**	2,649
	10,882,194	6,042,853

6.1 Profit Share from Ramboda Hydro (Private) Limited

During the financial year, the Company has recorded Rs. 1,198,921/- (2024/2025 - Rs. 722,034/-) as share of profit which has arisen as a result of an agreement between the Company and Ramboda Hydro (Private)

According, to the said agreement the Company has agreed to allow the channel path for hydro power generator (dedicated in plan no.105 dated 16th November 2008 made by K.W.R.L.S Premakumara Ranasinghe) for a 40 years period with all other infrastructure currently held, possessed and enjoyed in the said channel path together with the rights of access to enter the said channel path. And whereas it has been agreed that the arrangement shall remain in force for 40 years commencing from 17th Septemebr 2010 and ending on 16th September 2050.

The operator of the plant as consideration has agreed with Ramboda Falls PLC to remit 5% of the adjusted operating profit after expiry of one year from the date of commercial commencement of the Hydro power project. The said Hydro power project has been commercially commenced on 2014/15 financial year and the 5% of adjusted operating profit has been paid on the profit recorded by Ramboda Hydro (Private) Limited.

7 PROFIT FROM OPERATIONS

	2026 Rs.	2025 Rs.
Profit from operations is stated after charging all expenses including the following		
Directors Remuneration	**8,100,000**	7,200,000
Auditors Remuneration	**845,000**	738,000
Depreciation on Property, Plant and Equipment	**23,076,918**	22,556,397
Amortization of Right of Use Assets	**227,087**	227,087
Donation	**315,370**	120,315
Staff Cost:		
Salaries & Wages	**26,976,912**	23,554,004
Employee Provident Fund	**2,902,167**	1,710,337
Employee Trust Fund	**725,542**	428,004
Provision for Retirement Benefit Obligation	**1,611,164**	1,502,565

8 NET FINANCE INCOME

	2026 Rs.	2025 Rs.
8.1 Finance Income		
Interest income on savings accounts	**4,349,243**	2,457,670
Interest income on fixed deposits	**-**	789,614
Net exchange gain	**1,369,786**	-
Total Finance Income	**5,719,029**	3,247,284
8.2 Finance Expenses		
Interest expenses on leasehold land (Note 22.2)	**767,181**	744,983
Interest expenses on finance lease	**-**	117,821
Net exchange loss	**-**	131,427
Total Finance Expenses	**767,181**	994,231
Net finance Income	**4,951,848**	2,253,053

9 INCOME TAX EXPENSES

	2026 Rs.	2025 Rs.
9.1 Amounts recognised in Profit or Loss		
Current tax expense (Note 9.3)	**9,781,524**	16,853,224
Deferred tax reversed during the year (Note 21.2.1)	**(4,626,523)**	(2,070,720)
Total Income tax charge recognised in the Profit or Loss	**5,155,001**	14,782,504

9.2 Amounts recognised in OCI

Items that will not be reclassified to Profit or Loss	**Before Tax**	**Tax (expense)/ benefit**	**Net of Tax**
For the Year Ended 31st March 2026			
Acturial Loss on Retirement Benefit Obligation	**(1,218,841)**	**365,652**	**(853,189)**
Revaluation Gain on Property, Plant & Equipment	**319,070,278**	**(95,721,083)**	**223,349,195**
Total income tax recognised in other comprehensive income	**317,851,437**	**(95,355,431)**	**222,496,006**
For the Year Ended 31st March 2025			
Acturial Loss on Retirement Benefit Obligation	(364,253)	109,276	(254,977)
Total income tax recognised in other comprehensive income	(364,253)	109,276	(254,977)

9 INCOME TAX EXPENSES (CONTD.)

9.3 Reconciliation between the accounting profit and the profit for the tax purposes

	2026 Rs.	2025 Rs.
Accounting Profit before taxation	**21,534,620**	44,746,737
Income not form a part of business profit	**(4,349,242)**	(3,969,318)
Aggregate disallowable items	**25,315,631**	30,684,380
Aggregate allowable items	**(14,245,170)**	(19,253,704)
Taxable Income from Business	**28,255,839**	52,208,095
Other Sources of Income	**4,349,242**	3,969,318
Taxable Income	**32,605,081**	56,177,413
Income Tax Charged at		
Tax on Statutory Income @ 30%	**9,781,524**	16,853,224
Total Current tax expense	**9,781,524**	16,853,224

9.4 Income Tax Provisions Applicable

Ramboda Falls PLC, being a Company engaged in the promotion of tourism is liable for tax at a standard rate of 30% in terms of the Inland Revenue Act No. 24 of 2017 and its amendments thereto.

The Company has adjusted any adjustments relating to income tax payable or receivable balances in respect of previous years.

10 EARNINGS PER SHARE

The calculation of the earnings per share has been derived by dividing profit attributable to equity shareholders of Company by the weighted average number of ordinary shares in issue during the year and calculated as follows:

The following reflects the earnings and share data used for the computation of "Basic earnings/ (loss) per share".

	2026	2025
Profit attributable to the ordinary equity holders	**16,379,619**	29,964,233
Weighted average number of ordinary shares outstanding at the year end	**20,000,000**	20,000,000
Earnings per share (Rs.)	**0.82**	1.50

10.1 Diluted Earnings per share

There were no potentially dilutive ordinary shares as at 31st March 2026 and there have been no transactions involving ordinary shares or potential ordinary shares as at the reporting date which would require restatement of EPS.

10.2 Dividend per share

	2026	2025
Dividend paid **(Rs.)**	**20,000,000**	10,000,000
No. of shares **(Nos)**	**20,000,000**	20,000,000
Dividend per share (Rs.)	**1**	0.5

11 PROPERTY, PLANT & EQUIPMENT

	Freehold Land	Building	Motor Vehicle	Furniture & Fittings	Cutlery Crockery Glassware & Linen	Office Equipment	Plant & Machinery	Capital Work in Progress	Right of Use Assets Vehicle	Total
COST/REVALUATION	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 1st April 2024	299,400,000	265,733,611	32,300,000	27,113,776	4,598,531	3,550,410	56,678,780	-	5,250,000	694,625,108
Additions during the Year	-	-	-	1,675,732	250,764	514,845	1,872,772	5,163,495	-	9,477,608
Transfers During the Year	-	-	5,250,000	-	-	-	-	-	(5,250,000)	-
CWIP transfers	-	2,749,960	-	162,510	-	-	-	(2,912,470)	-	-
Balance as at 1st April 2025	299,400,000	268,483,571	37,550,000	28,952,018	4,849,295	4,065,255	58,551,552	2,251,025	-	704,102,716
Balance as at 1st April 2025	**299,400,000**	**268,483,571**	**37,550,000**	**28,952,018**	**4,849,295**	**4,065,255**	**58,551,552**	**2,251,025**	**-**	**704,102,716**
Additions during the Year	**-**	**-**	**-**	**843,352**	**966,819**	**453,522**	**1,722,304**	**3,979,049**	**-**	**7,965,046**
Revaluation gain	**31,175,000**	**241,104,800**	**35,451,725**	**10,400,374**	**-**	**561,076**	**377,303**	**-**	**-**	**319,070,278**
Transfer from Revaluation Adjustments	**-**	**(27,098,997)**	**(19,801,725)**	**(14,559,166)**	**-**	**(1,984,797)**	**(30,004,538)**	**-**	**-**	**(93,449,223)**
Balance as at 31st March 2026	**330,575,000**	**482,489,374**	**53,200,000**	**25,636,578**	**5,816,114**	**3,095,056**	**30,646,621**	**6,230,074**	**-**	**937,688,817**
ACCUMULATED DEPRECIATION										
Balance as at 1st April 2024	-	13,703,177	7,733,685	7,433,636	4,496,386	967,474	15,496,979	-	2,680,584	52,511,921
Charge for the year	-	6,672,123	4,125,689	3,472,965	102,139	473,599	7,141,843	-	568,039	22,556,397
Transfers during the Year	-	-	3,248,623	-	-	-	-	-	(3,248,623)	-
Disposals during the Year	-	-	-	-	-	-	-	-	-	-
Balance as at 1st April 2025	-	20,375,300	15,107,997	10,906,601	4,598,525	1,441,073	22,638,822	-	-	75,068,318
Balance as at 1st April 2025	**-**	**20,375,300**	**15,107,997**	**10,906,601**	**4,598,525**	**1,441,073**	**22,638,822**	**-**	**-**	**75,068,318**
Charge for the year	**-**	**6,723,697**	**4,693,728**	**3,652,565**	**97,488**	**543,724**	**7,365,716**	**-**	**-**	**23,076,918**
Transfer from Revaluation Adjustments	**-**	**(27,098,997)**	**(19,801,725)**	**(14,559,166)**	**-**	**(1,984,797)**	**(30,004,538)**	**-**	**-**	**(93,449,223)**
Balance as at 31st March 2026	**-**	**-**	**-**	**-**	**4,696,013**	**-**	**-**	**-**	**-**	**4,696,013**
										-
Carrying Value as at 31st March 2026	**330,575,000**	**482,489,374**	**53,200,000**	**25,636,578**	**1,120,101**	**3,095,056**	**30,646,621**	**6,230,074**	**-**	**932,992,804**
										-
Carrying Value as at 31st March 2025	299,400,000	248,108,271	22,442,003	18,045,417	250,770	2,624,182	35,912,730	2,251,025	-	629,034,398

11 PROPERTY, PLANT AND EQUIPMENT (CONTD.)

11.1 Property, plant and equipment under construction

Capital work in progress represents the amount of expenditure recognized under property, plant and equipment during the construction of capital assets.

11.2 Title restriction on property, plant and equipment

There are no restrictions that existed on the title of the property, plant and equipment of the Company as at the reporting date.

11.3 Acquisition of property, plant and equipment during the year

During the financial year, the Company acquired property, plant and equipment to the aggregate value of approximately Rs. 8.0 million (2024/2025 - Rs. 9.5 million), by means of Cash.

11.4 Capitalisation of borrowing cost

There was no capitalized borrowing costs related to the acquisition of property, plant and equipment during the year 2025/2026 (2024/2025 - Nil).

11.5 Temporarily Idle property, plant and equipment

There are no temporarily idle property, plant or equipment as at the reporting date (2024/2025 - Nil).

11.6 Impairment of property, plant and equipment

No impairement provision is required in respect of PPE (2024/25 - Nil).

11.7 Fully depreciated property, plant and equipment in use

Property, plant and equipment includes fully depreciated assets with a cost of Rs. 4,598,531/- (31st March 2025 - Rs. 4,598,531/-) which were in use during the year.

11.8 Property, plant and equipment pledged as security for liabilities

The value of the property, plant and equipment pledged as security against borrowings as at the reporting date is Nil.

11.9 Revaluation of land, buildings and other assets

The Company uses the revaluation model of measurement of land, buildings, motor vehicle, furniture & fittings, office equipment and plant and machinery. The Company has engaged an independent expert valuers to determine the fair value of its land and buildings motor vehicle, furniture & fittings, office equipment and plant and machinery. Fair value is determined by reference to market-based evidence of transaction prices for similar properties. Valuations are based on open market prices, adjusted for any difference in the nature, location, or condition of the specific property. The date of the most recent revaluation was carried out on 31st March 2026.

11 PROPERTY, PLANT AND EQUIPMENT (CONTD.)

11.10 The details of freehold Land and Building and Other Assets which are stated at Revaluation are as follows,

Location	Square Feet	Method of Valuation	Effective Date of Valuation	Name of the Independent valuer	Revalued Amount (Rs.)	Net Book value (Rs.)	Revaluation Gain (Rs.)
Building							
No.76, Rock Fall Estate, Nuwara-Eliya Road, Ramboda	39,267 sq.ft.	Contractor's Method of Valuation	31-Mar-26	S.N TENNAKOON - MRICS Chartered Valuation Surveyor	470,339,374	228,800,932	241,538,442
No.161/2, Mile post, Polonnaruwa Road, Raja Ela, Minneriya	11,049 sq.ft.						
Free Hold Land							
No.76, Rock Fall Estate, Nuwara-Eliya Road, Ramboda.	09*A-01* R-32P	Market Approach	31-Mar-26	S.N TENNAKOON - MRICS Chartered Valuation Surveyor	330,575,000	299,400,000	31,175,000
Swimming Pool							
Ramboda Falls Hotel	1,350 sq.ft.	Contractor's Method of Valuation	31-Mar-26	S.N TENNAKOON - MRICS Chartered Valuation Surveyor	12,150,000	12,583,642	(433,642)
Muwan Palessa Resort	1,350 sq.ft.						
Motor Vehicles, Furniture & Fittings, Office Equipment and Plant and machineries.	*N/A*	Depreciation replacement cost	31-Mar-26	S.N TENNAKOON - MRICS Chartered Valuation Surveyor	112,578,255	65,787,777	46,790,478

11.11 Fair value measurement

(a) Fair value hierarchy

The fair value of the freehold land, building and other assets was determined by an external independent property valuer, having appropriate recognized professional qualifications and experience in the category of the property being valued. The valuer provides the fair value of the property, based on the valuation techniques used it has been classified under Level 3 in fair value hierarchy.

11 PROPERTY, PLANT AND EQUIPMENT (CONTD.)

11.11 Fair value measurement (Cont.)

(b) Valuation techniques and significant unobservable inputs used in measuring fair value

The following table shows the valuation techniques used in measuring fair value, as well as the significant unobservable inputs used.

<table>
<tr><th>Location</th><th>No of buildings</th><th>Significant unobservable inputs</th><th>Range of estimates for unobservable inputs</th><th>Interrelationship between key unobservable inputs & fair value measurements</th></tr>
<tr><td>Building
No.76, Rock Fall Estate, Nuwara-Eliya Road, Ramboda</td><td>10</td><td rowspan="2">Estimated constructed cost per Square feet</td><td>Rs.3,500 - Rs.15,000</td><td rowspan="2">Positive correlation sensitivity Estimated fair value would increase/ (decrease) if price per Square Foot would increase / (decrease).</td></tr>
<tr><td>No.161/2, Mile post, Polonnaruwa Road, Raja Ela, Minneriya</td><td>5</td><td>Rs.6,500 - Rs.12,500</td></tr>
<tr><td>Free Hold Land
No.76, Rock Fall Estate, Nuwara-Eliya Road, Ramboda.</td><td>-</td><td>Market value per Perch</td><td>Rs.400,000 - Rs.600,000 (Tea Land - Rs.8,500,000 per acre)</td><td>Positive correlation sensitivity Estimated fair value would increase/(decrease) if price per perch would increase /(decrease).</td></tr>
<tr><td>Swimming Pool
Ramboda Falls Hotel</td><td>1</td><td rowspan="2">Estimated constructed cost per Square feet</td><td>Rs. 5000</td><td rowspan="2">Positive correlation sensitivity Estimated fair value would increase/ (decrease) if price per Square Foot would increase / (decrease).</td></tr>
<tr><td>Muwan Palessa Resort</td><td>1</td><td>Rs. 5000</td></tr>
<tr><td>Motor Vehicles</td><td>-</td><td rowspan="4">Depreciation replacement cost</td><td>Rs.2,700,000 - Rs.15,000,000</td><td rowspan="4">Positive correlation sensitivity Estimated fair value would increase/(decrease) if Market price would increase /(decrease)</td></tr>
<tr><td>Furniture & Fittings</td><td>-</td><td>Rs.1,320 - Rs.1,800,000</td></tr>
<tr><td>Office Equipment</td><td>-</td><td>Rs.1,487.5 - Rs.403,750</td></tr>
<tr><td>Plant & Machinery</td><td>-</td><td>Rs.780 - Rs.3,400,000</td></tr>
</table>

Contractor's Method of valuation

The valuation method considers the cost of producing substitute property with equal utility, by calculating the current cost of replacing the subject improvements and subtracting an approximate amount for depreciation.

Market Approach

This method considers the selling price of a similar property within a reasonably recent period of time in determining the fair value of the property being revalued. This involves evaluation of recent market prices of similar assets, making appropriate adjustments for differences in size, nature, location, condition of specific property. In this process outlier transactions, indicative of particular motivated buyers or sellers are too compensated for since the price may not adequately reflect the fair market value.

Depreciated Replacement Cost (DRC)

Depreciated Replacement Cost (DRC) is a valuation method that estimates the current cost of replacing an existing asset with a modern equivalent asset, after deducting amounts for physical depreciation, functional obsolescence, and economic obsolescence. It is commonly used for specialised assets where there is no active market or sufficient comparable market data available.

11 PROPERTY, PLANT AND EQUIPMENT (CONTD.)

11.11 Fair value measurement (Cont.)

If property, plant and equipment were stated on the historical cost basis, their net book amounts would be as follows :

	Freehold Land	Buildings	Motor Vehicles	Furniture & Fittings	Office Equipment	Plant & Machinery
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
As at 31st March 2026						
Cost	**3,367,078**	**113,626,240**	**32,777,679**	**16,135,872**	**2,396,450**	**23,235,977**
Accumulated depreciation	**-**	**(81,767,098)**	**(13,904,384)**	**(16,135,872)**	**(2,020,330)**	**(23,235,977)**
Carrying value	**3,367,078**	**31,859,142**	**18,873,295**	**-**	**376,120**	**-**
As at 31st March 2025						
Cost	3,367,078	113,626,240	32,777,679	15,292,520	1,942,928	21,513,673
Accumulated depreciation	-	(75,043,401)	(9,210,656)	(13,831,136)	(1,476,606)	(17,381,754)
Carrying value	3,367,078	38,582,839	23,567,023	1,461,384	466,322	4,131,919

12 RIGHT OF USE ASSETS

	2026	2025
	Rs.	Rs.
Cost		
Balance as at 1st April	**6,661,200**	6,661,200
Additions during the year	**-**	-
Balance as at 31st March	**6,661,200**	6,661,200
Accumulated Amortization		
Balance as at 1st April	**567,716**	340,629
Charge for the Year	**227,087**	227,087
Balance as at 31st March	**794,803**	567,716
Carrying value as at 31st March	**5,866,397**	6,093,484

The Right of Use - Lands consist of the lease hold rights on Muwanpalessa resort land in Polonnaruwa. Leases have been executed for a period of 30 years commencing from 5th October 2022. The leasehold right to the land taken into the books from the year end 31st March 2023 by restating the financials.

13 INTANGIBLE ASSETS

	2026	2025
	Rs.	Rs.
Cost		
Balance as at 1st April	**1,860,000**	1,860,000
Balance as at 31st March	**1,860,000**	1,860,000
Accumulated Amortization		
Balance as at 1st April	**1,860,000**	1,860,000
Balance as at 31st March	**1,860,000**	1,860,000
Net Book Value	**-**	-

14 INVENTORIES

	2026	2025
	Rs.	Rs.
Food	**3,478,773**	4,708,619
Bar stock	**1,535,738**	1,440,097
House keeping	**1,368,540**	699,042
Stationery	**54,725**	44,240
Building Maintennace	**938,032**	480,989
Linen	**247,680**	-
	7,623,488	7,372,987

15 TRADE AND OTHER RECEIVABLES

	2026	2025
	Rs.	Rs.
Trade receivables	**12,177,959**	22,585,404
Provision For Bad Debtors (Note 15.1)	-	-
	12,177,959	22,585,404
Other receivables	**2,963,442**	3,135,959
Advanced and Prepayments	**3,165,782**	862,642
WHT Receivable	**458,270**	121,133
	18,765,453	26,705,138

15 TRADE AND OTHER RECEIVABLES (CONTD.)

15.1 Provision for impairment of trade receivables

	2026 Rs.	2025 Rs.
Balance as at 1st April	-	149,400
Reversal during the year	-	(149,400)
Balance as at 31st March	-	-

16 FINANCIAL ASSETS MEASURED AT AMORTISED COST

	2026 Rs.	2025 Rs.
Balance as at 1st April	17,485,913	7,529,500
During the year additions	653,801	10,163,655
Exchange gain/(loss)	1,156,669	(207,243)
Balance as at 31st March	19,296,383	17,485,913

This represents fixed deposits with a maturity period of more than 3 months but less than 1 year. Interest accrued on these deposits are at 4.5% pa.

17 CASH & CASH EQUIVALENTS

	2026 Rs.	2025 Rs.
Cash at Bank	61,916,874	65,162,092
Cash in Hand	617,900	1,396,942
Total cash and cash equivalnets	62,534,774	66,559,034
Net cash and cash equivalents for the cash flow statement purpose.	62,534,774	66,559,034

18 STATED CAPITAL

	2026		2025	
	Number of Shares	Value of Shares Rs.	Number of Shares	Value of Shares Rs.
Fully paid ordinary shares	20,000,000	100,000,020	20,000,000	100,000,020
	20,000,000	100,000,020	20,000,000	100,000,020

18.1 Rights, preferences and restrictions of classes of capital

The holders of ordinary share are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

19 REVALUATION RESERVE

Revaluation reserve relates to the result of surplus on revaluation of land, buildings and other assets of the Company net of related tax.

	2026 Rs.	2025 Rs.
Balance as at 1st April	319,516,164	319,516,164
Revaluation Gain on Property, Plant & Equipment	319,070,278	-
Deferred tax affect on Revaluation Gain on Property, Plant & Equipment	(95,721,083)	-
Balance as at 31st March	542,865,359	319,516,164

20 RETIREMENT BENEFIT OBLIGATION

	2026 Rs.	2025 Rs.
Balance as at 1st April	**4,952,415**	4,873,597
Current service costs	**1,286,637**	1,236,921
Interest Cost	**324,527**	265,644
Actuarial Loss on defined benefit obligations	**1,218,841**	364,253
Payments made during the year	**(390,000)**	(1,788,000)
Balance as at 31st March	**7,392,420**	4,952,415

20.1 The amounts recognized in the statement of profit or loss are as follows;

	2026	2025
Current service costs	**1,286,637**	1,236,921
Interest cost	**324,527**	265,644
	1,611,164	1,502,565

20.2 The amount recognised in the statement of other comprehensive income is as follows;

	2026	2025
Actuarial loss on defined benefit obligations	**(1,218,841)**	(364,253)
	(1,218,841)	(364,253)

20.3 The gratuity liability as at 31st March 2026 is made based on the internally generated formula.

The principal assumptions made are given below;	2026	2025
Discount rate	**9.75%**	10.0%
A long-term treasury bond rate of 9.75% p.a. (2024/2025 – 10% p.a.) has been used to discount future liabilities taking in to consideration the remaining working life of employees.		
Rate of Salary Increment	**12%**	12%
Based on the actual salary increment rates of the Company over the past few years and the future economic outlook of the country, an increase in the long term salary increment rate is factored into the valuation for the current year.		
Staff Turnover Factor	**20%**	20%
Retirement age	**60 years**	60 years
Weighted average duration	**4.8 Years**	4.8 Years

Retirement benefit obligation of Ramboda Falls PLC is not funded externally.

20.4 Sensitivity of assumptions used

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

	2026 Rs.	2025 Rs.
Increase /(decrease) in discount rate		
+1%	**(261,420)**	(175,409)
-1%	**275,444**	184,929
Increase /(decrease) in salary Increment rate		
+1%	**267,318**	179,891
-1%	**(258,551)**	(173,870)

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.

21 DEFERRED TAXATION

21.1 DEFERRED TAX LIABILITY

	2026 Rs.	2025 Rs.
Balance as at 1st April	**168,576,041**	170,756,037
Amount recognized during the year - (Note 21.2)	**90,728,908**	(2,179,996)
Balance as at 31st March	**259,304,949**	168,576,041

21.2 Amount recognized/(reversed) during the year

	2026 Rs.	2025 Rs.
Amount recognized/ (reversed) during the year - Other Comprehensive Income (Note 21.2.2)	**95,355,431**	(109,276)
Amount reversed during the year - Profit and Loss (Note 21.2.1)	**(4,626,523)**	(2,070,720)
Total amount recognized during the year	**90,728,908**	(2,179,996)

21.2.1 Reversal during the year recognized in profit or loss

	2026 Rs.	2025 Rs.
Effect in change in tax base charged to profit or loss	**(4,626,523)**	(2,070,720)
	(4,626,523)	(2,070,720)

21.2.2 Provision/ (reversal) during the year recognized in other comprehensive income

	2026 Rs.	2025 Rs.
Effect in change in tax base charged to other comprehensive income	**95,355,431**	(109,276)
	95,355,431	(109,276)

21.3 Analysis of recognised deferred tax assets / liabilities in the Statement of Financial Position

	2026		2025	
	Temporary Difference Rs.	**Tax Effect Rs.**	Temporary Difference Rs.	Tax Effect Rs.
Deferred tax liabilities on,				
* Property, Plant and Equipment and ROU Assets	**871,453,642**	**261,436,093**	567,512,500	170,253,750
Right of Use Land	**5,866,397**	**1,759,919**	6,093,484	1,828,045
Unrealized Exchange Gain	**1,156,669**	**347,001**	-	-
	878,476,708	**263,543,013**	573,605,984	172,081,795
Deferred tax assets on,				
Retirement benefit obligation	**7,392,420**	**2,217,726**	4,952,415	1,485,725
Lease liability on Land	**6,734,461**	**2,020,338**	6,527,280	1,958,184
Unrealized Exchange Loss	**-**	**-**	206,150	61,845
	14,126,881	**4,238,064**	11,685,845	3,505,754
Net recognised deferred tax liability	**864,349,827**	**259,304,949**	561,920,139	168,576,041

The tax rate used to calculate deferred tax liability/asset as at 31st March 2026 is 30% (2025 - 30%)

* The deferred tax impact on revaluation is included in this.

		2026	2025
22	**LEASE LIABILITY**	**Rs.**	Rs.
22.1	**Gross Liability**		
	Balance as at 1st April	**6,527,280**	6,342,297
	Interest charge for the year	**767,181**	744,983
	Payment during the year	**(560,000)**	(560,000)
	Balance as at 31st March	**6,734,461**	6,527,280
22.1.1	**Payable within one year**		
	Gross Lease Obligation	**1,460,824**	1,327,181
	Less: Finance cost applicable for future periods	**(788,824)**	(767,181)
	Net Lease Obligation	**672,000**	560,000
22.1.2	**Payable after one year**		
	Gross Lease Obligation	**25,585,889**	26,257,889
	Less: Finance cost applicable for future periods	**(19,523,428)**	(20,290,609)
	Net Lease Obligation	**6,062,461**	5,967,280
	Net lease obligations as at 31st March	**6,734,461**	6,527,280
22.2	**Amount recognised in Profit or Loss**		
	Interest on lease liabilities	**767,181**	744,983
	Depreciation charged for Right of Use Assset	**227,087**	227,087
		994,268	972,070
22.3	**Amount recognised in Statement of Cash Flows**		
	Total cash outflow for lease on lease hold land	**(560,000)**	(560,000)
		(560,000)	(560,000)
22.4	**Maturity analysis of contractual undiscounted cash flows**		
	Within One Year	**672,000**	1,960,000
	2-5 years	**3,494,400**	2,055,181
	More than 5 years	**22,091,489**	23,569,889
	Total undiscounted lease liabilities	**26,257,889**	27,585,070

		2026	2025
23	**TRADE AND OTHER PAYABLES**	**Rs.**	Rs.
	Trade payables	**12,004,500**	18,350,742
	Accrued expenses	**11,995,782**	15,489,995
	Other Payble	**3,171,737**	1,400,000
	Welfare Fund	**-**	124,498
	VAT Payable	**3,266,810**	5,973,794
		30,438,829	41,339,029

		2026	2025
24	**INCOME TAX PAYABLE/ (RECEIVABLE)**	**Rs.**	Rs.
	Balance as at 1st April	**7,022,729**	8,074,826
	Income Tax Provision for the year	**9,781,524**	16,853,224
	Income Tax payments	**(17,556,057)**	(17,905,321)
	Balance as at 31st March	**(751,804)**	7,022,729

		2026	2025
25	**DIVIDEND PAYABLE**	**Rs.**	Rs.
	Balance as at 1st April	**788,527**	652,627
	Dividends declared during the year	**20,000,000**	10,000,000
	Payments made during the year	**(19,748,641)**	(9,864,100)
	Balance as at 31st March	**1,039,886**	788,527

26 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

Financial instruments measured subsequently on the ongoing basis either at fair value or amortized cost. The summary of material accounting policies describes how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognized.

The following is a description of how fair values are determined for financial instruments that are recorded at fair value using valuation techniques. These incorporate the company's estimate of assumptions that a market participant would make when valuing the instruments. The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques.

Level 1 : Category of financial assets that are measured in whole or in party by reference to published quotes in an active market

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The table below shows the carrying amounts and fair values of financial assets and financial liabilities,

As at 31st March 2026 (Rs.)	Note	Financial Assets at Amortised Cost	Financial Liabilities at Amortised Cost	Total	Fair Value			Total
					Level 1	Level 2	Level 3	
Financial Assets								
Trade and other receivables	15	**15,599,671**	**-**	**15,599,671**	-	**-**	**15,599,671**	**15,599,671**
Financial Assets measured at amortised cost	16	**19,296,383**	**-**	**19,296,383**	-	**-**	**19,296,383**	**19,296,383**
Cash and cash equivalents	17	**62,534,774**	**-**	**62,534,774**	-	**62,534,774**	**-**	**62,534,774**
		97,430,828	**-**	**97,430,828**	**-**	**62,534,774**	**34,896,054**	**97,430,828**
Financial Liabilities								
Lease liability on land	23	**-**	**6,734,461**	**6,734,461**	-	-	**6,734,461**	**6,734,461**
Trade payables	24	**-**	**12,004,500**	**12,004,500**	-	-	**12,004,500**	**12,004,500**
Other payables	24	**-**	**3,171,737**	**3,171,737**	-	-	**3,171,737**	**3,171,737**
		-	**21,910,698**	**21,910,698**	-	-	**21,910,698**	**21,910,698**

As at 31st March 2025 (Rs.)	Note	Financial Assets at Amortised Cost	Financial Liabilities at Amortised Cost	Total	Fair Value			Total
					Level 1	Level 2	Level 3	
Financial Assets								
Trade and other receivables	15	25,842,496	-	25,842,496	-	-	25,842,496	25,842,496
Financial assets measured at amortised cost	16	17,485,913	-	17,485,913	-	-	17,485,913	17,485,913
Cash and cash equivalents	17	66,559,034	-	66,559,034	-	66,559,034	-	66,559,034
		109,887,443	-	109,887,443	-	66,559,034	43,328,409	109,887,443
Financial Liabilities								
Lease liability	23	-	6,527,280	6,527,280	-	-	6,527,280	6,527,280
Trade payables	24	-	18,350,742	18,350,742	-	-	18,350,742	18,350,742
Other payables	24	-	1,524,498	1,524,498	-	-	1,524,498	1,524,498
		-	26,402,520	26,402,520	-	-	26,402,520	26,402,520

27 RELATED PARTY TRANSACTIONS

The Company carries out transactions in the ordinary course of its business with parties who are defined as related parties in Sri Lanka Accounting Standard (LKAS 24) - "Related party disclosures "

27.1 Transactions with Key Management Personnel (KMP)

According to Sri Lanka Accounting Standard (LKAS 24) - "Related party disclosures", Key Management personnel (KMP) are those having authority and responsibility for planning and controlling the activities of the entity. Accordingly, the Directors of the Company (including executive and non-executive directors) and their immediate family members have been classified as Key Management Personnel of the Company.

Key Management Personnel Compenstion

As at 31st March	2026 Rs.	2025 Rs.
Short term employee benefits	**8,100,000**	7,200,000
Post employment benefit	**-**	1,600,000
	8,100,000	8,800,000

No other transactions have taken place during the year, except as disclosed above, between the Company and its related parties.

28 Comparative Information

Comparative figures have been reclassified wherever necessary to conform with the current period's presentation in order to provide a better presentation.

29 FINANCIAL RISK MANAGEMENT

Overview

The Company has exposure to the following risks from its use of financial instruments.

1. Credit risk
2. Liquidity risk
3. Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Futher quantitative disclosures are included throughout this financial statement.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the risk management policies to identify and analyze the risks face by the Company 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 Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risk face by the Company. The 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 Board of Directors reviews, verifies, agree the policies for managing each type of risk which are summarized below.

29.1 Credit Risk

The Company trades only with recognized, creditworthy third parties. It is the Company’s policy that all clients who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company’s exposure to bad debts is not significant.

With respect to credit risk arising from the other financial assets of the Company, such as cash and cash equivalents, the Company’s exposure to credit risk arises from default of the counterparty. The Company manages its operations to avoid any excessive concentration of counterparty risk and the Company takes all reasonable steps to ensure that the counterparties fulfil their obligations.

The maximum risk positions of financial assets which are generally subject to credit risk are equal to their carrying amounts. Based on the review of their past performance and credit worthiness the Company has obtained deposits and advances from its major customers.

The requirement for impairment is analyzed at each reporting date on an individual basis for major customers. In order to mitigate settlement and operational risks related to cash and cash equivalents, the Company uses several banks with acceptable ratings for its deposits.

29.1.1 The maximum exposure to credit risk at reporting date

The Company's maximum exposure to credit risk as at the year end based on the carrying value of financial assets in the statement of financial position is given below. There were no off balance sheet exposure as at the year end date.

As at 31st March 2026	2026 Rs.	2025 Rs.
Trade Receivables	**12,177,959**	22,585,404
Other Receivables	**6,587,494**	4,119,734
Financial Assets Measured at Amortised Cost	**19,296,383**	17,485,913
Cash at Bank	**61,916,874**	65,162,092
	99,978,710	109,353,143

Mitigation of Credit Risk

Trade Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Company's customer base, including the default risk of the industry in which customers operate, as these factors may have an influence on credit risk.

The Company has established a credit policy under which each customer is analysed individually for creditworthiness, before the Company's standard payment and delivery terms and conditions are offered. Purchase limits are established for each customer, which represents the maximum open amount without requiring specific approval; these limits are reviewed annually.

The aging of trade receivables as at the end of the reporting period that were not impaired as follows.

Impairment of trade receivables

Impairment for trade receivables is established based on expected credit loss method. The main component of this allowance is a specific loss component that relates to individually significant exposures based on aging of the outstanding balance. The loss rate calculated based on the historical provision matrix is adjusted based on the future caliberated probability of default and the loss given default. Forward looking factors that affect customer default rates and macro economic data such as GDP is considered in calculating the probability of default.

Age analysis of trade receivables	Gross Receivables		Impairment Allowance		Carrying Value	
As at 31st March	2026	2025	2026	2025	2026	2025
Not due 0-30 days	**5,572,627**	14,344,264	**-**	-	**5,572,627**	14,344,264
Past due:						
30–60 days	**5,727,730**	5,608,242	**-**	-	**5,727,730**	5,608,242
61–120 days	**525,401**	2,231,412	**-**	-	**525,401**	2,231,412
121 above	**352,200**	401,486	**-**	-	**352,200**	401,486
Total Trade receivables	**12,177,959**	22,585,404	**-**	-	**12,177,959**	22,585,404

29 FINANCIAL RISK MANAGEMENT (CONTD.)

29.1.1 The maximum exposure to credit risk at reporting date (Contd.)

Cash & Cash Equivalents/ Investment in Fixed Deposit

The Company held cash at bank of approximately Rs. 61.9 Mn and fixed deposits of approximately Rs. 19.3 Mn as at 31st March 2026 (31st March 2025: Rs. 65.2Mn and Rs. 17.5Mn respectively) which represent its maximum credit exposure on these assets. The cash at bank and investment in fixed deposits with counterparties, which are rated AA-, based on fitch ratings.

29.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company's policy is to hold cash and undrawn committed facilities at a level sufficient to ensure that the company has available funds to meet its medium term capital and funding obligations and to meet any unforeseen obligations. The Company holds cash and undrawn committed facilities to enable the company to manage its liquidity risk.

The Company monitors its risk to a shortage of funds using a daily cash management process. This process considers the maturity of both the Company's financial investments and financial assets (e.g. accounts receivable, other financial assets) and projected cash flows from operations.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of multiple sources of funding including bank loans and overdrafts.

The following are the contractual maturities of the financial liabilities at its carrying value:

The following are the remaining contractual maturities of the financial liabilities at the reporting date.

As at 31st March 2026	Carrying amount (Rs.)	Contractual cash flows			
		Total (Rs.)	Less than 1 Year (Rs.)	1-2 years (Rs.)	2-5 years (Rs.)
Financial liabilities					
Lease Liability on Land	**6,734,461**	**26,257,889**	**672,000**	**1,344,000**	**24,241,889**
Trade Payables	**12,004,500**	**12,004,503**	**12,004,503**	**-**	**-**
Other Payables	**18,434,329**	**18,434,329**	**18,434,329**	**-**	**-**
Total	**37,173,290**	**56,696,721**	**31,110,832**	**1,344,000**	**24,241,889**

As at 31st March 2025	Carrying amount (Rs.)	Contractual cash flows			
		Total (Rs.)	Less than 1 Year (Rs.)	1-2 years (Rs.)	2-5 years (Rs.)
Financial liabilities					
Lease Liability on Land	6,527,280	27,585,070	1,960,000	2,055,181	23,569,889
Trade Payables	18,350,742	18,350,742	18,350,742	-	-
Other Payables	22,988,287	22,988,287	22,988,287	-	-
Total	47,866,309	68,924,099	43,299,029	2,055,181	23,569,889

Management of liquidity risk

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company has access to approved short-term financing facilities from commercial banks if required.

The Company monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables and it is estimated that the maturity of trade receivables as at the reporting date would occur in sufficient quantity and timing, given the historical trends, and currently available information which would enable the Company to meet its contractual obligations.

29 FINANCIAL RISK MANAGEMENT (CONTD.)

29.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates affecting the Company's income or the value of its holding instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. All such transactions are carried out within the guidelines set by the Company Management.

Market risk comprise of the following types of risk:

I. Currency risk
II. Interest rate risk

29.3.1 Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument fluctuating , due to changes in foreign exchange rates.

The Company, as at the reporting date , holds 'Financial Instruments' denominated in currencies other than its functional/presentation currency, hence dose not get exposed to currency risk arising from transaction of such balances in to the functional /presentation currency, which is Sri Lankan Rupee except for the following.

The Sri Lankan Rupee (LKR) experienced moderate volatility against the US Dollar (USD) during the financial year 2025/26.The exchange rate remained relatively stable during earlier part of the year, followed by a gradual depreciation of the LKR against the USD towards the latter part of the financial year. Overall, the LKR depreciated by approximately 6.2% against the USD during the financial year 2025/26. Given the observed volatility in the potential for further fluctuations in exchange rates, a 15% threshold has been applied for the foreign exchange sensitivity for the year.

	2026	2025
	USD	USD
HNB Foriegn	**61**	61
People's bank	**15,766**	1,773
People's bank fixed	**61,221**	59,006
	77,048	60,840

The company's exposure to currency risk as at the reporting date are as follows.

Conversion rate	**315**	296
Net Foreign Currency Cash and cash Equivalents in LKR	**24,284,828**	18,029,180
Impact of increase in 15% USD rate - USD denominated borrowings - gain / (loss)	**3,642,724**	2,704,377
Impact of decrease in 15% USD rate - USD denominated borrowings - gain / (loss)	**(3,642,724)**	(2,704,377)

Effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

29 FINANCIAL RISK MANAGEMENT (CONTD.)

29.3 Market risk (Contd.)

29.3.2 Interest rate risk profile

At the end of the reporting period, the interest rate profile of the Company's interest bearing financial instruments was as follows. There is no variable interest risk in the Company.

As at 31st March 2026	Fixed rate interest	Variable rate interest	Variable interest Loan Balance	Effect on Profit before Tax	
				Impact of 1% increase	Impact of 1% decrease
Financial liabilities					
Lease liability on Land	**6,734,461**	-	-	-	-
Interest-bearing borrowings	-	-	-	-	-
As at 31st March 2025					
Financial liabilities					
Lease liability on Land	6,527,280	-	-	-	-
Interest-bearing borrowings	-	-	-	-	-

30 CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain shareholder, creditor and market confidence and to sustain further development of the business. The Board of directors monitors the return on capital and level of dividends to ordinary shareholders.

The Company's debt to capital ratio at the end of the reporting period was as follows :

	2026 Rs.	2025 Rs.
Total Liabilities	**304,910,545**	229,206,022
Less: Cash and cash equivalents	**(62,534,774)**	(66,559,034)
Net Liabilities	**242,375,771**	162,646,987
Equity	**742,920,558**	524,044,933
Gearing ratio	**0.33**	0.31

31 EVENTS OCCURRING AFTER THE REPORTING DATE

Subsequent to the reporting period, no circumstances have arisen which would require adjustments to or disclosures in the financial statements.

32 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

There have been no Contingent Liabilities and Capital Commitments outstanding as at the reporting date except the following.

33 DIRECTORS RESPONSIBILITIES

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

BUSINESS REVIEW

Investor Information

Shareholder and market information as at 31 March 2026

DISTRIBUTION OF SHAREHOLDERS

Share Holding Category	2026			2025		
	No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%
1 to 1,000	725	114,529.00	0.57	553	70,829.00	0.33
1,001 to 10,000	104	366,131.00	1.84	63	235,933.00	1.20
10,001 to 100,000	31	726,590.00	2.12	18	477,759.00	2.27
100,001 to 1,000,000	6	2,805,724.00	14.03	6	3,013,733.00	15.19
Over 1,000,000	3	15,987,026.00	79.93	3	16,201,746.00	81.01
Total	**869**	**20,000,000.00**	**100.00**	**643**	**20,000,000.00**	**100.00**

SHARE PRICE MOVEMENTS DURING THE YEAR

	Quarter Ended				Year Ended	
Market Price	30.06.2025	30.09.2025	31.12.2025	31.03.2026	31.03.2026	31.03.2025
Highest Rs.	40.00	52.50	47.40	42.50	52.50	39.00
Lowest Rs.	26.50	33.90	35.00	31.20	26.50	24.40
Closing Rs.	35.10	46.80	37.80	33.50	33.50	28.00

BREAKDOWN OF SHAREHOLDERS BY CATEGORY

Category	2026	2025
Individual	846	625
Institutional	23	18
Total	**869**	**643**

Investor Information

Shareholder and market information as at 31 March 2026

SHAREHOLDING STRUCTURE

Number of shares in issue: 20,000,000 in both 2026 and 2025.

Shareholding	2026			2025		
	No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%
Public Holding	867	5,180,929.00	25.91	641	5,180,929.00	25.91
Directors Holding	1	12,938,371.00	64.69	1	12,938,371.00	64.69
Holding of 5% or More	1	1,880,700.00	9.40	1	1,880,700.00	9.40
Total	**869**	**20,000,000.00**	**100.00**	**643**	**20,000,000.00**	**100.00**

BUSINESS REVIEW

Investor Information

Shareholder and market information as at 31 March 2026

20 MAJOR SHAREHOLDERS

No.	Name of the Shareholder	No. of Shares	Shareholding (%)
1	Mr. K L Yeoh	12,938,371.00	64.69
2	Mr. I J A Karunarathna	1,665,980.00	8.33
3	Mr. P D Panagoda	1,382,675.00	6.91
4	Mrs. L D H Sigera	751,425.00	3.76
5	Ms. L D N Sigera	751,425.00	3.76
6	Mr. L S Sigera	741,427.00	3.71
7	Mr. P T Karunarathne	251,944.00	1.26
8	Mrs. H P Gin	190,130.00	0.95
9	Mr. A A P S K Karunarathne	119,373.00	0.60
10	Mr. T Igarashi	100,000.00	0.50
11	Mr. S D N G Hewabaranige	54,757.00	0.27
12	Mr. H A S Appuhami	48,536.00	0.24
13	Ms. R M I P Ranasinghe	30,692.00	0.15
14	Mr. G C Goonetileke	30,500.00	0.15
15	Global Stanford Campus Pvt Ltd	30,233.00	0.15
16	Mr. H U SHASANKA	27,016.00	0.14
17	Mr. N A Withana	26,200.00	0.13
18	Mr. P N C Gomes	25,000.00	0.13
19	Hettigoda City Pvt Ltd	25,000.00	0.13
20	Mr. N H Talgaswatte	25,000.00	0.13
		19,215,684.00	**96.09**
	Others	**784,316.00**	**3.91**
	Total	**20,000,000.00**	**100.00**

BUSINESS REVIEW

Investor Information

Shareholder and market information as at 31 March 2026

DIRECTORS' SHAREHOLDING

Name	No. of Shares	Shareholding (%)
Mr. K L Yeoh	12,938,371	64.69
Ms. Y S Lee	-	-
Mr. M George	-	-
Mr. M M M Amsath	-	-
Mr. B A N N K Perera	-	-
Mr. J T D David	-	-
Mr. S J Chandrasena	-	-
Mr. L K Loo	-	-
Total	**14,302,399**	**64.69**

Summary of Past Ten Years

Financial years 2016/17 to 2025/26

	2025/26	2024/25	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17
TRADING RESULTS Rs.000										
Revenue	212,749	242,266	198,984	122,303	47,565	14,025	110,235	141,449	127,305	125,334
Profit before income Tax	21,535	44,747	25,871	7,543	1,979	-25,861	12,769	33,351	24,221	16,609
Income Tax	-14,505	-14,782	-9,222	-19,295	1,501	1,766	-4,671	8,203	-5,985	-2,765
Profit after taxation	7,030	29,964	16,649	-11,751	3,480	-24,095	8,097	25,147	18,236	13,844
SHARE CAPITAL AND RESERVES Rs.000										
Stated Share capital	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Reserves	757,020	423,523	411,807	395,585	480,220	291,105	314,573	315,902	300,512	317,634
Shareholders' Funds	857,020	523,522	511,808	495,585	580,220	391,105	414,573	415,902	400,512	417,634
ASSETS EMPLOYED Rs.000										
Current Assets	108,220	118,123	79,296	51,331	18,916	9,849	24,477	50,520	39,290	43,440
Current Liabilities	36,120	49,744	42,212	31,186	22,128	21,487	21,243	28,861	24,593	25,926
Non-Current Assets	966,960	628,580	651,719	653,856	674,093	466,461	474,994	454,984	446,803	432,055
Long term Liabilities	182,040	179,496	176,996	178,416	90,661	63,718	63,654	60,741	60,988	31,934
RATIOS & STATISTICS										
Number of Shares (000)	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Basic Earnings /(Loss) per share	0.35	1.5	0.83	-0.59	0.17	-1.2	0.4	1.26	0.91	0.69
Net Assets Value per share Rs.	42.85	26.18	25.59	24.78	29.01	19.56	20.7	20.8	20.02	20.88
Current Ratio (Times)	3	2	1.9	1.6	0.86	0.46	1.15	1.75	1.6	1.68
Dividend Payout Ratio	2.85	0.04	-	-	-	-	1.25	0.4	0.55	0.72
Dividend Paid per share Rs.	1	0.5	-	-	-	-	0.5	0.5	0.5	0.5

STATUTORY INFORMATION

Corporate Information

Name of the Company	Ramboda Falls PLC
Status & Legal Form	A quoted Public Company with limited liability incorporated in Sri Lanka
Company Registration No.	PV/PB 8234 PQ
VAT Registration No.	114173339-7000
Registered Office	No. 76, Rock Fall Estate, Nuwara-Eliya Road, Ramboda, Sri Lanka. Web: www.rambodafalls.com Email: rambodafall@gmail.com
Board of Directors	Mr. Kim Leng Yeoh - Managing Director/CEO Mr. L K Loo - Non Executive Chairman Mr. Mathews George - Executive Non-Independent Director Ms. Yau Sin Lee - Non-Executive Non-Independent Director Mr. B A N N K Perera - Non-Executive Independent Director Mr. John Tyrone Dayalan David - Non-Executive Independent Director Mr. M M M Amsath - Non-Executive Senior Independent Director
Secretaries & Registrars	SSP Corporate Services (Pvt) Limited, No. 101, Inner Flower Road, Colombo 03.
External Auditors	M/s. KPMG, Chartered Accountants, 32A, Sir Mohamed Macan Markar Mawatha, P. O. Box 186, Colombo 03.
Internal Auditors	M/s. UHY Centra Management Associates, Chartered Accountants, No. 25, Simon Hewavitharana Road, Colombo 03.
Bankers	Hatton National Bank PLC Sampath Bank PLC Peoples' Bank

Note: With the appointment of Mr. L. K. Loo as the Non Executive Chairman, Mr. Amsath stepped down from the position of Senior Independent Director.

RAMBODA FALLS PLC

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF RAMBODA FALLS PLC WILL BE HELD AT THE MARADHA HOTEL, NO. 31, ST. KILDA'S LANE, MARINE DRIVE, COLOMBO 03 AS A HYBRID MEETING ON 25TH SEPTEMBER 2026 AT 10.00 A.M.

AGENDA

1. To receive and consider the Annual Report of the Board of Directors on the Affairs of the Company and the Audited Financial Statements for the year ended 31 March 2026 with the Report of the Auditors thereon.

2. To elect Mr. Bulathsinghala Arachchige Nipul Nishantha Kumara Perera who in terms of Article 85 of the Articles of Association of the Company retires by rotation at the Annual General Meeting as a Director.

3. To elect Mr. John Tyrone Dayalan David who in terms of Article 85 of the Articles of Association of the Company retires by rotation at the Annual General Meeting as a Director.

4. To re-appoint Mr. Kim Leng Yeoh, who has attained the age of 70 years, in compliance with Section 211 of the Companies Act No. 07 of 2007 and to pass the following Resolution.

   Ordinary Resolution

   "It is hereby resolved that Mr. Kim Leng Yeoh who has attained the age of 70 years be and is hereby re–appointed as a Director of the Company and that it is hereby declared as provided for in Section 211 of the Companies Act No. 07 of 2007, that the age limit of 70 years referred to in Section 210 of the said Companies Act shall not apply to Mr. Kim Leng Yeoh."

5. To re-appoint Ms. Yau Sin Lee, who has attained the age of 70 years, in compliance with Section 211 of the Companies Act No. 07 of 2007 and to pass the following Resolution.

   Ordinary Resolution

   "It is hereby resolved that Ms. Yau Sin Lee who has attained the age of 70 years be and is hereby re–appointed as a Director of the Company and that it is hereby declared as provided for in Section 211 of the Companies Act No. 07 of 2007 that the age limit of 70 years referred to in Section 210 of the said Companies Act shall not apply to Ms. Yau Sin Lee."

6. To re-appoint Mr. Mathews George who has attained the age of 70 years, in compliance with Section 211 of the Companies Act No. 07 of 2007 and to pass the following Resolution.

   Ordinary Resolution

   "It is hereby resolved that Mr. Mathews George who has attained the age of 70 years be and is hereby re–appointed as a Director of the Company and that it is hereby declared as provided for in Section 211 of the Companies Act No. 07 of 2007 that the age limit of 70 years referred to in Section 210 of the said Companies Act shall not apply to Mr. Mathews George."

7. To re-appoint Mr. Lee Kiyau Loo who has attained the age of 70 years, in compliance with Section 211 of the Companies Act No. 07 of 2007 and to pass the following Resolution.

RAMBODA FALLS PLC

NOTICE OF ANNUAL GENERAL MEETING

Agenda (Cont.)

Ordinary Resolution

"It is hereby resolved that Mr. Lee Kiyau Loo who has attained the age of 70 years be and is hereby re–appointed as a Director of the Company and that it is hereby declared as provided for in Section 211 of the Companies Act No. 07 of 2007 that the age limit of 70 years referred to in Section 210 of the said Companies Act shall not apply to Mr. Lee Kiyau Loo."

8. To re-appoint M/s. KPMG, Chartered Accountants as Auditors to the Company for the ensuing year and authorize the Directors to determine their remuneration.

9. To authorize and grant approval to the Board of Directors to determine and grant any donations and contributions as may be considered appropriate during the financial year 2026 / 2027.

BY ORDER OF THE BOARD OF
RAMBODA FALLS PLC
S S P CORPORATE SERVICES (PRIVATE) LIMITED

SECRETARIES
Colombo
Date: 31st August 2026

RAMBODA FALLS PLC

FORM OF PROXY

I/We*............……....................………...holder of National Identity Card No. ....of …………………………...……………………………………………… …..being member/*members of Ramboda Falls PLC hereby appoint Mr./Ms.………………………………….

……………………...……...……………………………………..holder of National Identity Card No……………….……………..of…………………..……………………………………………..or failing him/her.

Mr. L.K. Loo	or Failing Him
Mr. K.L. Yeoh	or Failing Him
Ms. Y.S. Lee	or Failing Her
Mr. B.A. N.N.K Perera	or Failing Him
Mr. J.T.D. David	or Failing Him
Mr. M.M.M. Amsath	or Failing Him
Mr. M. George	or Failing Him

as my/*our Proxy to represent me/*us and to vote as indicated below on my/*our behalf at the Annual General Meeting of the Company to be held as a Hybrid Meeting on 25th September 2026 and at any adjournment thereof and at every poll which may be taken in consequence of the aforesaid Meeting.

	FOR	AGAINST
1. To receive and consider the Annual Report of the Board of Directors on the Affairs of the Company and the Audited Financial Statements for the year ended 31st March 2026 with the Report of the Auditors thereon.	☐	☐
2. To elect Mr. Bulathsinghala Arachchige Nipul Nishantha Kumara Perera who in terms of Article 85 of the Articles of Association of the Company retires by rotation at the Annual General Meeting as a Director.	☐	☐
3. To elect Mr. John Tyrone Dayalan David who in terms of Article 85 of the Articles of Association of the Company retires by rotation at the Annual General Meeting as a Director.	☐	☐

RAMBODA FALLS PLC

FORM OF PROXY

4. To re-appoint Mr. Kim Leng Yeoh, who has attained the age of 70 years, in compliance with Section 211 of the Companies Act No. 07 of 2007 and to pass the following Resolution.

   Ordinary Resolution

   "It is hereby resolved that Mr. Kim Leng Yeoh who has attained the age of 70 years be and is hereby re– appointed as a Director of the Company and that it is hereby declared as provided for in Section 211 of the Companies Act No. 07 of 2007 that the age limit of 70 years referred to in Section 210 of the said Companies Act shall not apply to Mr. Kim Leng Yeoh."

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RAMBODA FALLS PLC

FORM OF PROXY

Ordinary Resolution

"It is hereby resolved that Mr. Lee Kiyau Loo who has attained the age of 70 years be and is hereby re–appointed as a Director of the Company and that it is hereby declared as provided for in Section 211 of the Companies Act No. 07 of 2007 that the age limit of 70 years referred to in Section 210 of the said Companies Act shall not apply to Mr. Lee Kiyau Loo."

8. To re-appoint M/s. KPMG, Chartered Accountants as Auditors to the Company for the ensuing year and authorize the Directors to determine their remuneration. ☐ ☐

9. To authorize and grant approval to the Board of Directors to determine and grant any donations and contributions as may be considered appropriate during the financial year 2026 / 2027 ☐ ☐

As witness setting my/our hand/s this …………………. day of ………… Two Thousand and Twenty-Six (2026).

Signature ……….………………

NIC/Passport/Company Reg. No. of Shareholder/s ....

Note:

Instructions as to completion appear on the reverse hereto. Please delete the inappropriate words, and mark 'X' in the appropriate cages to indicate your instructions as to voting.

A proxy need not be a member of the Company.

INSTRUCTIONS AS TO COMPLETION OF FORM OF PROXY

1. Kindly perfect the Form of Proxy by filling in legibly your full name and address, your instructions as to voting, by signing in the space provided and filling in the date of signature.

2. Please indicate with an 'X' in the cages provided how your proxy is to vote on the Resolutions. If no indication is given the Proxy in his/her discretion may vote as he/she thinks fit.

3. The completed Form of Proxy should be deposited at the Registered Office of the Company, No.76, Rock Fall Estate, Nuwara Eliya Road, Ramboda not less than 48 hours before the time appointed for holding the meeting.

4. If the form of proxy is signed by an attorney, the relative Power of Attorney should accompany the completed Form of Proxy for registration, if such Power of Attorney has not already been registered with the Company.

Note:

If the shareholder is a Company or body corporate, Section 138 of the Companies Act No. 07 of 2007 applies to shareholders of Ramboda Falls PLC and Section 138 provides for representation of Companies at meeting of other Companies. A Corporation, whether a Company within the meaning of this Act or not, may where it is a member of another corporation, being a company within the meaning of this Act, by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company. A person authorised as aforesaid shall be entitled to exercise the same power on behalf of the Corporation which it represents as that Corporation could exercise if it were an Individual shareholder of that other Company.

RAMBODA FALLS PLC

ANNUAL REPORT 2025/2026

Resilience • Prudence • Sustainable Hospitality

Creating memorable hospitality experiences while pursuing responsible growth, sound stewardship and long-term value.

Ramboda Falls PLC

No. 76, Rock Fall Estate

Nuwara-Eliya Road, Ramboda, Sri Lanka

rambodafall@gmail.com

www.rambodafalls.com